

SUSTAINABILITY REPORT / 2022



LINDSEA[®]
HOMES
Live in your element[®]

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WEBSITE LANDING PAGE

1.1 Landsea's Commitment to Sustainability

At Landsea Homes, environmental, social and governance (ESG) principles are woven throughout our deep-rooted commitment to sustainability. We build in a responsible manner using the latest technological advances that make life easier, provide energy savings and allow homeowners to live healthier, all of which are reflected in our High Performance Homes. Our company is built on a foundation of integrity and trust, and we embrace the benefits that our sustainability approach provides to our team, our customers and the communities that we create. We believe that our commitment to being ethical business partners, stewards of the environment, champions of our employees and responsible members of our communities serves as the cornerstone for creating long-term stakeholder value and achieving sustainable business success.



1.2 Message from Our CEO



“Landsea Homes is proud to provide one of the most essential needs of our communities—new homes. Since our founding, sustainability has been one of our guiding principles and highest priorities. Our commitment to acting with integrity, supporting our team, building thriving communities and exercising environmental stewardship have long been embedded within strategic planning across our business operations to create long-term value for our stakeholders. Each year, we strive to improve and increase our implementation of the latest sustainable innovations to provide our homebuyers with cutting-edge designs, a healthier lifestyle and best-in-class, energy-efficient homes.”

JOHN HO, *CHIEF EXECUTIVE OFFICER*

WEBSITE LANDING PAGE

1.3 Our Sustainability Approach

The principles of sustainability have been embedded in our approach to business since the completion of our very first home nearly a decade ago. There are four key pillars of focus for Landsea's sustainability program: Governance, Our Team, Social Responsibility and Environmental Sustainability. We believe that our efforts in these areas give us a competitive advantage and create long-term value for our employees, customers, investors and communities.

Our reporting summarizes our approach to business operations and describes our progress in the ESG areas most relevant to our business. We have aligned our

reporting with the Sustainability Accounting Standards Board (SASB) Standards for the homebuilding industry. As we begin our sustainability-reporting journey, we are intentionally working toward providing disclosures and metrics that align with SASB Standards. We also reference several United Nations Sustainable Development Goals (SDGs) that we believe are most strongly aligned with our business activities and key priority areas.

GOVERNANCE



We are committed to a culture of responsibility, integrity and ethical business conduct, maintaining sound governance and compliance practices that build long-term value and trust with our stakeholders.

[LEARN MORE](#)

OUR TEAM



We aim to enrich our team by providing a positive environment in which employees can expand their skills, grow toward their goals and achieve more together.

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SOCIAL RESPONSIBILITY



We drive positive social impact through our commitment to provide quality, affordable and financially accessible homes and to strengthen the communities where we build and operate.

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ENVIRONMENTAL SUSTAINABILITY



We are focused on sustainable, energy-efficient and eco-friendly building practices that result in a lighter environmental impact, lower resource consumption and a reduced carbon footprint.

[LEARN MORE](#)

[Governance Documents](#)

[Sustainability Accounting Standards Board \(SASB\)](#)

[United Nations Sustainable Development Goals \(SDGs\)](#)

WEBSITE LANDING PAGE

1.4 Awards and Recognition

- 2022 BUILDER Magazine – Builder of the Year
- 2022 and 2023 BUILDER Magazine – Builder 100 List
- 2022 Orange County (OC) Business Journal – OC 500 List: John Ho
- 2022 Golden Nugget Award – Best Single-Family Detached Home (Elmwood at ShadeTree, Ontario)
- 2023 Orange County Business Journal
Best of OC for Best New Home Builder (Top 3)
- Eliant Homebuyers' Choice Awards – The Eliant Award 2020

1.5 Forward-Looking Statements

This sustainability report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934, as amended. When used in this report, the words “estimated,” “anticipated,” “expect,” “believe,” “intend,” “continue,” “should,” “may,” “likely,” “plans” and similar expressions are intended to identify forward-looking statements. Forward-looking statements include discussions of our business and portfolio; future operations and results; the announcement of results, strategy, plans and the intentions of management; and trends in our business. Forward-looking statements are subject to risks, uncertainties and assumptions about us, which may cause our actual future results to differ materially from expected results. Some of the factors that could cause actual results to differ materially are, among others, general domestic and foreign business and economic or financial conditions; competition; fluctuating interest and currency rates; inflation and its impact on our clients and us; access to debt and equity capital markets and other sources of funding; continued volatility and uncertainty in the credit markets and broader financial markets; other risks inherent in the real estate business, including potential liability relating to environmental matters, illiquidity of real estate investments, construction defect claims and potential

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of the YEAR

damages from natural disasters; impairments in the value of our real estate assets; changes in domestic income tax laws and rates; property ownership and development through joint ventures and partnerships, which may limit control of the underlying investments; the continued evolution of the COVID-19 pandemic or future epidemics or pandemics, the measures taken to limit their spread and the impacts on us, our business, our clients (including those in the theater and fitness industries) or the economy generally; the loss of key personnel; the outcome of any legal proceedings to which we are a party or which may occur in the future; acts of terrorism and war; and those additional risks and factors discussed in our reports filed with the U.S. Securities and Exchange Commission. Readers are cautioned not to place undue reliance on forward-looking statements. Those forward-looking statements are not guarantees of future plans and performance and speak only as of the date of this report. Actual plans and results may differ materially from what is expressed or forecasted herein. We do not undertake any obligation to update forward-looking statements or publicly release the results of any forward-looking statements that may be made to reflect events or circumstances after the date these statements were made.

GOVERNANCE

2. GOVERNANCE

We are committed to a culture of responsibility, integrity and ethical business conduct, maintaining sound governance and compliance practices that build long-term value and trust with our stakeholders.

In This Section:

- Corporate Governance and Business Ethics
- Risk Management
- Cybersecurity and Customer Privacy
- Supplier and Trade Partner Management

2.1 Corporate Governance and Business Ethics

Board Oversight:

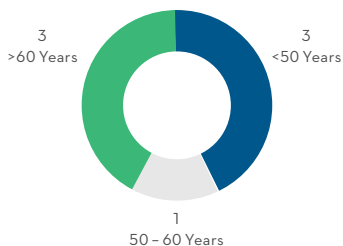
Landsea's Board of Directors (Board) adopted our Corporate Governance Guidelines (Guidelines) as a framework for its governance responsibilities. The Nominating and Governance Committee (NGC) reviews the Guidelines annually and recommends changes to the Board as appropriate.

We believe that the effectiveness of our governance framework is largely a function of our qualified, experienced and diverse Board that is focused on driving Landsea's long-term success. The Board and the NGC actively seek to achieve a diversity of occupational and personal backgrounds on the



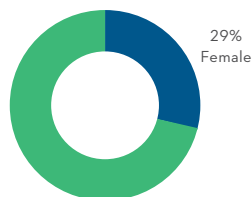
Board, including diversity with respect to demographics such as gender, race, ethnic and national background, geography, age and sexual orientation. The NGC includes women and minorities in the recruitment pool of director candidates.

AGE

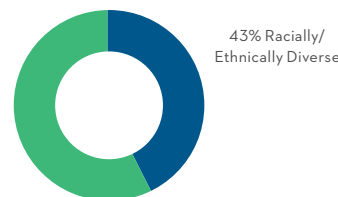


DIVERSITY

GENDER DIVERSITY



RACIAL/ETHNIC DIVERSITY

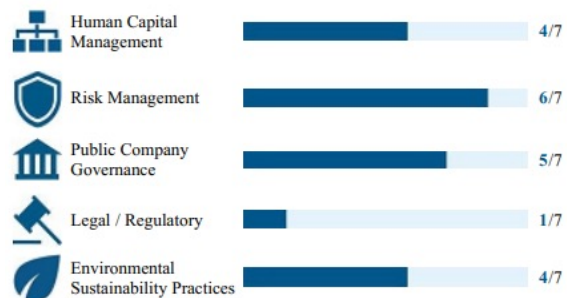
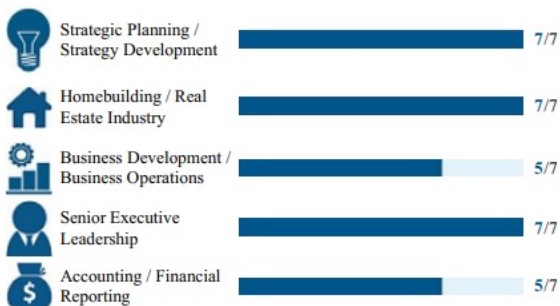


GOVERNANCE

2.1 Corporate Governance and Business Ethics

Board Oversight

Our directors collectively hold the skills, experience, characteristics and other criteria identified by the NGC as desirable for the Board in light of our current business, as highlighted below:



Business Ethics and Compliance

Code of Business Conduct and Ethics

Landsea is an organization with strong values of responsibility and integrity. The NGC oversees Landsea's compliance program with respect to legal and regulatory requirements, including the Code of Business Conduct and Ethics (Code) and the policies and procedures for monitoring compliance. All directors and employees are expected to abide by our Code, which helps drive our culture of honesty, ethical conduct, compliance and integrity. The Chief Compliance Officer meets with the NGC at least annually to review the implementation and effectiveness of the corporate compliance program and communicates directly and promptly with the NGC about actual and alleged violations of law or the Code.

All full-time, part-time and contract employees are required to complete compliance training on our Code during onboarding, reviewing the following key areas:

- Confidential or proprietary information
- Fair dealings with customers, suppliers, competitors and employees

- Conflicts of interest
- Anti-money laundering, anti-bribery and anti-corruption
- Related-party transactions
- Business entertainment and gifts
- Internal accounting controls, business audits and record-keeping
- Fair, accurate, timely and understandable disclosures and financial reporting
- Compliance with applicable governmental laws, rules and regulations
- Insider information and securities trading

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Code of Business Conduct and Ethics

GOVERNANCE

Business Ethics and Compliance Cont. Reporting and Accountability

Landsea is committed to creating an environment where open and honest communications are the expectation, not the exception. We have established mechanisms for reporting ethical concerns and alleged misconduct, such as fraud, conflicts of interest or unlawful discrimination. Landsea keeps all reports confidential and provides whistleblower protection with a strict anti-retaliation policy that prohibits taking or threatening disciplinary or other retaliatory action against any employee for reporting in good faith or assisting in the investigation of ethical concerns.

Information about how to report potential misconduct is included in the Code and communicated to employees through various channels. We encourage employees to discuss potential misconduct with their supervisors, management or human resources department. We also provide a confidential hotline hosted by an independent third party for instances in which employees prefer to remain anonymous or ask for guidance related to policies

Regulatory Compliance and Environmental Laws

It is our obligation and policy to comply with applicable governmental laws, rules and regulations. All directors, officers and employees are expected to understand, respect and comply with all of the laws, regulations, policies and procedures that apply to their positions with the company.

Political Contributions and Government Affairs

The Board oversees Landsea's policies and practices regarding political contributions. No director, executive, officer or employee is authorized to use company funds for contributions of any kind to any political party or committee in the U.S. or to any candidate for or holder of any office of government—national, state or local. In countries other than the U.S., such contributions may be made only with the prior approval of the General Counsel.

and procedures. Our Legal Team tests the whistleblower hotline at least once every six months to ensure the system is working properly and periodically receives reports of potential misconduct across all reporting channels and escalates as warranted.

The Chief Legal Officer (CLO) evaluates reports received to assess the nature, scope and impact of the potential misconduct. The CLO promptly escalates significant reports of potential misconduct to the Audit Committee, which then determines the manner in which each significant report is to be investigated.

The CLO provides the Audit Committee with significant reports received and associated investigations and meets with the Audit Committee at least annually to report on the implementation and effectiveness of the corporate compliance program.

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[Audit Committee Complaint Procedures](#)

We comply with applicable environmental laws. Environmental managers are required to understand applicable environmental laws that affect our businesses and conduct and to assist in audits.

Landsea is a member of local industry associations, such as the Building Industry Association and the Home Builders Association of Central Arizona, whose core missions are to promote and protect the building industry. Along with other homebuilders, our membership helps to support building associations' multifaceted approach to government affairs, public relations and professional development as a leading national advocate for the building industry.

GOVERNANCE

Oversight of Sustainability and ESG

Our Board works closely with our management team to oversee sustainability and ESG at Landsea, both directly and through its standing committees for priority areas of the program associated with their respective areas of responsibility. More than 50% of our Board has sustainability experience, specifically in supporting or overseeing corporate improvements in the environmental performance and reducing the potential environmental impacts of a business and its products and/or operations.

The Board appointed the NGC with primary oversight of Landsea's sustainability and ESG risk management, strategy, initiatives and policies, including communications with employees, investors and other stakeholders regarding sustainability and ESG matters. The NGC periodically provides

Stakeholder Engagement

We believe that creating value for Landsea's stakeholders is critically important for our long-term business success. We view our stakeholders as those most impacted by our business both internally and externally—our customers, employees, investors, trade partners and communities. We frequently engage with these stakeholders on a regular

2.2 Risk Management

The Board oversees corporate processes for assessing and managing risk. Both the Audit Committee and the Board are actively involved in risk oversight and receive reports on risk management activities from our executive management team on a regular basis. Members of both the Audit Committee and the Board also engage in periodic discussions with members of management, as they deem appropriate, to review and address the proper management of Landsea's risks.

While the Audit Committee has primary responsibility for risk oversight, each Board committee oversees the risks associated with its respective areas of responsibility, as follows:

reports to the Board on sustainability and ESG matters.

In March 2022, the NGC established a Board subcommittee, the ESG Committee, to strengthen its oversight responsibilities of Landsea's current ESG status, sustainability reporting and utilization of existing operational resources.

At a management level, our ESG Working Group plays a key role in championing and governing our overall sustainability strategy and priorities. The ESG Working Group is directed by the Vice President of Innovation and Sustainability and is composed of cross-functional, subject-matter experts who meet at least monthly to develop and drive the implementation of company-wide sustainability efforts and stakeholder communications.

basis to help build a deeper understanding of key ESG topics and accelerate progress on our initiatives. Our engagement includes a mix of two-way conversation, collaboration and transparent disclosure so we can continually learn and use their input to inform, shape and execute our sustainability strategy.

- **AUDIT COMMITTEE:** Financial reporting, compliance, information technology and cybersecurity
- **COMPENSATION COMMITTEE:** Compensation policies and programs applicable to officers and employees
- **NGC:** Corporate governance, succession planning and ESG

Our executive management team also monitors and implements policies for risk management and periodically reports on these matters to the Board and relevant Board committees.

GOVERNANCE

2.3. Cybersecurity and Customer Privacy

We view Landsea's responsibility and oversight of enterprise data security, customer privacy and business continuity practices as essential to ensuring our long-term operational sustainability and business success. Our Information Technology (IT) team oversees our

Controls and Certifications

We provide centralized controls for our data and shared data, thus eliminating the need for third-party file-sharing systems and advanced security with real-time malware protection and blocking. We utilize a third-party enterprise file system and multi-cloud-based storage and maintain industry-standard certifications, including the International Organization for Standardization's (ISO) information security standard 27001 as well as standard 27018. We also maintain active SOC 2 Type II compliance.

Training and Awareness

Our Cybersecurity Awareness Policy provides the framework for Landsea users' required training on how to identify and prevent the risks of cybersecurity threats. The policy is designed to ensure that Landsea's IT systems and data are appropriately safeguarded and to provide a consistent guide for cybersecurity awareness. All users

Incident Response Policy

We have an Incident Response Policy (IRP) in place with the purpose of ensuring the confidentiality, integrity and availability of Landsea's IT-related resources. Landsea's Incident Response Team actively monitors for potential security issues or incidents utilizing technology, when applicable, to proactively identify and manage issues or incidents. In the event an incident occurs, the IRP outlines the process to mitigate the incident and to ensure that future incidents are reduced.

cybersecurity program to diligently guard against any compromise of our data security and customers' confidential information and provides updates to the Audit Committee semiannually.

We have various tools in place to monitor and protect Landsea's data security. We have processes and procedures for virus and intrusion protection, user access and malware prevention. Our Privacy Policy describes how we collect and use customers' personal information and specifies their data privacy rights. Landsea does not sell the customer information collected and allows customers to request or delete their information.

are required to complete cybersecurity training during onboarding and annually thereafter. We also provide simulated phishing campaigns, giving administrators data on successful attempts to allow for education of targeted users.

Members of the Incident Response Team provide accelerated problem notification, containment and recovery services in the event of an incident. All incidents are handled with the involvement and cooperation of the Vice President of IT and the Infrastructure Manager.

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[Privacy Policy](#)
[Term of Use](#)

GOVERNANCE

2.4. Supplier and Trade Partner Management

We work with our suppliers and business partners to reduce environmental impacts across our supply chain and homebuilding practices. As part of our vendor evaluation process, we confirm that our suppliers meet our required specifications for environmentally friendly construction practices and build features required by relevant municipalities, such as the use of recycled homebuilding products or waste disposal protocols.

National and regional supplier agreements are procured at the corporate level and executed at the divisional level. Divisions resource local suppliers through divisional

oversight and decision-making. Individual divisions provide formal supplier assessments and onboarding processes for new suppliers and partners.

Subcontractors must identify hazardous or toxic substances to Landsea prior to the start of project development, including the safety precautions necessary to protect people, property and the environment. We conduct operating-facility tours and on-site social and quality audits of our critical suppliers and trade partners on a periodic basis.

OUR TEAM

3. OUR TEAM

We aim to enrich our team by providing a positive environment in which employees can expand their skills, grow toward their goals and achieve more together.

In This Section:

- Benefits and Well-being
- Training and Talent Development
- Diversity, Equity and Inclusion
- Employee Health and Safety

Our mission is to enrich the lives of not only our customers but also our employees. We aim to provide a work environment that is meaningful, with opportunities for employees to be challenged, use highly valued skills and experience and be surrounded by talented, motivated people. At Landsea, creativity is welcomed, forward-thinking is encouraged and collaboration is what makes the magic happen each and every day.

As of December 31, 2022, Landsea Homes employed 458 employees, of which 454 were full time, including corporate staff, supervisory personnel of construction projects and warranty service personnel for completed projects, as well as persons engaged in administrative, finance and accounting, human resources, legal and sales and marketing activities.

3.1. Benefits and Well-Being

From providing competitive salaries and comprehensive benefits packages to providing continual opportunities for growth, we are invested in our employees now and into the future. We support our employees with a comprehensive benefits portfolio, including health insurance benefits, a retirement plan, vacation days and sick leave, as well as the following:

- Family leave and childcare leave
- Bereavement leave
- Disability leave of absence
- Military leave
- Domestic violence and sexual assault leave
- Time off for voting
- Time off to volunteer
- Tuition reimbursement
- Organ and bone marrow donation
- Gym membership reimbursement



OUR TEAM

Mental Health and Well-Being

We support our employees' mental health through an Employee Assistance Program (EAP), which includes face-to-face sessions assisting with emotional well-being, family and relationships and legal and financial matters. In addition, we have partnerships providing employee access to online mental health resources through our insurance carrier partners.

Our health insurance carrier has a dedicated web portal with support on topics such as controlling anxiety, managing stress, talking about mental health, practicing gratitude

and more. The portal and EAP can also connect members with mental health professionals.

The EAP can also provide resources on topics such as parenting and childcare; grief counseling; eldercare; relationships; and work, career and legal and financial matters, all of which can impact one's mental health and well-being.

3.2. Training and Talent Development

We continually look to foster professional growth for our employees through ongoing learning to drive talent development and spark inspiration and innovation.

Performance Feedback and Career Advancement

Managers evaluate employees' professional goals for internal promotion and monitor employees' progress throughout the year. Employee compensation is determined based on industry benchmarks and cost-of-living factors. Bonus incentives are paid out based on division performance and individual performance goals.

Performance Feedback and Career Advancement

Landsea prides itself on offering a holistic approach to employee development with an emphasis on learning and advancement so that employees can better themselves professionally and personally. We recommend and promote continuing education for all employees and offer tuition reimbursement for job-related curriculum. We reimburse educational expenses up to \$2,000 per year to regular full-time employees who have completed at least one year of service. Eligible employees are reimbursed for educational expenses for courses of study that enhance their potential for career advancement with Landsea.

Talent Retention

We focus significant attention on attracting and retaining talented and experienced individuals to manage and support our operations, and our Management Team routinely reviews employee-turnover rates at various levels of the organization. As of December 31, 2022, with a 12-month lookback period, Landsea had a voluntary turnover rate of approximately 27.7%.

OUR TEAM

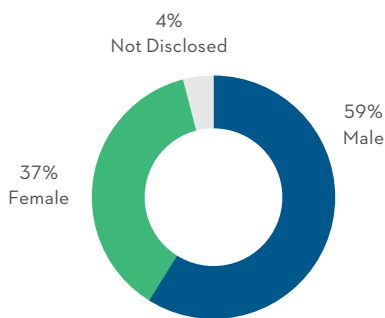
3.3. Diversity, Equity and Inclusion

Landsea is composed of a highly talented employee base, including people of all ages, stages and backgrounds of life. The diversity of our employees is a tremendous asset. Inclusivity and diversity matter to us. We believe that no one job is more important than the other and that only together can we make Landsea as successful as it is today.

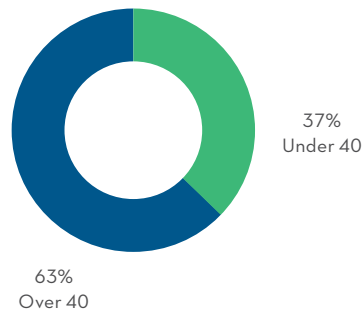
We provide equal opportunity in all aspects of employment and will not tolerate discrimination or harassment of any kind. Derogatory comments based on racial or ethnic characteristics, unwelcome sexual advances and similar behavior are prohibited. In addition, all employees are required to complete harassment prevention training during their introductory period and annually thereafter, with extended course requirements for managers.

Company policy prohibits discrimination based on race, color, religion, sex, gender expression, gender identity, transgender status, gender dysphoria, ethnicity, marital or domestic partnership status, familial status, caregiver status, age, national origin or ancestry, qualified physical or mental disability, legally protected medical condition, pregnancy, sexual orientation, military or veteran status or any other consideration made unlawful by federal, state or local laws.

GENDER



AGE



Employee data is as of December 31, 2022.

We are working to advance the collection of Landsea's workforce ethnicity data through additional employee self-identification and plan to provide this information in future reports.

- 0.02% American Indian or Alaska Native
- 2% Asian
- 2% Black
- 9% Hispanic/Latino
- 0.07% two or more races
- 32% White
- 53% not disclosed

OUR TEAM

3.4. Employee Health and Safety

We strive to provide a safe and healthful work environment by following safety and health rules, practices and laws and promptly reporting accidents, injuries and unsafe equipment, practices or conditions to a supervisor or more senior manager. We do not permit violence or threatening behavior in our workplaces. We report to work in condition

Training and Compliance

Landsea actively trains its employees and management in workplace safety and related laws and regulations. We utilize a third-party vendor to ensure compliance with the Division of Occupational Safety and Health (DOSH), better known as Cal/OSHA, and federal OSHA safety requirements. Internally, our Safety Committee meets quarterly to review employee-safety protocols.

to perform our duties at our best, free from the influence of illegal drugs or alcohol. All employees have access to a dedicated 24-hour Nurse Triage Hotline in the event of a workplace injury, through which a registered nurse provides immediate triage of care.

With respect to compliance with employment-related laws and regulations, we continuously provide management training on leadership development; the progressive discipline process; and updates on labor laws, protected leaves and wage and hour rules. In addition, each of our employees is required to complete harassment prevention training. Field team members (construction, warranty and development) are required to complete mandated OSHA training, safety certifications and awareness training.

SOCIAL RESPONSIBILITY

4. SOCIAL RESPONSIBILITY

We drive positive social impact through our commitment to provide quality, affordable and financially accessible homes and to strengthen the communities where we build and operate.

In This Section:

- Affordable Housing
- Home Quality and Safety
- Customer Satisfaction and Sales Ethics
- Giving Back to Our Communities

4.1. Affordable Housing

Entry-Level, Attainable Price Points

Our company began with housing developments in some of the more expensive, high-profile markets in the U.S.—New York and California. Since 2020, we have expanded our construction footprint to Florida, Texas, Colorado and Arizona and broadened our portfolio to include more affordable and financially accessible housing options. While we offer a wide range of housing options, we primarily focus on entry-level and first-time move-up homes. Our attached, high-density housing in certain markets enables us to keep our entry-level price point attainable and within reach of more new homebuyers. We believe that our high concentration in entry-level homes positions us well to meet changing market conditions while strategically reducing our portfolio risk and optimizing returns. Our portfolio of attainable housing helps to offset rising land and home costs and to support our expansion into densely populated markets.

In some cases, Landsea enters into an affordable housing agreement with the local jurisdiction to provide deed-restricted affordable units. These units are being sold in conjunction with and as part of the market-rate buildings. These units are typically available to local buyers with incomes below the average median income level in the jurisdiction where they are being built.

At Landsea, we exist to make a positive impact on the lives of our customers and their communities by revolutionizing the homebuilding industry. We see homes and communities as more than just structures and developments. Instead, taken together, we believe they are the most important places in life.

Financial Accessibility

In July 2022, we entered into a licensing agreement with NFM Lending, a third party, to provide mortgage services under the name Landsea Mortgage. Landsea Mortgage, powered by NFM Lending, assists our homebuyers in obtaining financing to offer qualified buyers a variety of financing options. Unlike some other homebuilders, we do not offer residential mortgages or other alternatives, either directly or through any of our joint ventures.

We offer financing incentives to our homebuyers when they use Landsea Mortgage. This affords us full collaboration and insight from contract to close to ensure a successful close of escrow. The Landsea Mortgage team works closely with each division to understand the market demand and buyer demographics to ensure that we are offering financing options and competitive incentives in each community. These financing incentives range from closing cost assistance to extended rate locks to loan interest-rate buydowns. The financing incentive amounts vary by market and community.

Landsea Mortgage has an in-house, cost-free-credit enhancement program called Road2Home, designed to support homebuyers at every level. A credit specialist helps to establish proper expectations for qualifying credit scores and create a plan for the buyer to successfully improve scores. This service is complimentary for our homebuyers and is designed to assist homebuyers in obtaining favorable mortgage terms.

SOCIAL RESPONSIBILITY

4.2. Home Quality and Safety

Across the board, architects and consultants follow the widely accepted standardization of materials that have passed all safety protocols. Our superintendents and field staff monitor ongoing construction for quality,

Homeowner Maintenance Program

Upon completion of the home purchase, new homeowners are provided a “Homeowner Maintenance Manual” that contains descriptions of the major components and materials found around the home and the preventive tasks and frequencies necessary for a successful maintenance

workmanship and installation per approved building plans. Third-party inspectors observe and evaluate the installation of waterproofing membranes, roofing systems and structural attachments.

program. Minor fit-and-finish items and manufactured components are generally covered for a one-year period. Mechanical systems are also generally covered for a minimum of one year, while structural defects are generally covered for 10 years.

4.3. Customer Satisfaction and Sales Ethics

We strive to provide the highest level of customer home buying experience throughout the entire sales process and after a home has closed escrow. Our sales counselors, design associates, mortgage associates, on-site construction supervisors and post-closing customer service personnel work as a team to foster our reputation for quality and service.

Homeowners are surveyed through a third-party homebuyer survey company at different intervals after the close of escrow. Each homeowner survey addresses key measurements of our customer care process, such as the homebuyer experience, construction process and trade quality. The customer satisfaction survey results are shared with division leaders and directed to the appropriate teams for further review and decision-making. Divisions

hold operational meetings to review the survey results in aggregate and discuss necessary process improvement opportunities. Customer complaints are escalated to the division management team and are resolved by the assigned customer care team.

Sales Ethics

We have internal controls in place to ensure that our marketing practices align with approved brand guidelines and are consistent with voice, tone and messaging across all markets. We provide annual leadership training to our sales team to ensure that our sales approach and processes are aligned with Landsea’s Code, core values and ethical culture. Our sales counselors participate in individual personal coaching and skill development to align sales execution strategies with customer satisfaction expectations.



We firmly believe that every homeowner’s journey is unique and equally important. That’s why we pride ourselves on creating memorable experiences for all residents—beginning with our sales process through to our new home offerings and our connected communities that let our buyers live in their element for years to come.

SOCIAL RESPONSIBILITY

4.4. Giving Back to Our Communities

At Landsea, we value giving back to the communities where we work, live and build. We encourage employees to become involved in their communities, lending voluntary support to programs that positively impact the quality of life within these communities. Landsea also partners with various community nonprofits to provide support for initiatives such as toy and diaper drives, housing for those who are unhoused and financial donations for children's hospitals and educational scholarships.

For example, we partnered with HomeAid America, a leading national provider of housing and resources for the unhoused, to support families in need. Through our

philanthropic giving and employee volunteerism, Landsea provided home furnishings, roofing, flooring, plumbing and electrical fixtures for home renovations, completed landscaping and built outdoor gathering areas for the community's youth. Also, our President and COO, Michael Forsum, serves on HomeAid's National Board.

Beginning in 2023, we added paid volunteer time off of up to 16 hours to our list of employee benefits.



ENVIRONMENTAL SUSTAINABILITY

5. Environmental Sustainability

We are focused on sustainable, energy-efficient and eco-friendly building practices that result in a lighter environmental impact, lower resource consumption and a reduced carbon footprint.

In This Section:

- Sustainable Building Practices
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5.1. Sustainable Building Practices

Landsea is committed to environmental sustainability. We place emphasis on environmental protection, delivering comfortable and eco-friendly residential properties to the market. We strive to reduce energy use, minimize waste and emissions, control noise as much as possible and educate our employees about the importance of environmentally sustainable building practices.

In 2019, Landsea officially launched its High Performance Homes program in select communities across California and Arizona. The program initially began with a focus on sustainable design, home automation and energy savings, eventually adding healthy lifestyle a year later. Together, these four factors are highly desired by our customers. We are committed to achieving high standards in design, quality and customer satisfaction and are a leader among our peers on several key operating and homebuilding metrics.

Driven by a pioneering commitment to sustainable building practices, Landsea's High Performance Homes are responsibly designed to make life easier and provide energy savings that allow for more comfortable living at a lower cost through sustainability features that contribute to healthier living for homeowners and the planet.

Our High Performance Homes deliver energy-efficient living in highly attractive geographies, guided by four main pillars:



HOME
AUTOMATION



HEALTHY
LIFESTYLE



SUSTAINABILITY



ENERGY
SAVINGS

ENVIRONMENTAL SUSTAINABILITY

Water Conservation

- Recycled water irrigation
- Weather-smart irrigation
- Xeriscaping
- Tankless water heaters

Home Management

- Wi-Fi mesh networking
- Smart light switches
- Smart door locks
- Smart thermostats
- Wi-Fi garage door openers

Clean Air

- REME HALO® air purifiers
- Low-VOC materials

Energy Efficiency

- ENERGY STAR®-rated appliances
- LED lighting
- Residential solar, battery charging and car charging
- Enhanced insulation

Sales Ethics

We are committed to implementing practices that preserve and promote the efficient use and conservation of resources, recognizing that we have a responsibility to minimize the impact of building activity on the planet and environment.

Land Acquisition Oversight and Due Diligence

The Executive Land Committee of the Board reviews and approves certain proposed transactions, including land purchases, borrowings, land sales and joint ventures. As part of the due diligence process, the executive Investment Committee reviews the environmental risk of land acquisitions and any necessary risk mitigation efforts as well as site and development plans. We hire soil engineers for our risk mitigation analysis if further investigation of the soil and landscape is warranted.

Before contracting to acquire land, we complete our land acquisition process, which consists of performing due diligence, reviewing the status of entitlements to mitigate zoning and other development risk and completing environmental reviews and third-party market studies. We engage industry experts to also evaluate all biological, environmental and ecological impacts that our developments may have. Specific areas assessed include:

- Aesthetics
- Agriculture and forestry
- Air quality
- Biological resources
- Cultural resources
- Geology and soils
- Greenhouse gas emissions
- Hazards and hazardous materials
- Hydrology and water quality
- Land use and planning
- Mineral resources
- Noise
- Population and housing
- Public services
- Recreation
- Transportation and traffic
- Tribal cultural resources
- Utilities and service system

When constructing our homes, we follow industry and regional guidelines and requirements for protecting the environment. Furthermore, we follow the California Environmental Quality Act for our homes in California.

ENVIRONMENTAL SUSTAINABILITY



PRESERVATION OF NATURAL HABITAT: SAVING BURROWING OWLS

Before we start developing a site, we check for the presence of wildlife habitats within the construction area. If detected, we implement a capture-and-release plan through which they are relocated to an area where their habitat will not be disturbed. For example, we found five burrowing owls in different homes during an Arizona development project. Thankfully, our partners at Wild at Heart, a local nonprofit raptor-rescue organization, were able to save these owls. In return, our Landsea team made donations to Wild at Heart as part of our 10-year anniversary philanthropic efforts.

Community Development

In the homebuilding industry, it is critical to know everything about the area you plan to build in—from schools and traffic to the soil and local ordinances, to name a few. We take that responsibility very seriously because the homes we build must be an integral part of the fabric of the community for decades to come.

Landsea is selectively and deliberately focused on opportunities in prime markets—gateway-city locations and transit-oriented developments—to increase transportation accessibility and shorten commutes. We select sites with proximity to job centers or primary transportation corridors in order to lower the overall environmental impact of our developments.

Many of our sites utilize the natural landscape to provide community spaces. In certain projects, we have included in our development designs outdoor amphitheaters for movie viewing in the local park, “natural play mounds” that engage children in the landscape, play structures that provide opportunities for abled and disabled children in the community and ample trees and soft landscape areas to receive rainfall back into the ground and reduce the heat island effect.

Ecological Design and Water Conservation

We take great pride in delivering responsibly designed homes with the highest standards in sustainable building technology so that every detail creates a healthy living

environment, reduces wasted resources and enhances the lives of our residents. Our High Performance Homes are responsibly designed to respect the planet—with money-saving innovation to stay healthier and more comfortable.

Landsea is committed to using resources responsibly. Our efficient home designs help reduce lumber, concrete and building-material waste on our jobsites.

We strive to reduce our impact on many key resources, particularly fresh water. We employ strategies throughout the life of our homes to reduce our impact on freshwater reserves. We work with landscape architects to design our communities for minimal water usage. Designs often utilize recycled water, xeriscaping and sprinkler systems with rain-smart sensors to reduce water consumption. Avoiding over-irrigation assists in water conservation and aids in fire prevention at our communities.

During construction, we implement best-practice water conservation measures, including concrete and paint washouts. We create stormwater pollution prevention plans to control erosion and minimize chemical impact to stormwater runoff. To ensure the quality of the site once our homes have been completed, we implement our Water Quality Management Program, and we share these operation and maintenance plans with homeowners and homeowner associations to ensure the ongoing maintenance of stormwater filtration facilities.

ENVIRONMENTAL SUSTAINABILITY

Home Automation

The home automation pillar of our High Performance Homes program is represented in such features as Wi-Fi mesh networking, smart light switches, smart door locks, smart thermostats and Wi-Fi garage door openers.

As part of the High Performance Homes program, we have established a relationship with a leading technology company. High Performance Homes utilize that company's proprietary software, which offers home automation options through applications on homebuyers' mobile phones. Smart home automation options include a media manager device, Meshnet wireless internet throughout the home, entry door locks, thermostat control, garage door opener control, light dimmer switches, doorbell camera pre-wiring and high-touch customer service with an individualized training session.

Energy Efficiency

All Landsea homes include various features that contribute to healthy living, including appliances that reduce energy waste and tankless water heaters that generate hot water in a faster time frame. Each High Performance Home comes with enhanced insulation, more efficient mechanical systems, ENERGY STAR®-rated appliances and upgraded full-room LED lighting. The cost-in-use features lower monthly bills and encourage environmental awareness and stewardship.

Healthy Lifestyle

Landsea is crafting homes with the well-being of homebuyers at the forefront. From installing state-of-the-art air purifiers that proactively remove indoor air pollutants and smart thermostats that automatically send alerts when an air filter needs to be replaced to using low-VOC materials, peace of mind comes easy with every Landsea home.

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We partner with a leading residential solar company to provide our homeowners in California with solar solutions as well as battery storage and car charging. Together, we offer a comprehensive system with the highest efficiency modules and a light roof footprint. In other markets, we offer solar as an option.

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Our single-family detached High Performance Homes include REME HALO® air purifiers that mitigate indoor contaminants to keep residents safe and support healthy living by reducing airborne particles, such as dust, dander, pollen and mold spores, killing up to 99% of bacteria, mold and viruses.

ENVIRONMENTAL SUSTAINABILITY

5.2. Our Corporate Footprint

We strive to reduce the environmental impact of our operational footprint. We lease all our office space, which includes our corporate headquarters in Dallas, Texas, and six smaller satellite office locations across the U.S. We look for the same standards of sustainability in the offices we lease as we set for our homes. Our office spaces are located within Class A buildings, outfitted with energy-saving measures such as ENERGY STAR® appliances and motion-sensor lighting.

Our team has gone paperless in the office and in the field. We offer e-contracts to our customers to eliminate the need for paper and shipping.

By outsourcing our data center needs, we leverage economies of scale offered by third-party data center providers to maximize energy efficiency and minimize electricity-related greenhouse gas emissions. Moreover, third-party data center providers are evolving to integrate ESG considerations and reduce their own operational footprints.

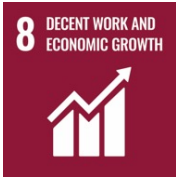



REPORTING FRAMEWORKS



6.1. United Nations Sustainable Development Goals (SDGs)

The SDGs are a collaborative, global effort to achieve a better and more sustainable future for all. Represented by 17 Global Goals and 169 targets, the SDGs address challenges of poverty, inequality, climate change,

environmental degradation, peace and justice. We identified the key areas in which we have the greatest influence and impact through our business strategy, products and services.

GOAL	LANDSEA'S CONTRIBUTION	REPORT REFERENCE
 <p>Promote sustained, inclusive and sustainable economic growth, employment and decent work for all</p>	<p>Landsea actively trains its employees and management in workplace safety and related laws and regulations. We utilize a third-party vendor to ensure compliance with California/Occupational Safety and Health Administration (Cal/OSHA) and federal OSHA safety requirements. Internally, our Safety Committee meets quarterly to review employee safety protocols.</p> <p>Field team members (construction, warranty and development) are required to complete mandated OSHA training, safety certifications and awareness training. All employees have access to a dedicated 24-hour Nurse Triage Hotline in the event of a workplace injury, through which a registered nurse provides immediate triage of care.</p>	<p>For more information, please see the Our Team pillar.</p>
 <p>Make cities inclusive, safe, resilient and sustainable</p>	<p>Drawing on new-home innovation and technology, we drive sustainable, energy-efficient and environmentally friendly building practices that result in a lighter environmental impact, lower resource consumption and a reduced carbon footprint.</p> <p>In select markets, we have partnered with solar companies to provide options for solar installations. Our High Performance Homes come with enhanced insulation, more efficient mechanical systems, ENERGY STAR®-rated appliances and upgraded full-room LED lighting. Our modern innovative approach also includes home automation technology, air purification systems and tankless water heaters.</p>	<p>For more information, please see the Environmental Sustainability pillar.</p>

REPORTING FRAMEWORKS

GOAL	LANDSEA'S CONTRIBUTION	REPORT REFERENCE
 <p>Make cities inclusive, safe, resilient and sustainable</p>	<p>We select sites with proximity to job centers or primary transportation corridors in mind to provide convenient accessibility to transportation and shorten commutes. In certain projects, we have included in our development designs outdoor amphitheaters for movie viewing in the local park, “natural play mounds” that engage children in the landscape and play structures that provide play opportunities for the abled and disabled children in the community.</p> <p>Through our philanthropic giving and employee volunteerism, Landsea provides home furnishings, roofing, flooring, plumbing and electrical fixtures to help renovate housing for the unhoused and build outdoor gathering areas for the community’s youth.</p>	<p>For more information, please see the Social Responsibility pillar.</p>
 <p>Sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss</p>	<p>We are committed to implementing practices that preserve and promote the efficient use and conservation of resources, recognizing that we have a responsibility to minimize the impact of building activity on the planet and the environment. We design our communities for minimal water usage, often utilizing recycled water, xeriscaping and sprinkler systems with rain smart sensors to reduce water consumption.</p> <p>Prior to site development, we check for the presence of wildlife habitats within the construction area. If detected, we implement a capture-and-release plan through which they are relocated to an area where their habitat will not be disturbed.</p>	<p>For more information, please see the Environmental Sustainability pillar.</p>

6.2. Sustainability Accounting Standards Board (SASB)

The SASB Standards seek to help businesses and investors develop a common language about the financial impacts of sustainability through standards that facilitate comparable, consistent and reliable data on key ESG factors. The table below lists the metrics from SASB Standards related to our industry, homebuilding. We have included the relevant metrics if available and provided

report references for further discussion of these topics. As we begin our sustainability reporting journey, we are intentionally working toward providing disclosures that align with these SASB Standards. While we do not report some of the metrics, we are actively working to advance our internal sustainability capabilities to measure these metrics in the future.

REPORTING FRAMEWORKS

TOPIC	ACCOUNTING METRIC	SASB CODE	LANDSEA RESPONSE	REPORT REFERENCE
Land Use & Ecological Impacts	Number of (1) lots and (2) homes delivered on redevelopment sites	IF-HB-160a.1	Landsea does not currently report this information.	For more information, please see the Sustainable Building Practices section within the Environmental Sustainability pillar.
	Number of (1) lots and (2) homes delivered in regions with High or Extremely High Baseline Water Stress	IF-HB-160a.2	Landsea does not currently report this information.	
	Total amount of monetary losses as a result of legal proceedings associated with environmental regulations	IF-HB-160a.3	Landsea does not currently report this information.	
	Discussion of process to integrate environmental considerations into site selection, site design and site development and construction	IF-HB-160a.4	As part of the due diligence process, the executive Investment Committee reviews the environmental risk of land acquisitions and any necessary risk mitigation efforts. We hire soil engineers for our risk mitigation analysis if further investigation of the soil and landscape is warranted. We engage industry experts to also evaluate all biological, environmental and ecological impacts that our developments may have. When constructing our homes, we follow industry and regional guidelines and requirements for protecting the environment.	
Workforce Health & Safety	1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	IF-HB-320a.1	Landsea does not currently report this information.	For more information, please see the Employee Health and Safety section within the Our Team pillar.

REPORTING FRAMEWORKS

TOPIC	ACCOUNTING METRIC	SASB CODE	LANDSEA RESPONSE	REPORT REFERENCE
Design for Resource Efficiency	1) Number of homes that obtained a certified residential energy efficiency and (2) average rating	IF-HB-410a.1	Landsea does not currently report this information.	For more information, please see the Sustainable Building Practices section within the Environmental Sustainability pillar.
	Percentage of installed water fixtures certified to a water-efficiency standard	IF-HB-410a.2	Landsea does not currently report this information.	
	Number of homes delivered certified to a third-party, multi-attribute green-building standard	IF-HB-410a.3	Landsea does not currently report this information.	
	Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers	IF-HB-410a.4	We are focused on sustainable, energy-efficient and eco-friendly building practices that result in a lighter environmental impact, lower resource consumption and a reduced carbon footprint, such as innovative design promoting construction waste reduction, water conservation and energy-efficient features. We provide this information to consumers during the sales process, in the maintenance manual upon closing and in detail throughout our website.	
Community Impacts of New Development	Description of how proximity and access to infrastructure, services and economic centers affect site selection and development decisions	IF-HB-410b.1	We are selectively and deliberately focused on opportunities in prime markets—gateway city locations and transit-oriented developments—increasing accessibility of transportation and shortening commutes. We select sites with proximity to job centers or primary transportation corridors in mind and lower the overall environmental impact of our developments.	For more information, please see the Sustainable Building Practices section within the Environmental Sustainability pillar.

REPORTING FRAMEWORKS

TOPIC	ACCOUNTING METRIC	SASB CODE	LANDSEA RESPONSE	REPORT REFERENCE
Community Impacts of New Developments	Number of (1) lots and (2) homes delivered on infill sites	IF-HB-410b.2	Landsea does not currently report this information.	For more information, please see the Sustainable Building Practices section within the Environmental Sustainability pillar.
	1) Number of homes delivered in compact developments and (2) average density	IF-HB-410b.3	Landsea does not currently report this information.	
Climate Change Adaptation	Description of climate change risk exposure analysis, degree of systematic portfolio exposure and strategies for mitigating risks	IF-HB-420a.1	Landsea does not currently report this information.	For more information, please see the Sustainable Building Practices section within the Environmental Sustainability pillar.
	Description of climate change risk exposure analysis, degree of systematic portfolio exposure and strategies for mitigating risks	IF-HB-420a.2	As part of the due diligence process, the executive Investment Committee reviews the environmental risk of land acquisitions and any necessary risk mitigation efforts. We hire soil engineers for our risk mitigation analysis if further investigation of the soil and landscape is warranted. We engage industry experts to also evaluate all biological, environmental and ecological impacts that our developments may have. When constructing our homes, we follow industry and regional guidelines and requirements for protecting the environment.	
Activity Metrics	Number of controlled lots	IF-HB-000.A	Landsea does not currently report this information.	For more information, please see the Company Info section on our Investor Relations website.
	Number of homes delivered	IF-HB-000.B	Landsea does not currently report this information.	
	Number of active selling communities	IF-HB-000.C	Landsea does not currently report this information.	



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HOMES
Live in your element[®]