

# CODE OF BUSINESS CONDUCT AND ETHICS

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### Purpose and Scope

The successful business operation and reputation of Brookfield Homes Corporation is built upon the principles of fair dealing and ethical conduct of our employees, officers and directors. This Code of Business Conduct and Ethics is intended to document the principles of conduct and ethics to be followed by the Company's employees, officers, and directors, including its principal executive officer and its principal financial and accounting officer. Its purpose is to:

- Promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships
- Promote avoidance of conflicts of interest, including disclosure to an appropriate person or committee of any material transaction or relationship that reasonably could be expected to give rise to such a conflict
- Promote full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission and in other public communications made by the Company
- Promote compliance with applicable governmental laws, rules and regulations;
- Promote the prompt internal reporting to an appropriate person or committee of violations of this Code
- Promote accountability for adherence to this Code
- Provide guidance to associates, officers, and directors to help them recognize and deal with ethical issues
- Provide mechanisms to report unethical conduct, and
- Foster the Company's culture of honesty and accountability.

Our reputation requires careful observance of the spirit and letter of all applicable external laws and regulations, and internal policies, procedures and practices, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

In general, the use of good judgement, based on high ethical principles, will guide individuals with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, employees and non-executive officers should discuss the matter with the Chief Financial Officer. The Chief Financial Officer, other executive officers and directors of the Company are expected to discuss such matters with the Chairman of the Audit Committee.

Compliance with this policy of business ethics and conduct is the responsibility of every Brookfield Homes employee, officer and director. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment.

### Fair Dealing

Each employee, officer and director will at all times deal fairly with the Company's customers, subcontractors, suppliers, competitors and employees. While we expect our employees, officers and directors to endeavor to advance the interests of the Company, we expect them to do so in a manner that is consistent with the highest standards of integrity and ethical dealing.

No employee, officer or director is to take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

### **Compliance with laws, rules and regulations**

Brookfield Homes expects that its employees, officers and directors will comply with all known external laws and regulations and internal policies, procedures and practices. It is expected that all employees, officers and directors will conduct business in accordance with the letter, spirit, and intent of all known laws and to refrain from any illegal, dishonest, or unethical conduct.

Brookfield Homes will make information concerning applicable laws, rules and regulations available to employees, officers and directors upon request. If an employee or officer has any doubts as to the applicability of any law, they should refer the matter to the Chief Financial Officer of the Company. Directors should seek guidance on such matters from the Chairman of the Board.

Brookfield Homes is required to provide full, fair, accurate, timely and understandable disclosure in reports and documents that it files with, or submits to, the Securities and Exchange Commission (SEC) and the New York Stock Exchange (NYSE), as well as in other public communications made by Brookfield Homes. All employees who are responsible for the preparation of Brookfield Homes' public disclosures, or who provide information as part of the process, have a responsibility to ensure that disclosures and information are made honestly, accurately and in compliance with the various Brookfield Homes' disclosure controls and procedures.

Employees, officers and directors must cooperate fully with the individuals responsible for preparing such reports and all other materials that are made available to the investing public to make sure those people are aware in a timely manner of all information that might have to be disclosed in those reports or other materials or that might affect the way in which information is disclosed in them.

An employee, officer or director shall not trade in the securities of the Company, directly or derivatively, while in possession of inside information. An employee, officer or director must also not disclose inside information to any third party without proper authorization, which at minimum, is that of the Chief Financial Officer of Brookfield Homes. For purposes of this policy an employee, officer or director includes persons with whom the employee, officer or director does not deal at arm's length – for example, the spouse or other family member of such employee, officer or director. Generally, inside information is information that is both material and non-public. If an employee, officer or director is in doubt as to whether they are in possession of inside information, they should consult the Chief Financial Officer of the Company.

### **Conflicts of Interest**

Brookfield Homes expects the highest standards of business ethics to be observed by each employee, officer and director. The continued success of Brookfield Homes is dependent upon our customer's trust, a trust we are dedicated to preserving. Employees, officers and directors owe a duty to Brookfield Homes and its customers to act in a way that will merit the continued trust and confidence of the public and the Company. The purpose of this policy is to ensure that all employees, officers and directors understand the acceptable standards of operation, and the handling of any conflicts of interest.

Each employee, officer and director must avoid personal conflicts of interest. Brookfield Homes employees, officers and directors have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. A conflict of interest is defined as *"any obligation, interest or distraction that adversely affects or interferes with the judgement and/or objectivity of an individual in the performance of their duties for Brookfield Homes."*

In other words, as an employee, officer or director, you have a conflict of interest if you are involved in any activity that prevents you from performing your Brookfield Homes duties properly, or when your personal interests interfere, or appear to interfere, in any way with the interests of Brookfield Homes.

An actual or potential conflict of interest occurs when an employee, officer or director is in a position to influence a decision that may result in a personal gain for that individual, their relative or associate as a result of Brookfield Homes' business dealings. For this matter, it would be considered a conflict of interest for any Brookfield Homes employee, officer or director, their relative or associate to gain or benefit from the services or preferential treatment from a Brookfield Homes supplier or otherwise as a result of his or her position with the Company. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee, officer or director is similar to that of persons who are related by blood or marriage.

No presumption of guilt is created by the mere existence of a relationship with outside firms. However, if employees or non-executive officers have any influence on transactions involving purchases, contracts, or leases, it is required that they disclose to the Chief Financial Officer as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties. The Chief Financial Officer, other executive officers and directors of the Company are expected to disclose such matters to the Chairman of the Audit Committee.

Although Brookfield Homes employees are permitted to engage in outside business activities with the knowledge of their supervisor and Business Group President, these activities must not present a conflict of interest or interfere with the quality of the employee's work performance. All employees will be judged by the same performance standards and will be subject to Brookfield Homes' scheduling demands, regardless of any outside work requirements. Employees are required to notify their supervisor of any casual work or activity, which may interfere with their position at Brookfield Homes.

Brookfield Homes employees, officers and directors are not permitted to be employed by or have any financial interest in any Brookfield Homes customer, supplier, competitor, or any other outside business parties who deal directly with Brookfield Homes or who may compete for business with Brookfield Homes.

Any activities in the real estate business, other than the ownership of a primary or vacation residence or of publicly traded securities, will be considered a conflict unless approved by the Chief Financial Officer in the case of employees and non-executive officers, and by the Chairman of the Audit Committee in the case of the Chief Financial Officer, or Chief Executive Officer of the Company.

The following are examples of possible conflicts of interest, but are not limited to:

- Working for a competitor, supplier, or customer
- Engaging in self-employment in competition with the Company
- Using proprietary or confidential Company information for personal gain or to the Company's detriment
- Having a direct or indirect financial interest in relationship with a competitor, customer, or supplier
- Receiving gifts from suppliers that have a value of \$100 or more (unless being hosted at a social event)
- Using Company assets or labor for personal use
- Taking for personal use any building supplies which appear to be discarded or have been discarded.
- Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to the Company
- Committing the Company to give its financial or other support to any outside activity or organization
- Developing a personal relationship with a subordinate employee of the Company that might interfere with the exercise of impartial judgement in decisions affecting the Company or any employees of the Company.

Annually, employees and non-executive officers must declare to the Chief Financial Officer of the Company any business interests, or relationships as outlined above as well as any other real estate holding that could impact the employee's relationship with the Company. The Chief Financial Officer, other executive officers and directors of the Company are expected to disclose any such interests to the Chairman of the Audit Committee.

Employees, officers or directors who receive gifts from suppliers that are valued at \$100 or more should politely decline such gifts.

Part-time employees may engage in other employment, provided that they disclose this fact to their immediate supervisor and obtain the supervisor's written approval.

### **Corporate Opportunities**

Employees, officers and directors owe a duty to the Company to advance the Company's legitimate interests whenever the opportunity to do so arises. No employee, officer or director should:

- take for themselves personally any opportunity of which they become aware, or to which they obtain access, through the use of corporate property, information or position
- make it possible for somebody other than the Company to take advantage of an opportunity in any of the Company's areas of business of which the employee, officer or director becomes aware in the course of their activities on behalf of the Company, unless the Company has expressly decided not to attempt to take advantage of the opportunity
- otherwise use corporate property, information or position for personal gain

In addition, no employee or officer will compete with the Company generally or with regard to specific transactions or opportunities.

### **Confidentiality**

Employees, officers and directors must maintain the confidentiality of all information entrusted to them by the Company or its customers, except when disclosure is authorized by the Company or is legally mandated.

Confidential information includes all non-public information that may be of use to the Company's competitors, or that could be harmful to the Company or its customers, if disclosed. Such information could include, without limitation, strategic business plans, operating results, marketing strategies, customer lists, personnel records or upcoming acquisitions and divestitures.

Employees, officers and directors must comply with all confidentiality policies adopted by the Company from time to time and with confidentiality provisions in agreements to which they or the Company are parties.

Employees, officers and directors will also respect confidential information regarding other companies. If an employee, officer or director learns of confidential information about another company in the course of their job, they should protect it the same way that they would protect confidential information about Brookfield Homes. Data protection and privacy laws that affect the collection, use and transfer of personal customer information are rapidly changing areas of law, and the Chief Financial Officer should be consulted with any questions regarding appropriate uses of customer information.

On termination of employment with Brookfield Homes, its subsidiaries or affiliates, an employee, officer or director must return all business related documents and records, including those containing proprietary information, to the Company. Even after an employee, officer or director leaves, he or she has a continuing obligation to safeguard such information.

### **Protection and Proper Use of Company Assets**

Employees, officers and directors must do all reasonable things in their power to protect the Company's assets and ensure their efficient use by the Company. The Company's assets are to be used only for the Company's legitimate business purposes.

### **Accuracy of Books and Records**

The books and records of the Company must reflect all its transactions in a timely and accurate manner in order to, among other things, permit the preparation of accurate financial statements. All assets and liabilities of the Company must be recorded.

No information may be concealed from the external auditors, the internal auditors, the Audit Committee or the Board.

### **Accounting, Auditing or Disclosure Concerns**

All employees, officers and directors have a responsibility to submit good faith questions and concerns regarding questionable accounting, auditing or disclosure matters or controls. In order to facilitate the reporting of employee complaints, the Company's Audit Committee has established procedures for:

- (a) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, auditing matters and disclosure controls; and
- (b) the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters or disclosure controls.

For information about how to report these and other types of complaints, refer to the section of the Code entitled "Compliance and Reporting".

In addition, it is unlawful to fraudulently influence, coerce, manipulate or mislead any independent public or certified accountant who is auditing our financial statements.

### **Compliance and Reporting**

Compliance with this policy of business ethics and conduct is the responsibility of every Brookfield Homes employee, officer and director. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment or, if appropriate, legal action.

Directors, officers and employees have the obligation to promptly report any apparent violations of this Code or law, rule or regulation. In most cases, employees and non-executive officers should report their concerns to the Chief Financial Officer. The Chief Financial Officer, other executive officers and directors of the Company should report their concerns to the Chairman of the Audit Committee.

If an employee considers that the Chief Financial Officer is not the appropriate individual to address the matter, or if the Chief Financial Officer is not dealing with the issues raised in an appropriate manner, the matter should be reported to the Chief Executive Officer of Brookfield Homes. Similarly, if it is believed that the Chief Executive Officer is not the person to address the matter or if the reporter is not satisfied with the response from the Chief Executive Officer, the Chairman of the Audit Committee should be advised. The phone number of the Chairman of the Audit Committee is available in the Brookfield Homes corporate directory. Directors and executive officers should report to the Chairman of the Audit Committee.

Complaints will be reviewed and investigated as appropriate. Any person who wishes to submit concerns confidentially and/or anonymously may follow the procedures described above, omitting any return address or other identifying feature.

Confidentiality of reported violations will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review and subject to law. Within their respective groups, all supervisors must monitor compliance with the Code, address infractions and report on these matters as necessary.

Retaliation is prohibited. There shall be no reprisal or other action taken against an employee, officer or director if such an individual, in good faith, brings forward concerns about actual or potential violations of laws or the Code. However, Brookfield Homes reserves the right to discipline an individual if he or she makes an accusation without a reasonable, good faith belief in the truth and accuracy of the information or if he or she knowingly provides or makes false information or accusations. "Good faith" does not mean that the individual has to be right - but it does mean that he or she must believe he or she is providing truthful information.

If an employee or non-executive officer believes that he or she has been unfairly or unlawfully retaliated against, he or she may file a complaint with the Chief Financial Officer. The Chief Financial Officer, other executive officers and directors of the Company should in turn file a complaint with the Chairman of the Audit Committee.

### **Changes in or Waiver of the Code**

Any waiver of any provision of this Code must be approved:

- (a) with regard to any director or executive officer of the Company, by the Audit Committee (but without the involvement of any director who will be personally affected by the waiver) or by a committee consisting entirely of directors who will not be personally affected by the waiver.
- (b) With regard to any other employee or officer, by the Chief Financial Officer.

No waiver of any provision of this Code with regard to a director or executive officer will be effective until that waiver has been reported to the person responsible for the preparation and filing of the Company's reports on Form 8-K in sufficient detail to enable that person to prepare a report on Form 8-K (or appropriate website disclosure) containing any required disclosure with regard to the waiver.

The Company will disclose any change in this Code or any waiver of this Code in a filing with the Securities and Exchange Commission, or in another manner that complies with applicable Securities and Exchange Commission rules, and the Company will make any other disclosures of changes in, or waivers of, this Code, that are required by law or by the rules of any securities exchange or securities quotation system on which the Company's securities are listed or quoted.

### **Terms used in this Code**

Any reference in this Code to the Company or to an employee of the Company is to Brookfield Homes Corporation and all of its subsidiaries or to an employee employed by Brookfield Homes Corporation or any of its subsidiaries.

Any reference in this Code to a director or officer of the Company is to a director or officer of Brookfield Homes Corporation. It does not refer to a person who is an officer or director of a subsidiary. For the purposes of this Code, a person who is employed by the Company and serves as an officer or director of a subsidiary will be treated as an employee, but not an officer or director, of the Company.