



CORPORATE  
RESPONSIBILITY  
REPORT 2024



MANUFACTURED HOMES | DUPLEXES | MODULAR HOMES | COMMUNITY HOMES | ADUs | PARK MODELS





THE LABELLE  
Manufactured home by Palm Harbor Homes in Plant City, FL

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This Corporate Responsibility Report covers Cavco's operations through fiscal 2024 and into fiscal 2025, as indicated throughout. All previous years' reports are available on our website. This report focuses on developments and actions for our key programs, and progress toward our corporate goals up to and through the 2024 fiscal year. Cavco has not obtained external assurance for this report, but its contents have been subject to an internal quality review. Given the inherent uncertainty in predicting and modeling future conditions, caution should be exercised when interpreting the information provided in this report.



INTRODUCTION







MILLENNIAN 2  
MODEL

Manufactured home by Commodore Homes in Goshen, IN

MESSAGE FROM THE CEO



**Bill Boor**  
President and CEO  
Cavco Industries, Inc.

For almost 60 years, Cavco has had a tremendously positive social impact by building quality, affordable homes that improve lives and build communities. Were it not for our homes and services, many deserving individuals and families would be unable to enjoy the lifestyle, security and wealth-building benefits of homeownership. Additionally, we create this social impact with a manufacturing process that is inherently environmentally responsible, particularly when compared to less efficient and more wasteful methods of onsite home construction.

Having said that, what's most important is that we continually strive to do better. At Cavco, we do not separate sustainability efforts from our base business. Our Corporate Responsibility Committee is comprised of members of our executive leadership team, including me. We've committed to this approach because we believe good stewardship and managing for the long-term are good business. In our view, it only makes sense to view all aspects of corporate responsibility as integrated within one set of overall business priorities.

As a leading provider of quality, affordable homes that improve lives and build communities, we are advancing sustainability through four key areas: Our Team Members, Our Communities, Environmental Stewardship and Responsible Governance. Appropriately, our responsibility begins with our team members because of our ONE Cavco belief that our investment in the success of our team members maximizes our positive impact for all our stakeholders. Over the past few years, I am most proud of the work we've done in this regard. Guided by our ONE Cavco culture, we have made tremendous strides in safety, wages and benefits, training and development, onboarding and our Homes for Our Own program, among other improvements.

Reducing waste and improving the efficient use of all process inputs is embedded throughout our company. Again, this is good business as we reduce the cost of our products and processes for our customers. It is also critically important from an environmental perspective. Examples of these ongoing efforts include the implementation of manufacturing technologies that improve quality and safety while reducing cost, as well as investments in solar projects to significantly reduce our carbon footprint. Additionally, we build energy efficiency into our homes. Year over year, we have achieved a significant increase in the number of homes qualifying for ENERGY STAR® certification.

This year, we focused on improving measurement and reporting transparency. To support clear communication, we have engaged in data gathering and reporting using the investor-focused disclosure standards developed by the Sustainability Accounting Standards Board (SASB). This is an important step, along with our new ESG website ([www.cavcohomes.com/esg](http://www.cavcohomes.com/esg)) and this report, to make sure we are communicating the good work going on across the company.

At Cavco, each of us takes great pride in the positive difference we make when we design, build, sell, fund and insure a family's new home. We will keep pressing forward to do our work with a long-term, responsible approach.

*Bill Boor*



# COMPANY OVERVIEW

Cavco began in 1965 as a family-owned company in Phoenix, Arizona building truck campers and travel trailers. Four years later, we started building custom mobile homes and selling our products wholesale through dealerships across the state. In 1973, in the face of rising fuel prices from the oil crisis, the original product lines of truck campers and travel trailers were discontinued, and mobile home production became the sole focus of the company. Over the next four decades, Cavco grew into a successful regional manufacturer and retailer, operating plants in Arizona and Texas.

In 2003, Cavco Industries (NASDAQ: CVCO) became a publicly owned company during one of the industry's historical low points in manufactured home shipments. However, because of the company's fiscally responsible, no-debt management philosophy, Cavco not only survived this nearly decade-long downturn but expanded impressively. In the following decade, Cavco acquired some of the most respected companies in the manufactured home industry. We retained those brands, and we continue to develop innovative products thoughtfully designed to compete well in our regional markets.

Headquartered in Phoenix, Arizona and employing approximately 6,500 people, Cavco is a leading designer and builder of factory-built housing products with 79 company-owned retail locations in the U.S. and Mexico. Our products are marketed under a variety of well-known brand names including Cavco, Chariot Eagle, Colony, Commodore,

Destiny, Durango, Fairmont, Fleetwood, Friendship, Manorwood, MidCountry, Nationwide, Palm Harbor, Pennwest, R-Anell and Solitaire.

Cavco is also a leading producer of park model RVs, vacation cabins and factory-built commercial structures. Our finance subsidiary, CountryPlace Mortgage, is an approved Fannie Mae and Freddie Mac seller/servicer and a Ginnie Mae mortgage-backed securities issuer that offers conforming mortgages, non-conforming mortgages, home-only loans to purchasers of factory-built homes, and commercial loans to finance inventory for our dealers and community partners. Finally, our insurance subsidiary, Standard Casualty, provides property and casualty insurance to owners of manufactured homes.

Since our humble beginnings, Cavco has built a reputation for outstanding quality, value and service. We are steadfastly committed to the mission of providing affordable, high-quality and energy-efficient homes for our customers and creating a safe, rewarding workplace where our team members can reach their highest potential. Understanding the role Cavco plays in providing homes that fulfill customers' dreams of homeownership, our team members take pride in the work we do to build, fund, deliver and insure new homes for our customers.

# CAVCO INDUSTRIES

**BY THE NUMBERS**

**31** PRODUCTION<sup>2</sup> LINES

**\$114m** IN FINANCING TO MORE THAN 850 HOMEBUYERS<sup>1</sup>

**79** STORE RETAIL LOCATIONS

**WELCOME** PROVIDED INSURANCE TO APPROXIMATELY **71,441** HOMEOWNERS<sup>1</sup>

**SOLD** **16,928** HOMES<sup>2</sup>

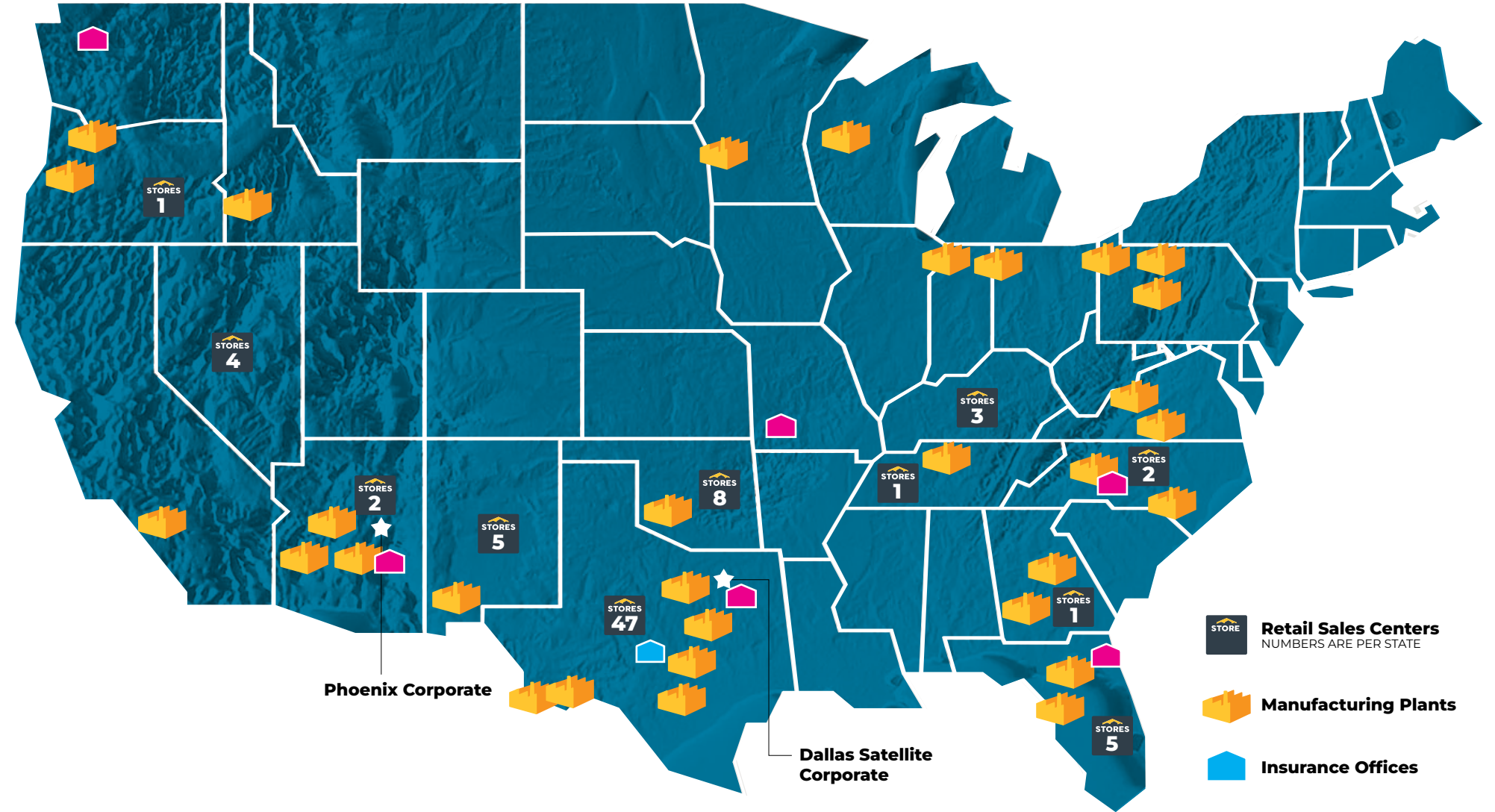
**PROVIDED FAST & EFFICIENT CLAIMS ASSISTANCE TO 6,652** HOMEOWNERS<sup>1</sup>



**GREAT NUMBERS TO KNOW**

<sup>1</sup> Calendar Year (CY) 2023 • <sup>2</sup> Fiscal Year (FY) 2024

# CAVCO OPERATIONAL FOOTPRINT



- Retail Sales Centers**  
NUMBERS ARE PER STATE
- Manufacturing Plants**
- Insurance Offices**
- Finance Offices**



# COMPANY STRATEGY

Over five decades, Cavco has grown from a diverse combination of companies and cultures across the country. As a builder of quality affordable homes, an employer of choice and a good corporate citizen, we are committed to making a difference to our team members, customers and stakeholders in three key ways.



## COMMITTING TO EXCELLENCE IN OPERATIONS

Every day, with every action, we strive for excellence in our operations. A primary driver of Cavco's success has been its commitment to low cost and efficiency, balanced with quality and affordable products for our customers. We are constantly looking for innovative ways to improve our efficiencies and work processes while lowering costs. This principle is the bedrock of who we are as an organization.



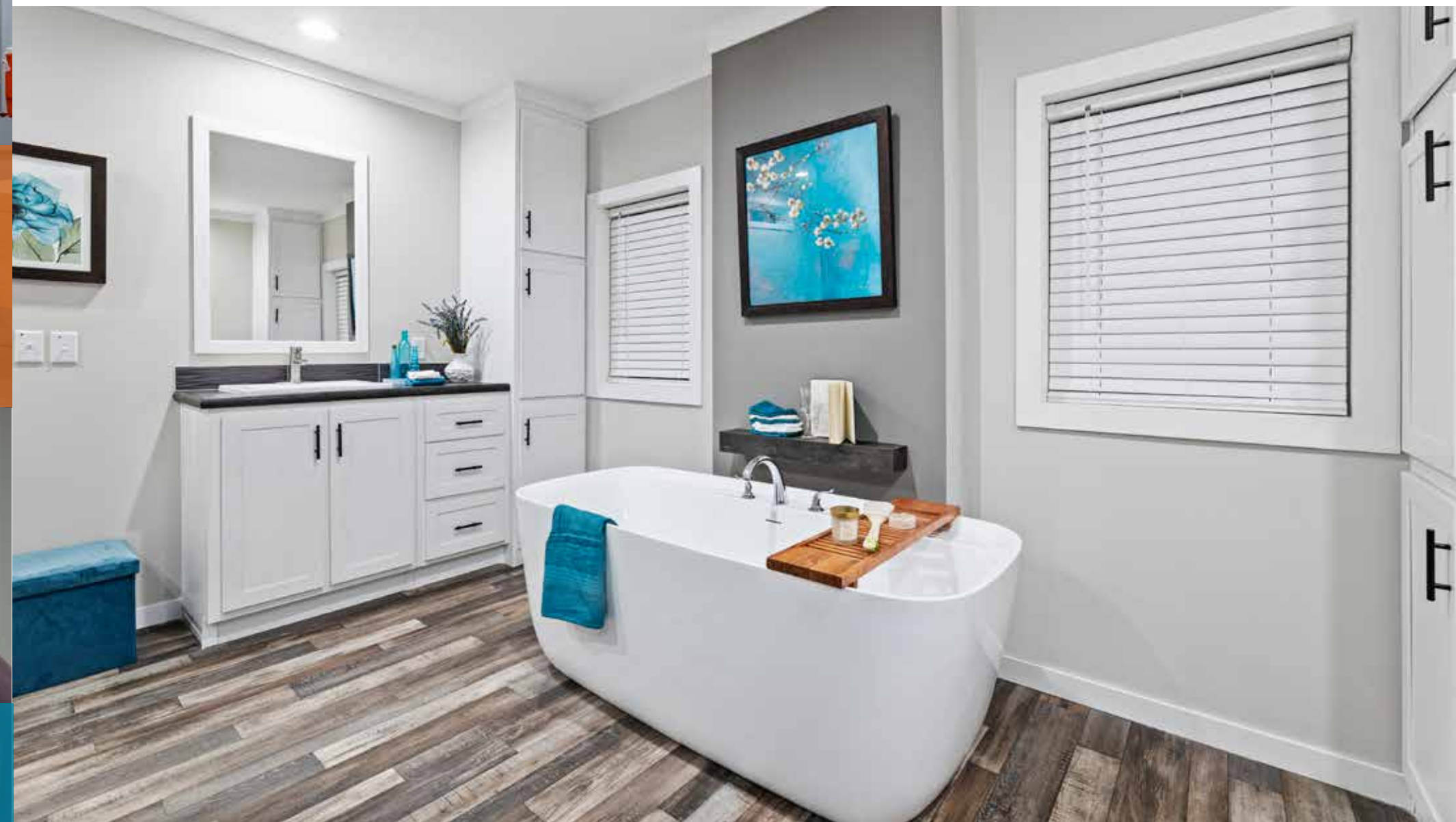
## SOLVING THE AFFORDABLE HOUSING CRISIS

Developing innovative, practical solutions to solve the affordable housing crisis is more than a business model – it's a mission for Cavco. We do this by providing quality affordable homes and making the dream of homeownership attainable for more people. New opportunities, economic developments and trends are emerging that beg for innovative, factory-built housing solutions. We remain alert for these opportunities and resourceful in our approach to capitalize on them.



## BUILDING A HIGH-PERFORMANCE WORKFORCE

At Cavco, we are single-minded in our focus to engage, develop and support the people in our company so we can all have rewarding careers and reach our fullest potential. We are driven by the conviction that the best way to build value for our stakeholders is by investing in the development of our team members and by providing them with safe, positive workplaces that present opportunities to grow and succeed. This is the source of our strength as a company.



K 2 E D G E  
M O D E L

Manufactured home by Fleetwood Homes in Lafayette, TN





# OUR STAKEHOLDERS

Our list of stakeholders is as varied as their individual needs. Consequently, we continually evaluate our relationships with these valued partners to ensure we are always striving to make a positive impact.

| Who They Are   | What They Care About  | How We Engage With Them   |
|--|---|---|
| <b>Employees</b>   | Employees value career growth opportunities in a safe, healthy and ethical workplace that positively impacts affordable housing.  | Guided by our ONE Cavco principles and actions, we engage daily through interactions that affect their workplace experience, emphasizing a positive culture of recognition, opportunity, safety and accountability.   |
| <b>Investors</b>   | Investors focus on our responsible resource management, growth strategies and corporate governance, trusting our integrity and execution.   | As a public company, we operate our business to deliver long-term growth and value for our stockholders. Because we value their trust, we strive to honor it through sound governance, transparency and regular communication.  |
| <b>Home Buyers</b>   | Home buyers prioritize the quality, affordability, livability and energy efficiency of their homes.   | The individuals and families who live in our homes, as well as the communities where they are located, are always at the forefront of our minds. They trust us to provide attractive, durable and energy-efficient homes and our engagement spans design to post-sale service, ensuring they are supported throughout the entire home purchasing process.   |
| <b>Home Buyers Using our Lending and/or Insurance Services</b> | Borrowers and policyholders expect effective support during lending processes and claim handling.   | We prioritize the financial well-being and peace of mind of our stakeholders during purchase, construction and in the prompt handling of insurance claims. Our goal is to build trust, not just during the transaction but throughout their entire relationship with Cavco.   |
| <b>Independent Dealers</b>                                     | Independent dealers care about attracting local homebuyers and providing them with quality affordable homes. They expect support from initial quotes to final sales to ensure efficient, smooth transactions. | We are dedicated to building strong partnerships with our independent retailers and community dealers. By offering one-on-one support and providing access to our robust digital marketplace, we help them drive home sales, generate quality leads and streamline transactions. Our tools and training programs highlight the value and features of our homes, ultimately enhancing customer satisfaction and ensuring mutual success. |
| <b>Suppliers</b>   | Suppliers value our integrity, timely payments and thoughtful collaboration on product development for safer, more innovative and sustainable homes.  | We maintain robust communication with suppliers, fostering innovation and sustainability in product development.  |
| <b>Local Communities</b>                                       | Local communities are interested in our role in providing affordable housing and job creation and expect us to contribute positively to civic causes through community engagement and volunteer work.         | We collaborate with local entities on urban renewal and affordable housing and engage in local civic and charitable efforts.  |



TEAM MEMBERS

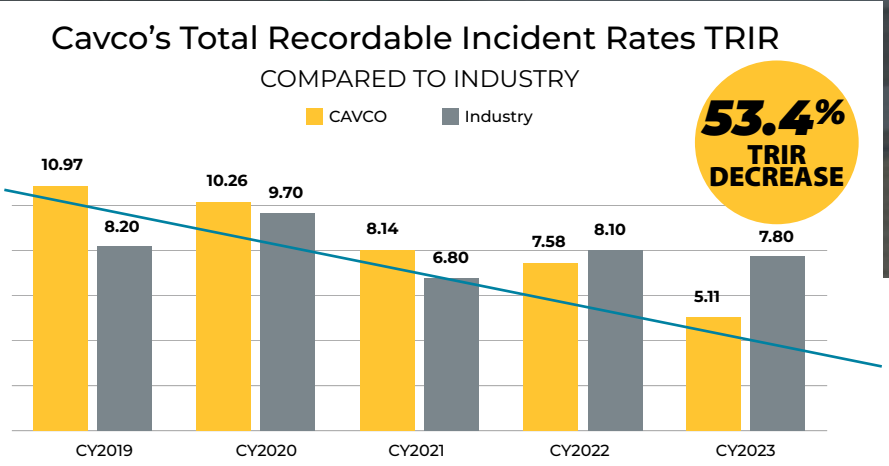






# SAFETY COMMITMENT

The gantry gun is an automatic dual nail gun system that provides speed and guided precision to nailing sub-flooring panels to floor joists.



At Cavco, we firmly believe that we have a moral and ethical obligation to each other to make sure we work safely.

This belief makes workplace safety and the well-being of our team members a paramount focus at Cavco. It is also why Cavco holds one of the best safety records in our industry, with a remarkably low Total Recordable Injury Rate (TRIR), well below the industry average.

Safety is part of two of the major driving principles in our ONE Cavco philosophy: Being safe and respectful without exception and our belief that we provide the most value to our stakeholders when we invest in the development and success of all Cavco team members.

We encourage two-way dialogue with employees through multiple mechanisms, including work meetings, safety committees and open forum staff meetings. This also includes Speak Up Cavco!, a resource where employees can report ethics violations or complaints, compliance issues, workplace incidents and more via an online form or hotline. These initiatives help to align us with our ONE Cavco philosophy which drives our safety initiatives.

In CY 2023, in addition to our continued Safety Now initiatives, our focus included weekly saw audits and monthly departmental Safety Observation Reports (SOR). Saw audits review both mechanical condition and operator knowledge to maximize power saw safety. Monthly SOR's analyze historical safety data to concentrate efforts on areas of improvement.

We also instituted several major plant redesigns and refits led by our industrial engineers to improve safety, efficiency and workflows.

These efforts supporting our ongoing Safety Now programs strengthen Cavco's responsibility to keep our team members safe and ensure everyone goes home in the same condition they came to work.

BLUERIDGE  
DUPLEX

Manufactured duplex by Fleetwood Homes in Rocky Mount, VA





# SAFETY COMMITMENT

## SAFETY NOW PROGRAM

Our Safety Now program is the cornerstone of our ongoing safety initiatives across the manufacturing group to build safety awareness, provide training and create incentives for a strong “safety first” culture. This multi-faceted approach encourages safe behaviors through real-time monitoring of working conditions, safety data collection and analysis, rewarding safe behaviors, targeted safety training and investing in the safest, most modern equipment available.

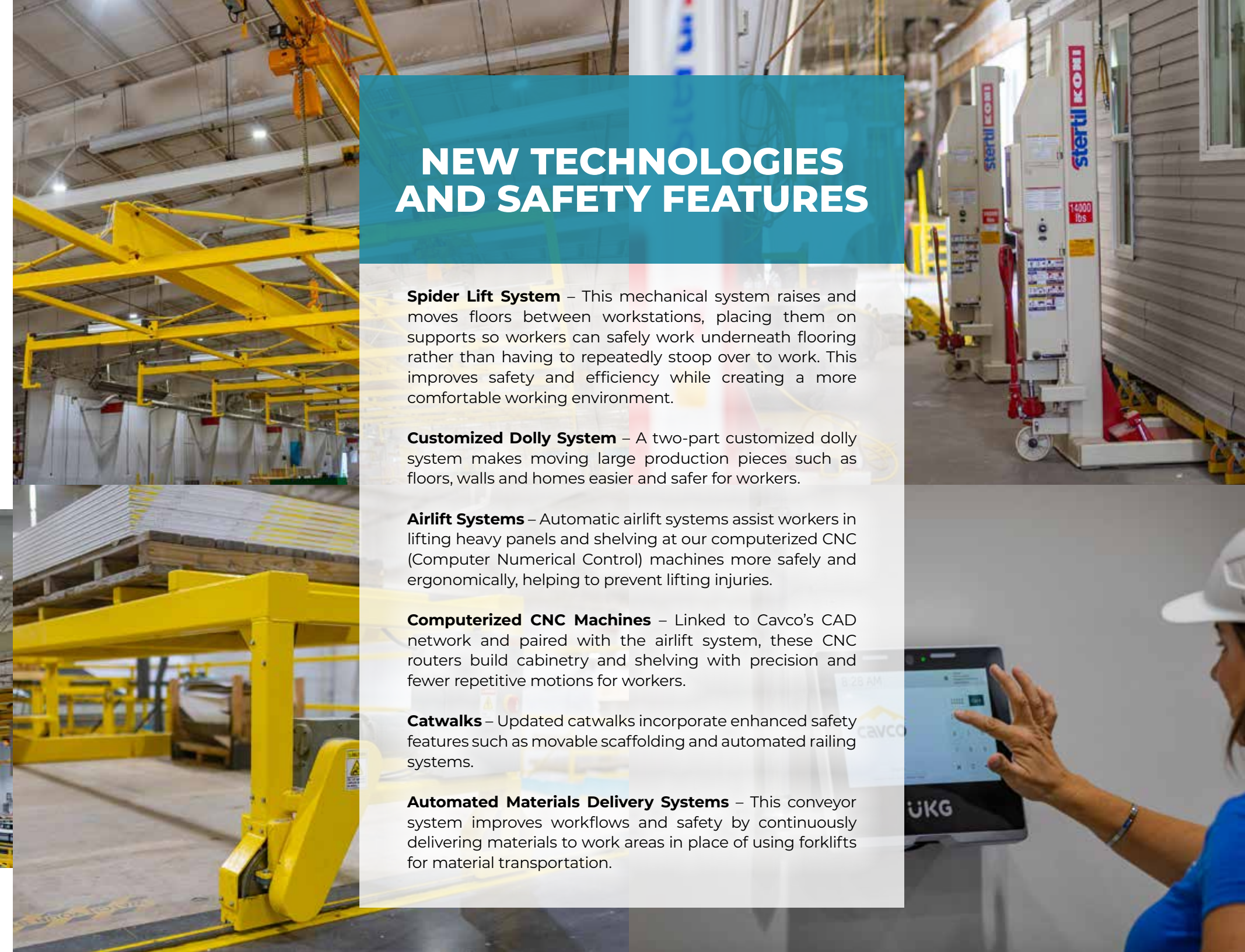
This increased focus on workplace safety and our ongoing Safety Now initiatives have significantly reduced Cavco’s TRIR and improved our E-mod (experience modification factor). In CY2023, 23 of 29 manufacturing locations achieved a TRIR below the industry average of 7.80 and our E-mod was .84. As a result of our safety efforts, worker compensation premiums have dropped 33% as a percentage of payroll since CY2020.

In 2023, every legacy manufacturing plant participated in the Safety Now program, as well as our newest facilities in Hamlet, NC; Glendale, AZ; and our newly acquired Solitaire facilities.

Monthly safety calls with all manufacturing facilities maximize communication, sharing best practices, opportunities and success stories. Using input gathered from frontline workers, we incorporate technology whenever possible to eliminate the potential for workplace injuries.

All safety incidents are investigated thoroughly, fairly and impartially with the objective of identifying actions for continuous improvement. We are continually focused on process improvements to eliminate hazards and reduce risks.

We’ve integrated technology into our safety program with a tablet-based version of our Safety Observation Reports (SORs) at all our plants. This system not only makes completing these reports quick and easy, but also provides a growing, real-time database of safety-related data, allowing measurement of improvements in safe behaviors and conditions over time. Since implementation of our SORs in 2021, we have seen a 20% decrease in injuries and a 23% decrease in severity.



## NEW TECHNOLOGIES AND SAFETY FEATURES

**Spider Lift System** – This mechanical system raises and moves floors between workstations, placing them on supports so workers can safely work underneath flooring rather than having to repeatedly stoop over to work. This improves safety and efficiency while creating a more comfortable working environment.

**Customized Dolly System** – A two-part customized dolly system makes moving large production pieces such as floors, walls and homes easier and safer for workers.

**Airlift Systems** – Automatic airlift systems assist workers in lifting heavy panels and shelving at our computerized CNC (Computer Numerical Control) machines more safely and ergonomically, helping to prevent lifting injuries.

**Computerized CNC Machines** – Linked to Cavco’s CAD network and paired with the airlift system, these CNC routers build cabinetry and shelving with precision and fewer repetitive motions for workers.

**Catwalks** – Updated catwalks incorporate enhanced safety features such as movable scaffolding and automated railing systems.

**Automated Materials Delivery Systems** – This conveyor system improves workflows and safety by continuously delivering materials to work areas in place of using forklifts for material transportation.

**50%**  
IMPROVEMENT  
TRIR  
SINCE  
2020

**20%**  
DECREASE IN INJURES  
**23%**  
DECREASE IN SEVERITY  
SINCE  
2021

SINCE  
2021  
**WORKER  
COMPENSATION  
PREMIUMS  
DROPPED**  
**33%**

**80%**  
PRODUCTION  
FACILITIES  
BETTER THAN  
INDUSTRY  
AVERAGE  
TRIR





**TRAINING, EQUIPMENT & FACILITIES UPGRADES**

In 2024, we upgraded our safety training nationwide with the addition of an eLearning curriculum. This comprehensive safety training program presents production employees with a specialized online training module every month for a total of over 11,500 hours annually companywide to ensure they are up to date on the full spectrum of safety-related topics.

We continually upgrade our machinery, technologies and work processes to make them more efficient, safer and less labor-intensive. Three major plant redesigns were completed at our plants in Hamlet, NC; Austin, TX; and Lafayette, TN, with three additional plant locations slated to be completed in 2024.

**LEAN MANUFACTURING**

We will continue to foster a culture that recognizes the positive correlation between sustainability and productivity. As part of these efforts, we are implementing 5S Lean manufacturing principles for our team members at work on the production line.

5S Lean manufacturing is a systematic methodology for workplace organization that enhances efficiency and safety by implementing five key principles: Sort, Set in Order, Shine, Standardize and Sustain. These principles facilitate a clean, organized and continuously improving work environment.

Additionally, 5S Lean manufacturing improves organization and cleanliness while reducing wasted motions. An inherent part of this work to increase productivity includes improving work processes and the work environment to reduce injuries by decreasing repetitive workplace motions by applying ergonomics and motion studies.

Supporting our Lean manufacturing system, applying the theory of constraints also helps us identify underlying bottlenecks and propose innovative solutions to those restrictions that are more efficient and sustainable.

**QUALITY INSPECTIONS**

These efforts working in conjunction with rigorous internal quality management audits help drive safety and quality across our manufacturing facilities. Constituted in 2022, the Operations Support Consumer Affairs department (OSCA), is a group of Cavco's most senior engineers and quality control and safety experts who perform these audits at every production facility once per year with a mandate to improve safety, quality and efficiency.

Our ONE Cavco commitment means that we are dedicated to the success of our team. Our team members are Cavco's most valuable resources — without them, our quality affordable homes can neither be built nor sold. That is why we prioritize hiring talented people with high standards and providing them a spectrum of training to help them reach their full potential.

To ensure we hire and retain the best people and support their success, we are constantly analyzing and updating our compensation and benefits packages. We offer competitive compensation and benefits packages that reflect the needs of our workforce. In the U.S., we offer medical, dental, and vision benefits, disability coverage, survivor benefits, behavioral and mental health services, and a range of wellness programs to our full-time employees. We also provide employees with information on inclusive support resources available in their region.

Cavco offers competitive retirement benefits including a 401(k) match program at 30% of contributions up to 5% of annual income in the U.S. In addition to the base salary, many full-time Cavco employees participate in an incentive plan, which supports our organizational philosophy of allowing employees to share in the Company's success.

Our executive compensation program is designed to attract, retain, and reward performance and align incentives with the achievement of the Company's strategic plan and both short and long-term operating objectives. In accordance with our compensation philosophy, established by the Compensation Committee of the Board, we believe our executive pay is

well-aligned with performance, creating a positive relationship between our operational performance and shareholder returns.

Cavco executive compensation program utilizes three components: (1) cash compensation comprised of an annual base salary, (2) short-term incentive compensation comprised of a cash bonus and/or cash incentive compensation, and (3) long-term incentive compensation, which consists of awards of Restricted Stock Units (RSUs) that vest over time and Performance Restricted Stock Units (PRSUs) that vest upon the achievement of preapproved Company performance measures over a set period of time.

As our ONE Cavco commitment states, we are dedicated to the success of our team members. This means we must create a workplace where our associates are paid a fair living wage and are provided with the opportunity to build meaningful careers.

As in years past, in FY2024 Cavco evaluated the income level of our production employees. Using recognized local geographical benchmarks for a "Living Wage" analysis as published annually by the Massachusetts Institute of Technology (MIT), we studied our team members with the lowest take-home pay to determine if they are earning enough to support themselves and their families. We are pleased to report that the annual wages of our lowest 10% of wage earners grew by an average of 13.5% for FY2024 compared to FY2022 and by 24.6% in gross income when comparing FY2024 to FY2021.



## PAY & BENEFITS CONT.

**16% INCREASE**  
**PRODUCTION EMPLOYEE**  
**RETENTION**  
w/ 1+ year FY2024 vs. FY2022

However, despite raising the average pay of our lowest decile earners by over 7% CAGR (compound annual growth rate), the reality of the ongoing tough inflationary environment resulted in a 13.5% CAGR in the benchmark living wage nationwide during this same period. These inflationary challenges are not unique to Cavco — even so, we remain focused on developing training programs that grow our team members' skills and leadership to promote greater earning potential.

Providing for rapid advancement through programs like Master of Craft and continuing to evaluate pay creates pathways to increased earnings and personal success. Looking at the company as a whole, we are proud to report that more than 3,800 team members received an average merit increase of 6.8% in FY2024 over their FY2023 compensation.

In addition to the consistent focus we place on team member compensation, we take great pride in our benefit offerings for our team members. This year we redesigned our benefits package, engaging a new comprehensive vision plan and a new national healthcare provider with an extensive network that gives our team members the added benefits of clinical management, disease management and patient advocacy programs.

Additionally, Cavco invested in our people's health and well-being with the recent additions of a \$0 and \$1 telemedicine copay on select coverage plans, employer-paid long-term disability for all production employees and a significant increase to the coverage limits of the employer-paid basic life/Accidental Death and Dismemberment (AD&D) insurance.

As a result of these improvements, our employee benefit enrollment grew by 8% and our vision plan enrollment increased by 26% for the company's 2024 healthcare enrollment period.

Cavco's recent improvements to the benefits offerings, compensation, training and facilities are yielding positive results in the retention of our people. In our plants, retention of our manufacturing employees working with the company for more than a year has increased by 16% for FY2024 as compared to FY2022.

Being an employer that people are excited about and proud to work for means we must continually evaluate and evolve the pay and benefits we provide to them. This is an integral part of our belief that when we engage our team members in a positive workplace and invest in their development and success, we maximize our impact for all our stakeholders.



The ONE Cavco commitment to our team members' success means that we provide them with continuing skills training to improve the quality of their work and opportunities and pathways to forge meaningful careers.



Our multifaceted training programs are designed to build hard skills, soft skills and leadership skills for their chosen career path. We integrate these learned skills with scenario training to help them apply what they've learned in real-world situations.

## TRAINING & DEVELOPMENT

### INNOVATIVE TRAINING PROGRAMS

At Cavco, we are firmly dedicated to the success of our team members, and we are committed to investing in their ongoing development. Our primary focus in accomplishing this is through our innovative, award-winning training initiatives which continually evolve and expand to meet the diverse needs of our workforce.

Our training and development programs are designed so our team members have the tools and skills to strengthen operational excellence while providing opportunities for leadership development and career progression. This ensures Cavco team members can grow and thrive within the company.

Mandatory employee training across a wide range of human rights topics is an integral component of our training program. This includes an annual review and certification of the Code of Conduct and ethics training which incorporates anti-bribery, corruption and conflict of interest compliance training.

We have also incorporated new technologies into our training programs, such as an immersive virtual reality platform that provides simulations and training in various fields.



From the factory floor to the face-to-face communication between a sales professional and a prospective homeowner, every Cavco team member has a training program tailored to their growth needs and career goals.



# TRAINING & DEVELOPMENT



Master of Craft is a comprehensive career development pathway that includes progressive levels from entry-level hires to experienced employees aspiring to leadership roles.

## MASTER OF CRAFT

Launched in 2023, the Master of Craft (MOC) program has become a cornerstone of our development and growth strategy, designed to elevate employee expertise and leadership across our manufacturing plants. This program is not a training curriculum; it is a comprehensive career development pathway that includes progressive levels from entry-level hires to experienced employees aspiring to leadership roles.

Each level in MOC is structured to enhance technical skills, promote cross-functional collaboration and provide a clear path for career advancement. It has been fully deployed in 8 plants, with 21 plants currently working through the process to implement the MOC program. This comprehensive program will significantly improve operational efficiency, product quality and employee engagement.



## TRAINING RECOGNITIONS

Our wide array of training programs not only support career advancement and skill development, but have also earned significant recognition. The Master of Craft program received the prestigious Training magazine's Training APEX Award in 2023 for its innovative approach to employee development, setting a benchmark in the industry.

Across the company, our training initiatives are a reflection of our commitment to our employees' growth and the organization's ongoing success. By investing in comprehensive and tailored development programs, we continue to strengthen our workforce and reinforce our reputation as a leader in the manufactured housing industry and an employer of choice.

Our training programs are specifically tailored for everyone from new hires to seasoned employees looking to advance their careers.



MALIBU  
MODEL

Small footprint home by Cavco Park Models in Glendale, AZ





# COMPANY CULTURE



At Cavco, we understand that a successful company culture requires more than just a safe workplace, fair pay and opportunities for career development. It must foster respect and provide purpose through a clearly defined set of principles guiding everything from our goals and expectations to how we interact with our fellow team members.

For us, it is our ONE Cavco philosophy. First introduced in 2021, this set of core principles outlines our company vision, our approach to work and the way we treat and interact with others.

Subsequently, these principles generated conversations across the company, provided guidance for decision making and connected all of our operations to the scope and scale of our work and the understanding of how we impact affordable housing.

# COMPANY CULTURE

In early FY2024, we initiated the work of expanding our ONE Cavco principles by outlining actions and behaviors that reflect the beliefs of our original guiding principles. Rather than turning to company leaders, we engaged a team from across the divisions and operations of the company to generate these actions. This team reflected our diversity across several dimensions that included operating units, time with the company, seniority, age, gender and ethnicity.

Together these individuals outlined actions and behaviors — characterized as “The Things We Do” — that outwardly reflect our inner commitment to our ONE Cavco beliefs. In February 2024, this expanded ONE Cavco collection of beliefs and actions was introduced to the company with an ongoing series of videos and conversation guides.



## ZULEIKA RAMOS PLANT GENERAL MANAGER

Zuleika Ramos manages Cavco's Ojinaga, Mexico manufacturing plant. She is the first woman to become general manager of a manufacturing facility in Cavco's 59-year history. In her almost 15 years in the industry, Zuleika's drive, grit and keen insights have proven an immense positive for Cavco's leadership and success.

## WHO WE ARE

### Our Commitment

To make a difference through:

- Our drive to solve affordable housing issues in new and existing markets
- Our relentless focus on excellence in operations
- Our aligned creativity and experimentation to reach for new solutions
- Our dedication to the success of the members of the Cavco team

### What Drives Us

- 1 Helping our customers buy and protect homes that improve their lives
- 2 Our belief that when we engage our team member stakeholders in a positive workplace and invest in their development and success, we maximize our impact for all our stakeholders

### What Matters

- 1 Being the best
- 2 Being proud of our impact
- 3 Being safe and respectful without exception
- 4 Standing for integrity and ethics in everything we do
- 5 Growing ourselves and the company

## WHAT WE DO

- 1 We own our decisions and own our results with no excuses.
- 2 We continually make things around us better.
- 3 We choose a positive attitude and have fun.
- 4 We celebrate successes, large and small.
- 5 We respect and empower each other.
- 6 We do the right thing every time.
- 7 We press forward with grit.
- 8 We don't cut corners.
- 9 We strive to win together.
- 10 We are responsive to those who depend on us.
- 11 We hold each other to our **ONE Cavco Culture**.





# COMPANY CULTURE

## OUR COMMITMENT TO DIVERSITY AND INCLUSION

Diversity and inclusion at Cavco begin and end with fairness and respect for all employees. We believe that everyone's unique contributions should be recognized based on job performance alone. Fundamental to this belief is maintaining a workplace free from harassment and discrimination of any kind.

To ensure equitable treatment, all hiring, training and advancement decisions are based solely on merit and work performance factors. This commitment is reflected in our ongoing efforts to create a diverse and inclusive workplace, which we believe will positively enhance our impact as a company.

Our leaders are crucial in nurturing this positive culture, setting the stage for a respectful and inclusive work environment where individuals feel secure, valued and appreciated. This is strengthened by ongoing training, communications and policies supporting these goals.

## MEASURING OUR PROGRESS

We purposefully track diversity metrics across the company. Analyzing and reflecting upon this data is critical for us to identify and address underlying issues. This process allows us to create meaningful and lasting change within our workplace.

Current data reveal that diversity across Cavco continues to grow, most notably in middle management and senior/executive level positions. This welcome development reinforces our commitment to increasing diversity through merit rather than arbitrary, mandated quotas.

One of the ways this commitment has shown results is the increasing number of women in leadership roles. This is even more meaningful considering manufactured homebuilding, much like the broader construction field, is generally viewed as a male-dominated industry.

Our diversity efforts are closely linked to other aspects of our workplace, reinforcing our commitment to a supportive work environment while fostering innovation and driving business success with a diverse, engaged workforce.

This holistic approach to employee development and company culture is how we realize our ONE Cavco principles, enhancing the work we do and proudly seeking innovative solutions to the affordable housing problem through a diverse culture of excellence.

## WORKFORCE DIVERSITY STATISTICS

AS A PERCENTAGE OF TOTAL EMPLOYEES

|                        |                | 2023   | 2022*  |
|------------------------|----------------|--------|--------|
| ENTRY LEVEL            | White Women    | 6.3 %  | 5.5 %  |
|                        | Women of Color | 10.9 % | 11.5 % |
|                        | White Men      | 35.7 % | 34.5 % |
|                        | Men of Color   | 47.1 % | 48.5 % |
| MANAGER / PROFESSIONAL | White Women    | 19.4 % | 18.4 % |
|                        | Women of Color | 15.0 % | 11.3 % |
|                        | White Men      | 47.0 % | 46.8 % |
|                        | Men of Color   | 18.6 % | 23.6 % |
| MIDDLE MANAGEMENT      | White Women    | 26.3 % | 27.3 % |
|                        | Women of Color | 12.5 % | 9.4 %  |
|                        | White Men      | 45.5 % | 52.1 % |
|                        | Men of Color   | 15.7 % | 11.2 % |
| SENIOR EXECUTIVE       | White Women    | 8.8 %  | 6.7 %  |
|                        | Women of Color | 3.5 %  | 1.3 %  |
|                        | White Men      | 78.1 % | 82.7 % |
|                        | Men of Color   | 9.6 %  | 9.3 %  |

\*INCLUDES COMMODORE ACQUISITION



## COTTAGE FARMHOUSE

Small home by Palm Harbor Homes in Plant City, FL





SANIBEL  
DUPLEX

Modular duplex home by Nationwide Homes in Martinsville, VA



COMMUNITY IMPACT



Cavco's Phoenix office joined forces with Feed My Starving Children to pack 28,080 meals, providing daily meals to 76 children for a year, as part of our effort to combat global hunger and support community health. They also partnered with Central Arizona Shelter Services (CASS) to donate clothing, hygiene kits and bottled water to those experiencing homelessness during a summer heatwave.





**THE ANTHEM DUPLEX SERIES: CAVCO'S CREATIVE SOLUTION TO THE AFFORDABLE HOUSING CRISIS**

For almost 60 years, every home Cavco designed and built was created with the goal of providing more people with more opportunities to own a quality affordable home.

Affordable homeownership not only improves the lives of the people who live in the home, it also improves the communities where these homes and families reside.

Today, providing quality affordable homes is more crucial than at any other time in our history. According to the 2024 The State of the Nation's Housing report from Harvard University, millions of households are now priced out of homeownership, grappling with housing cost burdens or lacking shelter altogether. Access to affordable housing is at crisis levels.

This stark realization focuses our aligned creativity and experimentation to reach for new housing solutions. One innovative solution we developed this year is our Anthem series, the first nationally available, HUD-approved manufactured duplex home — a reimagining of what manufactured homes can offer.

Cavco's new Anthem series exemplifies our commitment to combat today's affordable housing crisis. Designed for maximum flexibility with virtually

endless configurations, the Anthem duplex can fit the widest range of housing applications from manufactured housing communities to single lot, urban placements.

This year we released a new Anthem model called the Blue Ridge – the industry's first single-section duplex home built on a single chassis. Unveiled at the Innovative Housing Showcase in Washington, D.C., the Blue Ridge allows us to build, deliver and set two separate living areas on one single frame as a multi-unit dwelling, or true duplex. This development is crucial to help communities solve critical housing issues.

Providing increased density and revenue for communities, hospitality, student housing, assisted living as well as landowners and homeowners looking to generate rental income, the Anthem is finding its way into many different applications.

With multiple floor plans, energy-efficient designs, HUD approval and nationwide availability, the Anthem series is a multifaceted solution to providing more homes for more people without sacrificing quality. It is a logical, practical and effective solution to the nation's affordable housing crisis. It is a clear example of Cavco finding innovative solutions to the nation's housing crisis.

For more information about our Anthem series, <https://cavcoanthem.com/>



**Bill Boor  
Cavco President and CEO  
Testifies in Washington, D.C.**

Acting in his capacity as Chairman of the Manufactured Housing Institute (MHI), the industry's trade association, Bill Boor, President and CEO of Cavco Industries, testified on the topic of ESG regulation in front of the Housing and Insurance subcommittee on July 14, 2023. He emphasized the industry's strong record of energy efficiency improvement, the constructive relationship with the U.S. Department of Housing and Urban Development (HUD) which regulates manufactured housing, and the critical importance of a holistic and industry-specific regulatory approach.

At Cavco, we are fortunate that the nature of what we do has a positive impact on individual lives and the communities we serve — providing quality, affordable homes to support people's dream of home ownership. We take great pride in our impact through the homes, loans and insurance we provide deserving families.

In addition to this work, Cavco employees also engage in impactful volunteering efforts within their communities. Strengthening the communities where we live and operate through active volunteer work is essential to who we are as part of our ONE Cavco philosophy. We're immensely proud of our team for the meaningful ways they support their local communities.

**CAVCOMMUNITY PROGRAM**

Recognizing that our team members often know the needs of their local communities best, we launched the CAVCOMMUNITY program to provide each location with funding to support their team's volunteer efforts.

Listed here are some highlights of the work done in local communities last year by our team members across our many locations as they engage in community service as a core value.



**Austin, TX — Manufacturing Plant**

Our Austin plant team dedicated their time to build 18 custom pet homes in three sizes. These homes support their local animal shelters like Austin Animal Center and Luling Animal Welfare Society. This initiative is part of their ongoing 'Build a House, Save a Life' campaign, reflecting their commitment to community welfare and animal care.





### Ocala, FL — Manufacturing Plant

Our Ocala manufacturing plant actively supports the Patriot Service Dogs organization. Last year, they sponsored Athena, a Labrador Retriever training to assist veterans. This initiative aligns with our principle of impactful community service and supports veterans in Marion County.



### Plant City, FL – Manufacturing Plant

At the annual Family Day for the Plant City manufacturing facility, they collected and donated over 180 toys to local children and Metropolitan Ministries for the holiday season.



### New Braunfels, TX — Standard Casualty Insurance

Last summer, Standard Casualty Insurance helped prepare local children for the school year by donating essential supplies and organizing a food drive that collected 225 pounds of food and raised \$600 to support the New Braunfels Food Bank.



### Emlenton, PA — Manufacturing Plant

Our Emlenton manufacturing team partners with Habitat for Humanity to build modular homes and donate building supplies. This partnership has already resulted in five new homes in Dutchess County, New York, and plans for several more projects, significantly boosting Habitat's ability to provide quality homes to families in need.



RIVER'S  
EDGE

Small home by Palm Harbor Homes in Millersburg, OR





# Congratulations

**MATT**

FLEETWOOD HOMES, LAFAYETTE, TN



HOMES FOR OUR OWN

# Congratulations

**JOSEPH**

CAVCO NORTH CAROLINA



**31 employees GRADUATED**  
FROM HFOO

AVERAGE DONATION

**\$16.00/MO**



**90 employees ARE ENROLLED IN MONTHLY DONATIONS**



**5 THE NUMBER OF CAVCO PLANTS THAT HAVE HOSTED HFOO CLASSES**



**3 EMPLOYEES HAVE BROUGHT HOMES WITH HFOO'S ASSISTANCE**



# Congratulations

**EVA**

FLEETWOOD HOMES, NAMPA, ID



While Cavco's primary goal is to help people achieve the dream of home ownership by building and financing quality affordable homes, we are also acutely aware that many of these people are members of our Cavco family.

Struck by the knowledge that we have co-workers building, selling and financing homes while they themselves may feel that owning a home of their own is out of reach, we created the Homes for Our Own (HFOO) program.

This internal program is Cavco's commitment to support the dream of homeownership for our team members. HFOO is a two-part program, providing education and financial support for qualifying Cavco employees.

The HFOO educational program provides resources, training and mentoring tailored to each enrollee's needs and goals. Some may need to improve their credit while budgeting and saving for a down payment. Others may need to understand the ongoing costs of homeownership. Equally important, they need to determine whether homeownership is the right path for them.

The financial support from HFOO is predominantly supported by contributions from Cavco team members. Through payroll deductions, team members can donate as little as \$1 per paycheck to the financial assistance fund for

qualifying HFOO graduates. Cavco matches these donations up to \$200,000 annually. This unique approach allows us all to be part of making our co-workers' dreams of homeownership a reality.

The HFOO classes are offered online as well as in person and include a Spanish-language version to ensure everyone who wants to participate is able to do so. As of July 30, 2024, we have conducted classes in five of our manufacturing plants with 46 graduates since the first class was launched in September 2023. During that time, HFOO has assisted three Cavco team members with purchasing their first homes.

One recent HFOO graduate who went on to buy a home had this to say about the program: "I had a goal to own a home within 10 years after my high school graduation. Homes for Our Own helped make it possible."

We believe the Homes for Our Own program is the perfect way to put our commitment to providing quality affordable housing into action close to home and to make a meaningful contribution to the success and prosperity of our team members.





FARMHOUSE  
||

Modular home by Nationwide Homes in Martinsville, VA



ENVIRONMENTAL STEWARDSHIP





# ENVIRONMENTAL STEWARDSHIP

Cavco considers environmental responsibility and sustainability to be foundational components of our long-term success as a builder of quality affordable homes. This belief guides us to stay true to our ONE Cavco principle of “standing for integrity and ethics in everything we do.”

For Cavco, sustainability and environmental responsibility mean making efficient use of resources, reducing waste and increasing efficiency across our value chain to minimize the impact of our operations on the environment while complying with environmental laws and regulations.

## OUR APPROACH

Although our offsite home manufacturing process is significantly more environmentally friendly than the site-built process, we continue to strive to find new ways to be more responsible stewards of the environment.

We do this by seeking efficient, low-waste production processes, adopting innovations that reduce the use of raw materials and emphasize sustainable inputs, developing product designs that create energy-efficient homes and providing educational materials to enable customers to choose more sustainable options for their homes.

Many of our manufacturing facilities are certified to build ENERGY STAR® homes through a special Environmental Protection Agency (EPA) program for manufactured homes. In FY2024, these plants built 2,302 ENERGY STAR-rated homes.

## ENVIRONMENTALLY CONSCIOUS MATERIALS PROCUREMENT

Mindfully choosing environmentally friendly components and materials further reduces our impact on the environment and provides cleaner, healthier air quality within the home. As a company, we continually evaluate new materials, systems and products for our homes to determine where we can make cost-efficient changes to improve the quality and affordability of living in our homes and the associated environmental impacts.

## SUSTAINABLE PROCESS IMPROVEMENTS

Increasing operational efficiencies and recycling efforts at our manufacturing facilities is a significant opportunity to reduce waste, preserve natural resources and increase our use of recycled materials to keep costs down and minimize our carbon footprint.

Recently, we have purchased automated wire stripper machines to reclaim the copper from excess wire snippets. This practice not only reduces waste; it also generates revenue through the sale of the copper. In fact, the sale of the reclaimed copper paid for one machine in less than six months.

We are committed to increasing our awareness of the environmental impact of our construction activities and taking measurable steps to reduce that impact.

# ENVIRONMENTAL STEWARDSHIP



CAVCO PARK MODELS & CABINS • GLENDALE, AZ

## OPTIMIZED FACILITIES PERFORMANCE

Cavco launched a solar power initiative in 2023 at the Cavco Park Models and Cabins manufacturing plant in Glendale, Arizona. Sized to provide approximately 50% of the temperature-controlled plant’s energy needs, the 1.25-megawatt hour (MWh) solar array is showing promising results. The system has been fully operational since October 2023, providing eleven

months of power production data through the end of August 2024. See results data below.

Cavco is expanding our solar energy program and has begun drafting plans to install solar arrays at additional manufacturing facilities.



## RECYCLING

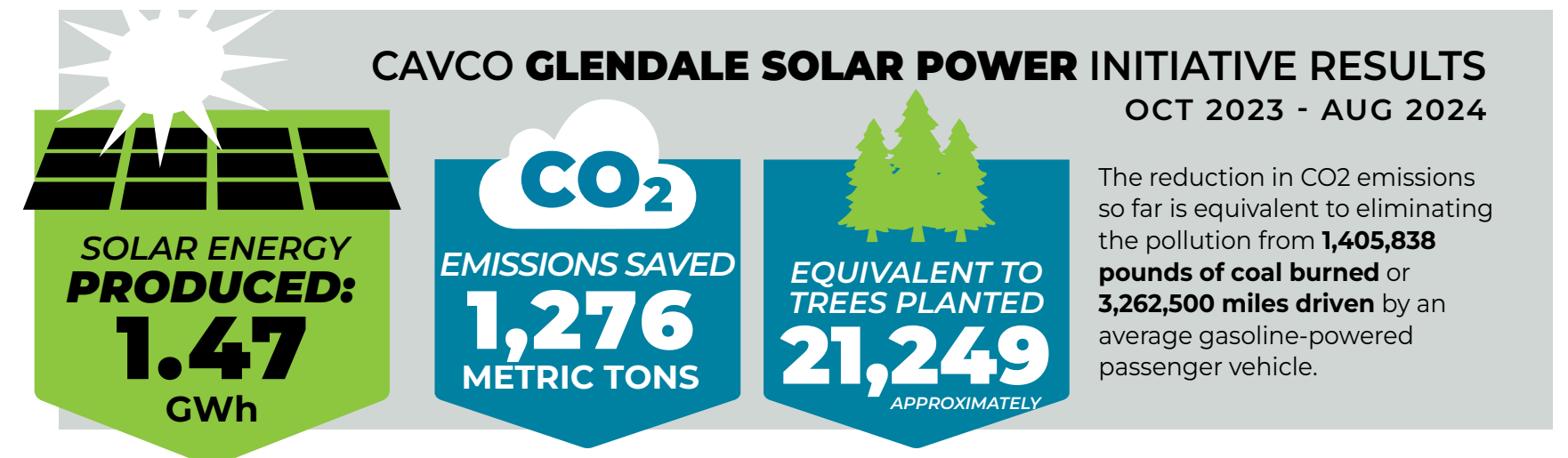
Scrap metal and scrap wire contractors remove metal refuse, purchasing it from Cavco at scrap metal prices.

Used pallets from material freighted in are sold to a pallet builder.

Baled cardboard is purchased by wood pulp recycling companies.

Vinyl siding is repurchased by siding manufacturers for recycling.

Wood refuse is chipped up and sold to local companies and farms for uses such as turkey bedding and mulch.





# ENVIRONMENTAL STEWARDSHIP

## CAVCO'S COMMITMENT TO SUSTAINABILITY

Cavco takes its practices regarding construction waste management seriously. Our initiatives focus on reducing the mass of materials such as lumber, gypsum wallboard and shingles shipped to landfills. With this approach, every stakeholder wins – our customers, our suppliers, our investors, the environment and Cavco.

We recognize our responsibility to educate our home buyers about how they can improve the energy efficiency of their home by making informed decisions during the planning and construction process.

## HERE ARE A FEW EXAMPLES OF EDUCATIONAL TOPICS PRESENTED TO OUR HOME BUYERS:

**Passive Solar Positioning** – Setting the home with a north-south orientation allows it to benefit from passive solar gain and provides significant savings in heating and cooling costs.

**Square Footage and Volume** – Carefully considering the real square footage needs for heating and cooling to choose appropriately sized equipment for energy efficiency.

**Water Efficiency** – Capture, store and reuse rainwater for landscaping needs. Also, ensure that the home site is graded properly to conserve water.

## ENVIRONMENTAL MANAGEMENT SYSTEM

Cavco's Environmental Management System (EMS) routinely analyzes our environmental impact, reviews our environmental goals, assesses our compliance, sets our related targets and objectives and establishes our practices for achieving them. Staff and third-party audits are conducted periodically to validate the effectiveness of our EMS. Also, our third-party environmental contract service helps us stay current and compliant with all environmental permits, identify developing environmental conditions and vet new materials for compliance. All information and results are analyzed for improvement opportunities and communicated to the executive team and the Board of Directors.

## INHERENT BENEFITS OF OFFSITE HOME CONSTRUCTION

We strive to use building materials in the most efficient means possible, driving down waste and costs.

- All our homes are tightly built and feature upgraded insulation in the attic, walls and floors, eliminating air gaps to maintain indoor temperature and air quality. This can significantly reduce heating and cooling costs compared to similar site-built homes, resulting in lower energy consumption.
- Our homes are constructed with pre-assembled panels produced in climate-controlled facilities, minimizing waste from weather. These standardized panels create stronger, more airtight homes, offering better insulation and lower utility bills. This method reduces waste, noise, air pollution and the need for large framing members from big trees.
- Our material suppliers typically ship directly to our manufacturing facilities, as opposed to dropping off materials to several different and potentially far-reaching job sites, reducing gas consumption as well as noise and air pollution.
- We use oriented strand board (OSB), which is made from wood chips, rather than traditional plywood and truss joints. This reduces the need for large framing members and the need for additional timber to be cut.
- 100% of our facilities incorporate recycling into their standard site processes, including reusing materials on site, separating recyclable construction waste and diverting it away from landfills.

RESPONSIBLE GOVERNANCE





# RESPONSIBLE GOVERNANCE

Ultimately, it is business success that allows us to grow our positive impact on homeowners, communities, the environment, and the people of Cavco. Our investors are key stakeholders and partners in this work. As a public company, we must be good stewards of the capital entrusted to us. Profitably growing our business creates opportunities that benefit all stakeholders. We take a long-term view on our approach to growth, investment and business strategy, as we fully believe our solution to the affordable housing problem will extend for another 50 years and beyond. This perspective shapes our approach to governance and includes acting with integrity and being the company our suppliers and customers trust and with whom they want to do business.

Cavco proactively interacts with our shareholders and other interested parties throughout the year in a variety of forums. In the past year, our management teams met with 32 firms representing about 2.4M shares, or about 29.5% of our ownership. Our interactions cover a broad range of governance and business topics, including corporate responsibility and sustainability. The exchanges we have had with shareholders provide us with a valuable understanding of our shareholders' perspectives and meaningful opportunities to share views with them.

Management met with  
**29.5%**  
 of Investor Ownership  
 in FY2024

## BOARD OF DIRECTORS' & EXECUTIVE OFFICERS' RESPONSIBILITIES

Governance starts with the company leadership, which includes our executive officers and the Board of Directors. As a public company, officers and board members are fiscally and legally responsible for proper use of company funds. The company expects high standards of ethical conduct from its Directors, management, and all employees

# BOARD OF DIRECTORS



**Steven G. Bunger**  
 Chair of the Board  
 President and Chief Executive Officer  
 Pro Box Portable Storage, Inc.



**William C. Boor**  
 President and Chief Executive Officer  
 Cavco Industries, Inc.



**Susan L. Blount**  
 Retired Executive Vice President and  
 General Counsel  
 Prudential Financial, Inc.  
 Committees:  
 Compensation, Corporate  
 Governance and Nominating, Legal  
 and Compliance Oversight (Chair)



**David A. Greenblatt**  
 Retired Senior Vice President and  
 Deputy General Counsel  
 Eagle Materials, Inc.  
 Committees:  
 Audit, Corporate Governance and  
 Nominating (Chair), Legal and  
 Compliance Oversight



**Richard A. Kerley**  
 Retired Senior Vice President and Chief  
 Financial Officer  
 Peter Piper, Inc.  
 Committees:  
 Audit (Chair), Corporate  
 Governance and  
 Nominating, Legal and  
 Compliance Oversight



**Steven W. Moster**  
 President and Chief Executive Officer  
 Viad Corp  
 Committees:  
 Compensation (Chair)



**Julia W. Sze**  
 Impact Investment Strategy  
 Julia W. Sze Consulting  
 Committees:  
 Audit and Compensation

# RESPONSIBLE GOVERNANCE

as set forth in Cavco's Corporate Governance Guidelines and Code of Conduct. As we continue to focus on setting clear expectations, our executive team will continue its stewardship through direct oversight and involvement.

## BOARD STRUCTURE

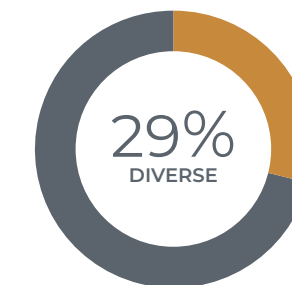
Board structure is important to governance in that it demonstrates a company's commitment to transparency and accountability. The Chair of the Board is an Independent Director. We believe this enhances the independence of the Board and fosters a system of checks and balances that ensures accountability for decisions across the Board and management team.

A number of years ago, the Company separated the roles of Chief Executive Officer and Chair of the Board in recognition of the differences between the two roles. The Board believes that the separation of the duties of the Chief Executive Officer and the Chair of the Board provides a balanced perspective and can support productive discussions and decision making.

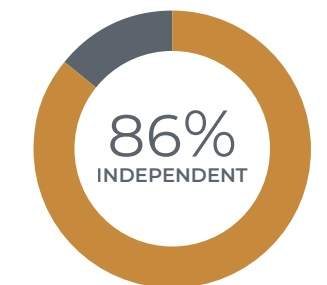
The Board has four standing committees: (1) Audit; (2) Compensation; (3) Corporate Governance & Nominating; and (4) Legal & Compliance Oversight. Each committee operates under a written charter adopted by the Board and reviewed by the Board at least annually. Each committee charter is posted on our website at <http://investor.cavco.com/general-documents>.

## BOARD OF DIRECTORS

GENDER DIVERSITY



INDEPENDENT DIRECTORS





# RESPONSIBLE GOVERNANCE

## RISK MANAGEMENT

Management of risk is the responsibility of the company's executive officers and senior management team. The Board has ultimate oversight responsibility over our audit, compliance, and enterprise risk management practices. The Board has delegated specific risk oversight in these areas to the Audit and Legal and Compliance Oversight (LCO) Committees.

The Audit Committee assists the Board with the oversight of the Company's business and financial risk management processes. To assist the Audit Committee in overseeing risk management, the company's Director of Internal Audit meets independently with the Audit Committee and has free access to the Chair of the committee.

The LCO Committee assists the Board with the oversight of regulatory, compliance, policy, and legal matters and their related risks at the local, state, and federal levels. Further, the committee also oversees the Company's identification, prioritization, and mitigation of key legal and regulatory risks, including those related to data security, labor and employment, and operational effectiveness. The General Counsel and Chief Compliance Officer meet regularly with the LCO Committee.

As we disclosed in our 2024 Annual Report on Form 10-K, we maintain a comprehensive cybersecurity risk management program modeled by standards provided by organizations such as the National Institute of Standards and Technology (NIST) and the International Organization for Standardization (ISO). Our cybersecurity program includes an incident response plan that addresses the detection, reporting, analysis, response, recovery, communication, documentation and post-incident review of cybersecurity incidents. We test and evaluate this plan on a routine basis. For material cybersecurity risks, we have developed mitigation measures to reduce a given risk's likelihood of occurrence and/or its expected impact. We perform risk assessments throughout the year to identify and remediate potential cybersecurity threats and vulnerabilities. Our Board has delegated oversight of risks related to cybersecurity to the LCO Committee and the review of materiality determinations of cyber incidents to the Audit Committee.

The Board expects management to promote a culture that incorporates risk management into the company's corporate strategy and day-to-day business operations. With the input of the Board, the company's executive officers regularly assess and analyze the company's risk profile.

## STOCK OWNERSHIP AND TRADING

To ensure alignment between the financial interests of our officers and Directors and the interests of our shareholders, all Directors and executive officers are expected to meet and maintain certain minimum stock ownership requirements. Directors and executives are also prohibited under our Securities Trading Policy from hedging, pledging, short selling and buying or selling derivatives related to Cavco's stock. The Stock Ownership Guidelines and Securities Trading Policy are posted on our website at <http://investor.cavco.com/general-documents>.

## CAPITAL PROCESS AND BALANCE SHEET MANAGEMENT

At Cavco, we strive to manage and maximize the cash that we generate from our operations and determine the proper allocation for reinvestment. Proper allocation of resources produces high-value, effective results. Our approach takes a long-term view on value creation and shareholder return.

We don't chase quarterly profits at the expense of long-term impacts to our business, our people or the environment. As part of our overall capital allocation strategy, we are returning value to shareholders through our share repurchase program. Share repurchase authorizations since October 2020 have totaled \$400M with the most recent authorization in February 2024. Through the first quarter of FY 2025, we have repurchased \$303 million under these authorizations, leaving an additional \$97 million available. This approach has given management a valuable tool to responsibly manage the company's cash reserves by returning excess capital to shareholders, while maintaining sufficient funds for risk management and strategic investments.

## CODE OF CONDUCT

Cavco's continued success relies on high standards of ethics and integrity in our relationships, and this begins with treating one another with respect and dignity.

Our Code of Conduct establishes the ethical standards that govern how every employee at Cavco and our Directors operates our business. Specifically, the Code of Conduct promotes honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; full, fair, accurate, timely and understandable disclosure in reports and documents that Cavco files with, or submits to, the SEC and in other public communications made by Cavco; compliance with applicable governmental laws, rules and regulations; the prompt internal

reporting of violations of the Code of Conduct to an appropriate person or persons identified in the Code of Conduct; and accountability for adherence to the Code.

Since 2022, we have conducted training on our Code of Conduct which now extends to every level of the company. This includes an annual review and certification of the Code of Conduct and ethics training which incorporates anti-bribery, corruption and conflict of interest compliance training. The Code of Conduct is available on our website at <https://www.cavcohomes.com/esg>.

Standing for integrity and ethics in everything we do is a core value and key tenet of ONE Cavco. The importance of these concepts is manifested in our approach to oversight of the Code of Conduct and Cavco Policies. Cavco takes a strict stance against harassment and discrimination of any kind by any employee. It is critically important that every employee feels safe, valued and respected. We have taken significant steps toward identifying and addressing workplace issues with our Speak Up Cavco! process. Our expectations have been amplified through our Code of Conduct and ONE Cavco principles, which demand respect, integrity, and ethical behavior.

Speak Up Cavco! provides a resource where employees can report ethics violations or complaints, compliance and safety issues, workplace incidents and more via an online form or confidential hotline. Speak Up Cavco! is a way for Cavco associates to report unethical activity or misconduct and know that it will be investigated without retaliation. These resources are open to anyone who works with Cavco as well as to any person with direct knowledge of facts related to one or more ethics incidents.

The drafting, review, implementation, training and administration of the Code of Conduct is led by a committee consisting of Cavco's top management with input from leaders from across the company.

# RESPONSIBLE GOVERNANCE

The Speak Up Cavco! hotline is available to everyone 24/7 either online at [www.speakupcavco.com](http://www.speakupcavco.com) or via phone or text at 1-844-93CAVCO.

Again, we recognize that this by itself does not achieve the positive outcome we intend, but positive change can only occur when we have created a safe and respectful workplace for all of us.



Cavco is also committed to promoting human rights by adhering to the tenets of the United Nations' Universal Declaration of Human Rights and Guiding Principles on Business and Human Rights, as well as following relevant local and federal laws regarding human rights. This policy is in line with the commitments outlined in the Company's Code of Conduct, which governs our relationships with co-workers, customers, suppliers and investors, always abiding by the highest standards of integrity. The Human Rights Policy addresses Board and managerial oversight, commitments, prohibited practices and the Company's relationship with third parties. Our Human Rights Policy in full is available on our website at <https://www.cavcohomes.com/esg>.



# CAVCO CORPORATE POLICIES



Environmental Stewardship



Product Safety and Quality Policy



Human Rights Policy



Diversity, Equity and Inclusion Policy



Cavco Code of Conduct



Conflict Minerals Policy

SCAN TO DOWNLOAD  
POLICIES

# CYBERSECURITY AND DATA PRIVACY



We take data privacy and security seriously. We maintain a comprehensive cybersecurity risk management program modeled by relevant standards provided by organizations such as the National Institute of Standards and Technology (NIST) and the International Organization for Standardization (ISO) (27001 - Information Security Standard). Our program is part of our enterprise risk management strategy and includes the following policies and procedures:

## INFORMATION SECURITY

Our cybersecurity defense provides multiple and redundant layers of protection against various attack vectors and vulnerabilities. Our defense program includes an incident response plan that is tested on a routine basis. Our incident response plan addresses the detection, reporting, analysis, response, recovery, communication, documentation, and post-incident review of cybersecurity incidents. Further, for material cybersecurity risks, we've developed mitigation measures to reduce the risk's likelihood of occurrence and/or its expected impact. Such mitigation measures have involved, among other things, implementing additional technology controls or policies, increased training for team members, and obtaining additional insurance for the identified risk.

## OVERSIGHT

Our Board has overall responsibility for risk oversight, with its committees assisting the Board in performing this function based on their respective areas of expertise. Our Board has delegated oversight of risks related to cybersecurity to the Legal and Compliance Oversight (LCO) Committee and the review of materiality determinations of cyber incidents to the Audit Committee.

The LCO Committee is charged with, among other responsibilities, reviewing our cybersecurity processes for assessing key strategic, operational, and compliance risks. Further, the LCO Committee receives periodic reports on cybersecurity risks and management of those risks from our Senior Director of IT Governance, Risk and Compliance (Senior Director). The Senior Director's presentations to the LCO Committee include assessments of cyber risks, the threat landscape, updates on incidents, and reports on our investments in cybersecurity risk mitigation and governance.

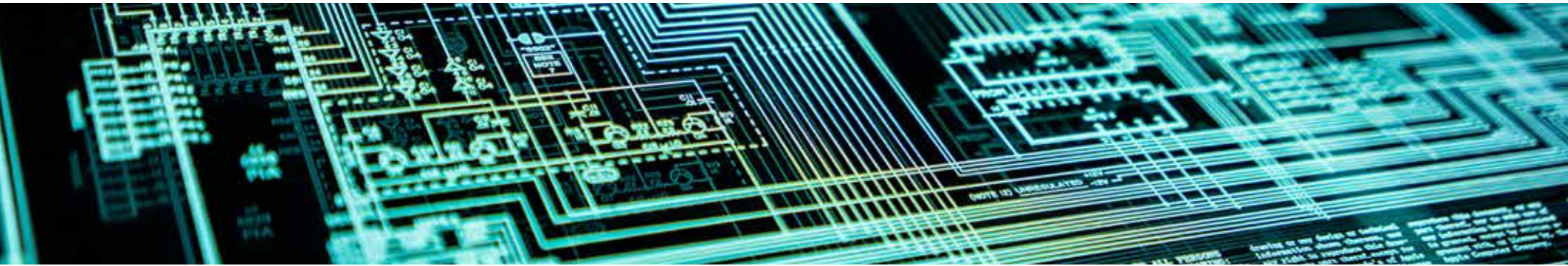
The Chair of the Audit Committee is regularly informed of both material and non-material cybersecurity risks and incidents. The full Audit Committee is notified any time our incident response program has determined that a cybersecurity incident is material or requires reporting to a regulatory body.

## COMPANY LEADERSHIP

Our cybersecurity team is led by our Senior Director who reports directly to our Chief Financial Officer and is responsible for assessing and managing cybersecurity risks. The Senior Director is a Certified Information Security Professional and a Certified Information Systems Auditor with over 20 years of experience evaluating and remediating IT risk and leads security control implementation, risk and compliance monitoring, security tool management, and incident response planning. Reporting to the Senior Director, the Director of Information Security possesses expert knowledge in threat modeling and vulnerability testing methodologies. The Director of Information Security leads efforts to build security into all IT processes and procedures to protect against risks related to data leakage, broken authentication, injection flaws, improper encryption, and attacks on other application vulnerabilities.



# CYBERSECURITY AND DATA PRIVACY



## THIRD-PARTY RISKS

We have also implemented a process to evaluate and review potential cybersecurity risks arising from our use of third-party vendors. As part of our vendor engagement protocols, we will consider, among other things, each potential vendor's data backup procedures, incident reporting protocols and data privacy and encryption practices.

## CUSTOMER PRIVACY

We never sell our mailing or contact lists to third parties who are not affiliated with us. However, we may share customer email addresses and contact information with chosen service providers for home-related offers and information we believe our customers may find valuable. Customers have the option to indicate on the guest information form, registration card or other materials if they prefer not to receive such communications.

## EMAIL SECURITY

Email is a common mode of cyber-attacks and threats. In response, we retain a third-party security provider for email security and protection services. We have also implemented additional security measures to strengthen our cyber threat protection.

## EMPLOYEE EDUCATION AND AWARENESS ACTIVITIES

We routinely train our team members on cybersecurity risks and mitigation. All employees with access to company emails must complete continuous security awareness training, covering topics such as social engineering, password management best practices, data classification and phishing awareness. Employees responsible for handling customer personal information receive further specialized training. Additionally, the company distributes a monthly security awareness newsletter and conducts ongoing internal phishing assessments.

## ANNUAL RISK ASSESSMENT

In addition to our internal exercises to test aspects of our cybersecurity program, we engage independent third parties annually to assess the risks associated with our IT resources and information assets. Among other matters, these third parties analyze information on the interactions of users of our information technology resources, including employees, and conduct penetration tests and scanning exercises to assess the performance of our cybersecurity systems and processes. These assessments evaluate our program's effectiveness in part by considering industry standards and established frameworks, such as those set by NIST as guidelines.



**FY2023 Cavco Industries Inc.  
Sustainability Accounting Standards Board (SASB)**  
PUBLISHED SEPTEMBER 2023



**FY2023 Cavco Industries Inc.**  
**Sustainability Accounting Standards Board (SASB)**

PUBLISHED SEPTEMBER 2023



As a nationwide manufactured housing company endeavoring to be a great corporate citizen, Cavco is continually evaluating opportunities to grow or improve our positive impact as a company committed to make a difference. As such, we are reporting our disclosures in regard to the activity metrics in the SASB Home Builders Industry Standard Version 2018-10. Unless noted otherwise, the disclosures reported here are for or as of our fiscal year ending April 1, 2023.

| Topic                         | SASB Accounting Metric  | Cavco Homes FY2023 Disclosure   |
|-------------------------------|---|---|
| Land Use & Ecological Impacts | <b>IF-HB-160a.1</b><br>Number of (1) lots and (2) homes delivered on redevelopment sites  | Cavco is generally a wholesale provider of homes which are delivered to various channels. As a result, we are unable to determine the classification and history of the lots where our homes are ultimately placed.   |
|                               | <b>IIF-HB-160a.2</b><br>Number of (1) lots and (2) homes delivered in regions with High or Extremely High Baseline Water Stress                                 | Cavco is generally a wholesale provider of homes which are delivered to various channels. As a result, we are unable to determine the Water Stress condition of the lots where our homes are ultimately placed.   |
|                               | <b>IIF-HB-160a.3</b><br>Total amount of monetary losses as a result of legal proceedings associated with environmental regulations                              | \$0 - We are not involved in any environmental regulatory legal proceedings. Any material legal proceedings will be disclosed in the appropriate filing on our Investor Relations site.   |
|                               | <b>IIF-HB-160a.4</b><br>Discussion of process to integrate environmental considerations into site selection, site design, and site development and construction | Cavco is generally a wholesale provider of homes and is not involved in selecting and developing lots for placement of homes. To an immaterial extent we take ownership of lots within our retail operations; however, these lots have been previously developed in all cases.  |
| Workforce Health & Safety     | <b>IF-HB-320a.1</b><br>(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees                      | (1) For FY2023, Cavco's TRIR was 7.54.<br>(2) The Company recorded a 0% fatality rate for its employees and third-party contractors.<br>The Cavco Safety and Risk Management team conducts regular safety appraisals of the company's production facilities. Through its company-wide safety program "Safety Now," Cavco emphasizes safety through training and the implementation of industry best practices, creating a 'safety first' culture. This increased focus on safety has resulted in: (1) improving Cavco's TRIR by 23% since FY2021; (2) performing below the industry average TRIR in 70% of our production facilities; and 3) improving the workers' compensation experience modifier by 25% over the past four years to a level below the industry average. |

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| Topic                          | SASB Accounting Metric  | Cavco Homes FY2023 Disclosure   |
|--------------------------------|---|---|
| Design for Resource Efficiency | <b>IF-HB-410a.1</b><br>(1) Number of homes that obtained a certified HERS® Index Score and (2) average score  | The HERS Rating system is not used to rate Manufactured Homes as it was designed for homes built onsite. However, Cavco participates in the EPA Energy Star program and built 6,900 homes that qualified for the IRS 45L energy efficiency tax credit.  |
|                                | <b>IF-HB-410a.2</b><br>Percentage of installed water fixtures certified to WaterSense® specifications   | We estimate that approximately 80% of the installed water fixtures were certified to WaterSense® specifications.  |
|                                | <b>IF-HB-410a.3</b><br>Number of homes delivered certified to a third-party multi-attribute green building standard   | Cavco is generally a wholesale provider of homes which are delivered to various channels. As a result, we are unable to determine which homes qualify for multi attribute green building standards when finally placed in service. Although Cavco does not have homes delivered that are multi-attribute green building certified, we are on pace to build more Energy Star certified homes than ever before.   |
|                                | <b>IF-HB-410a.4</b><br>Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers | The most significant risk of designing and building efficient, sustainable homes for Cavco is adding relatively more expensive features and components that could potentially price us out of the market for the affordable home buying customer. As a company driven to provide affordable, efficient, quality-built homes, we are keenly aware that every \$1,000 increase in the price of a home means that more than 100,000 home buyers can no longer afford that home. Each component added to our homes is carefully evaluated to ensure the efficiency provided pays for itself within the 20-year mortgage period.<br><br>Conversely, integrating efficiency to our process also presents some opportunities to Cavco. Building for the cost-conscious affordable homebuyer gives Cavco the opportunity to provide efficiency as a value-add that reduces energy consumption and utility costs over the life of the new home and increases the comfort and health of their family. In alignment with the U.S. Department of Energy directive that a primary component of efficient design is the whole house mechanical systems approach to reduce waste from short and duplicate runs, Cavco homes are engineered with whole house systems for heating, cooling, electrical and plumbing to ensure maximum efficiency, comfort and savings for our homeowners. Additionally, the pre-constructed panels used in our homes provide better insulation throughout our homes, resulting in tighter construction, better indoor air quality and better health for homeowners.<br><br>[CONTINUED ON PAGE 3] |





| Topic | SASB Accounting Metric | Cavco Homes FY2023 Disclosure |
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**Design for Resource Efficiency (Cont.)**

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| <p><b>IF-HB-410a.4 (Cont.)</b><br/>                 Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers</p> | <p>Cavco discloses its principles in efficiency and benefits of our home building process on our website and selected regulatory filings. Our overall principles in efficiency are highlighted in Cavco's Environmental Stewardship Policy, available on the company's website:</p> <p><b>Design for efficiency</b> - Our homes are designed and engineered for heating and cooling efficiency.</p> <p><b>Water efficiency</b> - Although very minimal water is used in our homebuilding process, we capture, store and reuse rainwater for landscaping needs.</p> <p><b>Energy efficiency</b> - We seek out and invest in projects that reduce energy use and provide renewable energy for our facilities.</p> <p><b>Construction Efficiency</b> - Building an entire home at a single factory location centralizes and reduces material deliveries as they are ordered and shipped in bulk to individual locations. It also allows workers to use public transportation or carpool to the same work location each day.</p> <p>Cavco also provides educational materials explaining the energy efficient features and benefits of our construction process and our homes.</p> |
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**Community Impacts of New Developments**

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| <p><b>IF-HB-410b.1</b><br/>                 Description of how proximity and access to infrastructure, services, and economic centers affect site selection and development decisions</p> | <p>Cavco is generally a wholesale provider of homes and is not involved in selecting and developing lots for placement of homes. To an immaterial extent we take ownership of lots within our retail operations. By nature of that retail activity, these lots tend to be near desirable infrastructure for homeowners.</p> |
| <p><b>IF-HB-410b.2</b><br/>                 Number of (1) lots and (2) homes delivered on infill sites</p>  | <p>Cavco is generally a wholesale provider of homes which are delivered to various channels. As a result, we are unable to determine the classification and history of the lots where our homes are ultimately placed.</p>  |
| <p><b>IF-HB-410b.3</b><br/>                 (1) Number of homes delivered in compact developments and (2) average density</p>   | <p>Cavco is generally a wholesale provider of homes which are delivered to various channels. As a result, we are unable to determine the classification and history of the lots where our homes are ultimately placed.</p>  |



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**Climate Change Adaptation**

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| <p><b>IF-HB-420a.1</b><br/>                 Number of lots located in 100-year flood zones</p>   | <p>Cavco is generally a wholesale provider of homes which are delivered to various channels. As a result, we are unable to determine the flood zone classification of the lots our products are ultimately placed upon.</p>  |
| <p><b>IF-HB-420a.2</b><br/>                 Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks</p> | <p>To the extent natural disasters and severe weather events are driven by climate change, we are exposed to business disruption and damage caused to our facilities, many of which are in higher risk regions of the country. Severe weather events can disrupt logistics and supply of needed materials, impacting our ability to produce homes. They can also negatively impact home buying activity in impacted areas for extended periods of time, reducing near-term demand for our homes.</p> <p>In addition to the immediate impacts of climate change induced severe weather, our industry is subject to increased regulations initiated due to climate change concerns. Regardless of whether they are well-executed or ill-conceived, heightened regulatory requirements drive up costs for compliance, testing and enforcement. The resulting inflated costs produce adverse operational results in the form of lower unit profitability, reduced demand due to price increases or a combination of the two. Because our business provides the lowest cost form of unsubsidized single family housing, higher costs result in fewer households being able to afford a home, so the risk is both to our business and to the social benefits of homeownership.</p> <p>For the aforementioned direct impacts of severe weather events on our operations, our mitigation strategies include adherence to our Enterprise Risk Management process and ensuring we are deliberately managing insurance programs and have business recovery plans and processes in place.</p> <p>We actively work with our industry association and our regulator, the Department of Housing and Urban Development, to establish standards that appropriately balance the need for improving environmental standards with the cost and impact on affordable housing.</p> |





**Activity Metric**

**Cavco Homes FY2023 Disclosure**

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| <p><b>IF-HB-000.A</b><br/>Number of controlled lots</p>            | <p>As a wholesale provider of factory-built homes to Retail and Community Partners, our business model is not to own lots for placement of homes. Approximately 20% of our homes are sold through company-owned Retail operations. Our company-owned Retail operations will, in limited instances, directly own lots. The number of controlled lots is immaterial. At the end of FY23, the number of owned lots was 31 compared to total home sales of 19,376 during that year.</p> |
| <p><b>IF-HB-000.B</b><br/>Number of homes delivered</p>            | <p>19,376 homes sold - FY 2023</p>  |
| <p><b>IF-HB-000.C</b><br/>Number of active selling communities</p> | <p>Cavco sells factory-built homes to community operators and to individual buyers for placement in communities. Cavco does not own any active selling communities.</p>   |

