

MERITAGE HOMES CORPORATION

CODE OF ETHICS

PURPOSE

Meritage Homes Corporation is committed to conducting our business consistent with the highest ethical and legal standards. This Code of Ethics (the “Code”) reinforces our commitment to these standards and provides each employee, officer, and director of Meritage, as well as Meritage’s affiliated and subsidiary companies, with guidance and perspective in understanding business ethics at Meritage.

This Code, which applies to directors, officers, and employees, is designed to guide, and identify activities and behaviors that are appropriate in conducting business and those that are not. No code of conduct can proclaim to spell out the appropriate moral conduct and ethical behavior for every situation we may confront. Therefore, we must rely on our own good judgment. We also expect our partners, contractors, subcontractors, suppliers, vendors, service providers, trade partners, consultants, representatives, agents, and others working temporarily or providing services to us, to comply with this Code and Meritage’s Vendor Code of Conduct, which is incorporated by reference into this Code, in connection with work or services performed on our behalf.

Whenever we find ourselves with a difficult decision to make, we must review the guidelines in this Code and then supplement them, as needed, with counsel from our colleagues, our supervisors and, most importantly, our own conscience and common sense. Specific interpretation or application of any guidelines or other content of this Code may be requested from any one of the following persons:

- VP, Internal Audit/Compliance
- EVP, General Counsel
- EVP, Chief Financial Officer
- EVP, Chief Operating Officer
- EVP, Chief People Officer
- Chief Executive Officer
- Executive Chairman

YOUR RESPONSIBILITIES

Meritage believes that ethical behavior is not only required but is also good business. Meritage employees share certain responsibilities, but individually each is accountable to:

- Conduct Meritage’s business with integrity and operate in compliance with all applicable laws.
- Avoid situations where personal interests are, or appear to be, in conflict with Meritage’s interests.
- Treat all customers, vendors, and fellow employees in an honest, respectful, and fair manner.
- Safeguard and properly use Meritage’s proprietary information, assets, and resources, as well as those of other organizations: and
- Maintain confidentiality of nonpublic information and not acting on such information for personal gain.

We are sometimes faced with situations where pressure exists to act unethically. However, at Meritage we conduct our business with honesty and integrity. If you are unsure in any situation, ask yourself these questions:

- Would you feel comfortable telling someone else about your decision?
- Is this action legal?
- Does it comply with our values?

Compromises in behavior that lead to violations of our standards and guiding values may be subject to disciplinary action, up to and including termination, and may result in civil liability and criminal prosecution.

REPORTING OF ACTUAL OR POTENTIAL FRAUD

Unethical or unlawful behavior not only hurts Meritage, but also hurts us as employees, as well as our customers and stakeholders. As an employee, you play a significant role in ensuring ethical and legal compliance by reporting known or suspected wrongdoing within the company. If you discover or suspect an illegal, dishonest, or unethical act is being committed, or if a violation is reported to you, you ***must*** report it immediately to your supervisor, your Division President, or one of the persons identified on page 1 of this Code.

All violations reported to you are required to be forwarded immediately to the General Counsel and to the Vice President, Internal Audit/Compliance who will be responsible for the review and investigation of such matters. As needed, the General Counsel and Vice President, Internal Audit/Compliance may collaborate with the Chair of the Audit Committee regarding any such review and investigation. Additionally, the Vice President of Internal Audit/Compliance will disclose all violations as part of their quarterly report to the Audit Committee.

If you would prefer to report the activity anonymously, you may contact our ethics phone line at (800) 793-7719 or by Internet (www.meritagehomes.ethicspoint.com). The ethics phone line and internet site are managed by a third-party provider who transcribes the call and sends the report to the Vice President of Internal Audit/Compliance and to the Chair of the Audit Committee.

REPORTING OF ACCOUNTING CONCERNS

Employees must immediately report to the Chief Financial Officer, the Chief Accounting Officer, the Vice President, Internal Audit/Compliance or Chair of the Audit Committee any concerns that they have pertaining to the company's accounting, internal controls, or audit practices.

REPORTING OF CONFLICTS OF INTEREST

All employees have a responsibility to avoid situations and relationships that involve actual or potential conflicts of interest. A conflict of interest arises whenever an employee's personal interests diverge from his or her responsibilities to Meritage or from Meritage's best interests. Put another way, a conflict of interest is created whenever an activity, association, transaction, or relationship of yours might impair your independent exercise of judgment as related to Meritage's activities.

Examples of situations that could be perceived as conflicts of interest and should be avoided include:

- Conducting company business with an entity owned, partially owned, or controlled by an employee or an employee's relatives or close friends.
- Working as an employee or a consultant for a competitor, regulatory governmental entity, customer, or supplier of Meritage, or performing any work as an independent contractor or for a third party that may adversely affect your performance or judgment related to Meritage or diminish your ability to devote the necessary loyalty, time and attention to your Meritage duties.
- Ownership of a financial interest in Meritage's competitors (although ownership of less than three percent of stock or total debt of a publicly traded company that competes or does business with Meritage is permissible).
- Using company property, materials, supplies, funds, or other resources for personal or non-business purposes; and
- Appropriating or diverting to others any business opportunity or idea in which Meritage might have an interest.

These situations, and others like them, where conflict of interest issues arise, must be avoided. Employees who believe they participate in a potential conflict of interest have a responsibility to disclose it and must disclose it to Vice President of Internal Audit/Compliance, who will review it with Meritage Legal, if deemed necessary, and also discuss it with (a) the Division President or Regional President of their division if the employee is a divisional employee or (b) a corporate officer if the employee is a corporate employee. In addition, Meritage maintains a detailed Conflict of Interest and Related Party Transaction Policy that must be complied with by all employees and directors.

ANTI-RETALIATION

Under this Code, an employee will not be retaliated against for reporting of misconduct or potential misconduct by others made in good faith. Any retaliation is a violation of this Code and can result in disciplinary action, including termination, and criminal prosecution. To the extent possible, the reporting of potential issues will be kept confidential.

GIFTS AND ENTERTAINMENT

All decisions regarding the purchasing of materials, supplies and services must be made based on competitive price, quality and performance in a way that preserves Meritage's integrity. Giving or accepting anything of value is inappropriate if it could be interpreted as an effort to influence a business relationship or decision. It is a violation of our Code and is illegal to accept or request any form of kickback or bribe. A bribe or a kickback includes any item or favor solicited or provided for the purpose of improperly obtaining favorable treatment or seeking a competitive advantage. Such efforts should never be used to accomplish indirectly what Meritage could not properly or legally do directly and consequences may include legal actions against the participants of the bribery/kickbacks.

In certain situations, or on certain occasions, our employees may present or receive small gifts of nominal value from customers, suppliers and vendors or potential customers, suppliers, and vendors, such as specialty advertising items bearing the corporate logo, gift cards, tickets to events (sports, civic or cultural) and/or restaurant meals or refreshments.

Standards governing our employees' acceptance of gifts from customers, suppliers and vendors or their agents mirror those relating to the giving of gifts to our customers, suppliers and vendors and/or potential customers, suppliers and vendors, in that acceptance of a significant gift could be construed as improperly influencing the selection of a vendor or the awarding of a contract. Gifts of a nominal value of less than \$500 may be accepted on an infrequent or occasional basis, such as during the holiday season, as a reasonable business courtesy. Infrequent entertainment involving suppliers or vendors that is business related such as business meals, sports outings or cultural events is acceptable. Each employee must exercise good business judgment in deciding which situations are unacceptable. **Bottom line: If there is ever any doubt as to the acceptability of any gift or entertainment activity, consult with your supervisor.**

PROTECTION AND USE OF CORPORATE ASSETS / DATA AND CUSTOMER PERSONAL IDENTIFIABLE INFORMATION (PII)

All employees are responsible for ensuring that appropriate measures are taken to properly protect Meritage's corporate assets, electronic data, customer data, and personally identifiable information ("PII") (In addition to any definition provided by applicable privacy and/or security laws, PII is any information connected to a specific individual that can be used to uncover that individual's identity such as their social security number, full name, email address, drivers' license number, financial information or phone number, etc.) . Employees are expected to ensure the protection of all confidential and proprietary information, including, financial, legal, technical, marketing, customer, and other business information, which, if made available to Meritage's competitors or the public, could be advantageous to such competitors and/or detrimental to Meritage or to Meritage's employees, customers, or vendors. Employees must also refrain from discussing with parties outside of the company or on social media sites any financial or proprietary information regarding subcontractors, suppliers and consultants who supply goods and/or services to Meritage in connection with Meritage's sourcing process. Protection of such information is critical to our business.

Meritage's computer systems, electronic mail (e-mail), voice mail, social media sites and internet access are employer-provided technologies and are company property. The use of Meritage's computer systems, e-mail, voice mail and internet access are for matters of concern to Meritage's operations, and not for communications of a personal nature. All data traversing over Meritage's computer systems, e-mail, voice mail, and internet is classified as Meritage data. Any non-business-related use should be on an infrequent basis. Employees are prohibited from using Meritage's information systems in any way that may be disruptive or offensive to others, including, but not limited to the transmission, receipt, or viewing of sexually explicit messages, cartoons, images or sounds; ethnic, religious, or racial slurs; or anything else offensive, hostile or that may be construed as harassment or disparagement of others.

COMPUTER SOFTWARE

Unauthorized duplication of copyrighted computer software violates the law and is contrary to Meritage's standards of conduct. Meritage prohibits such copying and recognizes the following principles as a basis for preventing its occurrences:

- We will neither engage in nor tolerate the making or using of unauthorized software copies, and will maintain internal controls to detect their use, and we will take the appropriate disciplinary measures for any violation.
- We will legally acquire and maintain software and licenses to meet the legitimate software needs for users of our computers.

- We will comply with all license and purchase terms regulating the use of any software we acquire or use.

ANTITRUST COMPLIANCE

The antitrust laws of the U.S. are intended to protect and promote vigorous and fair competition. All Meritage employees must adhere strictly to both the spirit and the letter of antitrust laws of the U.S. Violation of antitrust laws can result in severe civil and criminal penalties, including imprisonment for individuals, and substantial fines and damage awards against Meritage and/or individuals.

All employees must obtain advice from our General Counsel before engaging in any conduct or practice that may be regulated by antitrust laws.

The following agreements, arrangements, or understandings with competitors, whether oral or in writing, should always be avoided:

- Agreements to fix prices or boycott specified suppliers.
- Agreements to allocate products, territories, or markets.
- Agreements with another company not to hire each other's employees.
- Agreements to exchange competitively sensitive information, especially prices; and
- Agreements that limit the production or sale of our products.

Contacts with competitors are sensitive and risky since courts can infer an agreement or collusion from such contacts when they are followed by common action or behavior. In all contacts with competitors, employees must avoid discussing prices, terms and conditions of sale, costs, inventories, competition, marketing plans or studies, employment limitations, production plans and capabilities, and any other proprietary or confidential information. If any competitor initiates a discussion involving the subjects above, the employees should immediately excuse themselves from the conversation and immediately report the matter to our General Counsel.

INSIDER TRADING

As more fully set forth in Meritage's detailed Securities Trading Policy, it is illegal to buy or sell securities (either personally or on behalf of others) while in possession of material, nonpublic information.

It is also illegal to communicate (i.e., to "tip") material, nonpublic information to others so that they may buy or sell securities based on that information regardless of whether you receive a benefit. All Meritage employees who possess material, nonpublic information about Meritage or any other company are prohibited from trading in Meritage stock (directly or indirectly) or tipping others to trade in the securities of Meritage or such other company, as applicable.

These prohibitions continue for as long as the information you know remains material and nonpublic. Anyone who gives such nonpublic information to others may be subject to disciplinary action, civil liability, and criminal prosecution. Guidance on questions about specific transactions should be obtained from Meritage's Chief Financial Officer in advance of the transaction. Meritage's Securities Trading Policy must be complied with by all employees and directors, including former employees and directors in possession of material non-public information.

ADVERTISING, MARKETING AND PROMOTION

It is Meritage's policy to be truthful, fair, and honest in the advertising, marketing, and promotion of its products. All advertising and promotion of Meritage products should be appropriate in nature for a homebuilding company and in accordance with Meritage's [Responsible Marketing Policy](#).

FINANCIAL INTEGRITY

Federal law requires that public companies make and keep books and records that accurately and fairly reflect the transactions of the corporation. Accordingly, Meritage's books, records and accounts are to be maintained in a manner that accurately reflects all financial transactions in conformity with Generally Accepted Accounting Principles (GAAP). An employee shall not:

- Improperly accelerate or defer expenses or revenues.
- Maintain any undisclosed or unrecorded funds or "off the book" assets or liabilities.
- Establish or maintain improper, misleading, incomplete, false, or fraudulent accounting documentation, entries, or financial reporting, or fail to prepare and maintain proper and complete accounting documentation, entries, or financial reporting.
- Make any payment for purposes other than those described in the documents supporting the payment; or
- Sign or prepare any documents or entries believed to be inaccurate, untruthful, or inappropriate.
- Misclassify accrued expenses or pre-payments, resulting in the over/understatement of assets and/or liabilities.

RECORD RETENTION

Meritage maintains a detailed Record Retention Policy and all employees are required to comply with all applicable document archiving and retention requirements. Any employee who becomes aware of any investigation, litigation, administrative proceeding or other governmental or regulatory proceeding must immediately consult with Meritage's General Counsel regarding any records relating to that matter. Federal and state law provides for imprisonment and severe penalties for any person who alters, mutilates, conceals, or destroys a record or an object with intent to impair the availability of such item in, or influence the investigation of, litigation or a governmental department or agency.

EQUAL OPPORTUNITY RELATIONS WITH EMPLOYEES

Meritage recognizes that its continued success depends on the development and fair treatment of all its employees. Meritage is committed to providing equal opportunity for employment and advancement at every level of employment based on ability and aptitude, without regard to race, gender, color, religion, age, national origin, marital and familial status, gender identity, sexual orientation, or any other legally protected status. Similarly, Meritage is committed to maintaining a workplace that is free from harassment by a co-worker, supervisor, vendor, or customer.

If you feel you or a co-worker have been subject to discrimination or harassment, you should immediately contact your supervisor, a People Operations manager/officer, or any other member of management you feel comfortable discussing the matter with. Employees will not be disciplined or otherwise retaliated against for reporting of misconduct.

ALCOHOL AND DRUGS IN THE WORKPLACE

Meritage is committed to provide a safe workplace, including a drug and alcohol-free workplace. Meritage reinforces its commitment by prohibiting employees from using, possessing, distributing or being under the influence of illegal drugs, marijuana, or alcohol at any time while on company premises or while performing company business at any location.

WORKPLACE HEALTH, SAFETY AND ENVIRONMENT

Meritage is committed to the safety and health of its employees and all employees must comply with Meritage's Safety Manual. Providing and maintaining a safe work environment and instituting and following work practices to safeguard employees must be a primary consideration. \ There is no job so important that we cannot take the time to complete it safely. If you are aware of any conditions, circumstances, events, or issues that give rise to safety concerns, you must report such items to your supervisor or to the Company's General Counsel.

Safe work practices also include exercising good judgment about the environmental aspects of our business. Discharge and disposition of hazardous materials must be performed only in a manner that complies with environmental protection laws.