

Quality. Sustainability. Transparency.

We build consumer inspired homes
and communities to make lives better.



2016 Responsible
Strategy Report



A Rich History Worth Sustaining

For nearly seventy years, the Pulte name has represented quality, passion and the feeling of coming home. And while our company has grown into one of the nation's largest homebuilders — it began with a high school senior who would stop at nothing to pursue his dreams.

In 1950, Bill Pulte had a dream of becoming a homebuilder. So after his high school graduation, he purchased a floor plan from a local newspaper and set out to build his first home on a plot of land donated by his aunt. This simple beginning quickly proved to be the start of something special when the home sold for \$10,000 before it was even finished.

Today, our company has touched the lives of nearly 655,000 families who have purchased a Pulte home over the years. With a growing portfolio

of national homebuilding brands including Centex, Pulte Homes, Del Webb, DiVosta and John Wieland Homes and Neighborhoods, PulteGroup prides itself on providing innovative and efficient new homes for every type of buyer.

At PulteGroup, our bottom line is just one way of measuring our success. We believe in treating our customers and employees well, maintaining a reputation for excellence and integrity in our industry, and exercising good stewardship of the environment. As a company, we're committed to breaking new ground through sustainable practices, to achieving superior levels of construction quality and safety, to building a diverse workforce and to raising the bar on the overall homebuying experience.

Since 1950,
our company
has touched
the lives of nearly
655,000 families



Letter from our Chairman & CEO

Within many of the world's most successful companies, you'll hear the term "continuous improvement" discussed throughout all levels of the organization. While I am sure there are a myriad of definitions depending upon the specific application, I believe the underlying premise is a simple idea that a person, an organization, a public company, a member of a society, should strive to get a little better each day. We certainly embrace the concept of continuous improvement within PulteGroup's homebuilding and financial services operations, but the philosophy is also woven into the Company's approach to corporate sustainability. We work to get a little better every day in the quality of homes we build and the customer experience we deliver, in how we treat people and in the impact we have on the world around us.

In 2015, we reestablished PulteGroup's annual Responsible Strategy report which provides an update on our efforts to run a more sustainable business and apply sound, long-term thinking to the Company's environmental, economic and social business

practices. Demonstrating the ideals of continuous improvement, PulteGroup's 2016 Responsible Strategy brochure shows the further gains we have made. We are proud to have improved across a spectrum of related activities from our innovative Zero Net Energy home to the introduction of new wellness programs and benefits for our employees.

Summarized on the following pages are company initiatives implemented in alignment with our efforts to operate a more sustainable business enterprise that builds on the Company's 65 year legacy of success. While all are important, one of the key actions I want to highlight is the naming of Will Cutler to help coordinate the Company's corporate sustainability activities. As Senior Vice President, National Homebuilding Operations, Will has the visibility across our operating platform to identify, assess and share best practices. At the same time, his direct reporting relationship to Harmon Smith, our Chief Operating Officer, gives him access to needed resources and supports his ability to affect change, as required.

PulteGroup generated pretax income of \$816 million in 2015, which is up from \$690 million in 2014 and light years ahead of the loss of \$310 million realized in 2011 when we implemented our Value Creation Strategy. Although difficult to definitively isolate, I am confident that some percentage of the gains realized over the past few years resulted from better decision making consistent with running a more sustainable business. Whether it's the savings from using less energy or implementing advanced recycling techniques, or the expanded opportunities we realize from being known as a great employer or, more broadly, as a good corporate citizen, there are bottom-line benefits to our sustainability work.

We appreciate you taking the time to review this brochure and look forward to updating you in the future on our continuous efforts to be a little better each day.

Sincerely,
Richard J. Dugas, Jr.
Chairman and CEO

ABOUT THIS REPORT

PulteGroup's 2016 Responsible Strategy Report* is designed to serve as a benchmark for our environmental, economic, and social sustainability practices. It will highlight some of the key initiatives and projects we have launched, and represents our continuing commitment to implementing sustainable business practices.

Our hope is that this report inspires ongoing discussions with our key stakeholders on the opportunities and challenges surrounding the complex issue of corporate sustainability — and provides a window into the ways we are meeting our goals in communities across the United States.

*Unless otherwise noted, all of the financial information referenced in this report is based on PulteGroup's fiscal year which ended December 31, 2015.



Building the Future

PulteGroup's First Zero Net Energy Home

PulteGroup is focused on turning the environmental challenges of homebuilding into opportunities to drive operating and financial success. Because we are always seeking ways to maximize innovation while minimizing environmental impact — we employ various initiatives to create sustainability in product usage, water conservation and waste reduction. This approach extends through every aspect of our business, including company operations, building practices and even our home designs — which took a revolutionary step forward last year.

In March of 2015, PulteGroup, Inc. announced production of a Zero Net Energy (ZNE) home prototype in Brentwood, California; 55 miles east of San Francisco. This project made us the largest building company to participate in a pilot program aimed at building new homes to achieve maximum energy efficiency and utility grid load reduction. The prototype delivers on California's long-term zero net energy goals by leveraging advanced design, construction and on-site renewable energy solutions. According to PulteGroup President, Ryan Marshall, "The Pulte ZNE prototype will help guide and create best practices for the Company in building more energy efficient new homes in California and, ultimately, across the nation. Our goal for this prototype is to help define the most efficient path to building zero net energy homes that effectively balance constructability, cost and quality."

The Pulte Zero Net Energy Home prototype is a 2,359 square foot, two-level home that includes 3 bedrooms and 2.5 baths featuring consumer-inspired designs, crafted to support the way families truly live in and use their homes today. This innovative new home is located in the Botanica by Pulte Homes community.

The prototype home is a part of a 297-unit community, and incorporates an available package of enhanced performance standards being tested as part of the program. While the other homes in the community include a variety of energy efficient offerings, the prototype is unique in seeking conformance to current zero net energy standards.

The ZNE project is a collaboration with many key partners, each contributing critical expertise and knowledge.

SolarCity

The nation's leading solar power provider, SolarCity, has installed a 4.34 kilowatt solar power system that will supply affordable solar power to the home. SolarCity is providing everything in the solar process from financing and installation to maintenance, and will monitor the system 24/7.

Owens Corning

As a leading global producer of residential building materials, Owens Corning provided a ProPink® High Performance Conditioned Attic system that will optimize home comfort, durability and value. The system air seals and insulates the attic space for maximum efficiency — creating a buffer zone between the roofline and livable space of the home, resulting in lower monthly heating and cooling bills, improved home comfort and a higher standard of living for our homeowners.

Pacific Gas and Electric Company (PG&E)

With the state of California in the forefront of energy efficiency initiatives, PulteGroup is participating in PG&E's Zero Net Energy Production Builder Demonstration.

Through this program, PG&E collaborates with builders to provide design consultation and energy performance monitoring for the development of ZNE homes. With construction complete, PG&E will track the home's overall energy performance and consumption.



Other partners include: Alameda Electrical Distributors, BIRAenergy, Blue Mountain Construction Services, BMC West, Budget Electric, BZ Plumbing, California Living & Energy, Davis Energy Group, Lennox, Levity Manufacturing Co., OJ Insulation, Resource Refocus, Rinnai, Seagull Lighting, Whirlpool and more.

SolarCity



BUILDING ENVELOPE

A tighter building envelope reduces the amount of air transfer between indoors and outdoors by as much as 30 percent — providing high thermal performance and long-term durability, while reducing material use and waste.

SITE SAGE MONITORING SYSTEM

A Site Sage monitoring system that tracks the actual use of switches, outlets, major appliances and lighting within the home. Real-time readings monitor how many kilowatt hours are used and allow homeowners to isolate, monitor and evaluate the data from specific uses. This system also helps to lower electric bills by providing automatic cost, usage and appliance performance feedback.

HOME ENERGY RATING SYSTEM INDEX

The Home Energy Rating System (HERS) Index — an industry standard that measures a home's energy efficiency. In essence, the lower a home's score, the more energy-efficient it is, and the Pulte ZNE prototype's HERS index is zero; equating to more comfort and less waste.

GREATER EFFICIENCY

Various other technologies create greater efficiency throughout the home including an advanced insulation system, HVAC improvements, tankless water heating, Volatile Organic Compounds (VOCs) reduction, LED lighting, on-site solar energy production, enhanced load and breaker configurations, ENERGY STAR® rated appliances and low water-use fixtures.

FRESH AIR & FILTRATION SYSTEM

24/7 introduction of fresh air into the prototype through a continuously-running exhaust fan in the laundry room and from an outside air duct that is activated through automatic sensors. And while the fan runs constantly, the system is so efficient it provides a higher-than-normal quality of indoor air and still saves electricity. To help ensure indoor air quality given the tight building envelope, the prototype also includes a high-end air filtration system with a unique, medical-grade equivalent filter that removes smaller particles from the air.

The energy performance of the prototype home will be tracked for a year after it is sold, and overall energy performance and consumption will be evaluated. Obtaining meaningful feedback from the prototype is key to the process of building and designing more energy efficient homes. Pulte will continue to identify improvements and enhancements in energy efficiency that can be applied to future Pulte ZNE prototypes and new home designs that can be offered to future homebuyers.



Moving the Mission Forward

A LOOK AT OUR RESPONSIBLE STRATEGY INITIATIVES

PulteGroup operates in approximately fifty markets across the country — each with its own unique set of construction and environmental challenges. Because of our commitment to being a positive presence within our communities, we are intentional about the way we work — from the ground up. Through our commitment to “make lives better,” we are finding innovative ways to employ cost-competitive and eco-friendly solutions wherever possible.

PulteGroup has long appreciated the benefits of solar and other renewable sources of energy. As solar continues to gain popularity as an important component of the nation’s energy infrastructure, so do our efforts to offer this clean technology to our consumers. We have been testing and implementing innovative energy solutions and sustainable practices to achieve maximum energy efficiency and load reduction in our home communities.





Green Technologies

THE BUILDING BLOCKS OF SUSTAINABILITY

Here are a few of the ways we are putting sustainability in motion across the company:



ON-DEMAND HOT WATER SYSTEMS

In addition to low-flow shower heads, water-saving appliances and water-conserving toilets, we are currently evaluating options for on-demand hot water technology that would save approximately 27 gallons of water per day; equating to 9,855 gallons per year/per home.



SOLAR POWER

We continue to see growing demand with home-buyers selecting solar renewable energy as a means to lower home operating costs. In 2015, PulteGroup installed more than two times the number of solar power systems than we did the previous year.



INDOOR AIR QUALITY

Our increased application of heat pump HVAC equipment which generate no VOCs helps to improve overall indoor air quality. Increased heat pump efficiency in combination with tighter building envelopes enables broader adoption of heat pumps across more areas of the country. PulteGroup is also in the process of upgrading its paint program – expanding the use of very low VOC paints and further improving indoor air quality.



WHIRLPOOL ENERGY STAR® CERTIFIED APPLIANCES

One of our most effective ways of lowering energy consumption and cost has been through our use of Whirlpool ENERGY STAR® appliances. The proof is in the numbers:

- Dishwashers built today use 67 percent less water and 52 percent less energy than dishwashers built just 15 years ago. They also use less than half the energy as washing dishes by hand and save nearly 5,000 gallons of water a year.
- A full-sized ENERGY STAR® certified clothes washer uses 13 gallons of water per load compared to the 23 gallons used by a standard machine. That's a savings of 3,000 gallons of water per year. Today's models use 74 percent less energy and 43 percent less water than those built in 1992, while their capacity has increased by 42 percent.
- Today's refrigerators use 60 percent less energy than those built in 1980 (less than a 60 Watt lightbulb), while their capacity has increased by 23 percent.



LED LIGHTING

In 2015 PulteGroup launched an initiative to begin converting light bulbs and fixtures to LED. A majority of model homes nationwide have been converted — ranging between 50 and 90 percent by region — and many also include activity and motion sensors installed to minimize associated electricity usage. These sensors activate lights and fans only when visitors are present and minimize electricity usage during lower traffic periods. They also lower lighting-produced heat, eliminating additional strain on HVAC units. Many regions report a 20-30 percent savings in electricity costs as a result of this action, and have plans to convert all of their models to LED light bulbs by early 2017.



TANKLESS WATER HEATERS

We are expanding our use of tankless water heaters as a standard feature in many of our communities. Because tankless water heaters operate on an as-needed basis, they can use up to 40 percent less energy than traditional hot water systems — reducing utility costs and energy consumption. We've found that pairing a tankless water heater with a low-flow faucet also increases water conservation. For example, Moen faucets are certified to meet WaterSense® criteria, with a 1.5 gallon per minute flow rate that uses up to 32 percent less water. Some of our Divisions have gone even further to reduce energy consumption by disengaging non-vital appliances and hot water heaters altogether.



SHAW CARPET'S ANSO®ECO NYLON FLOORING

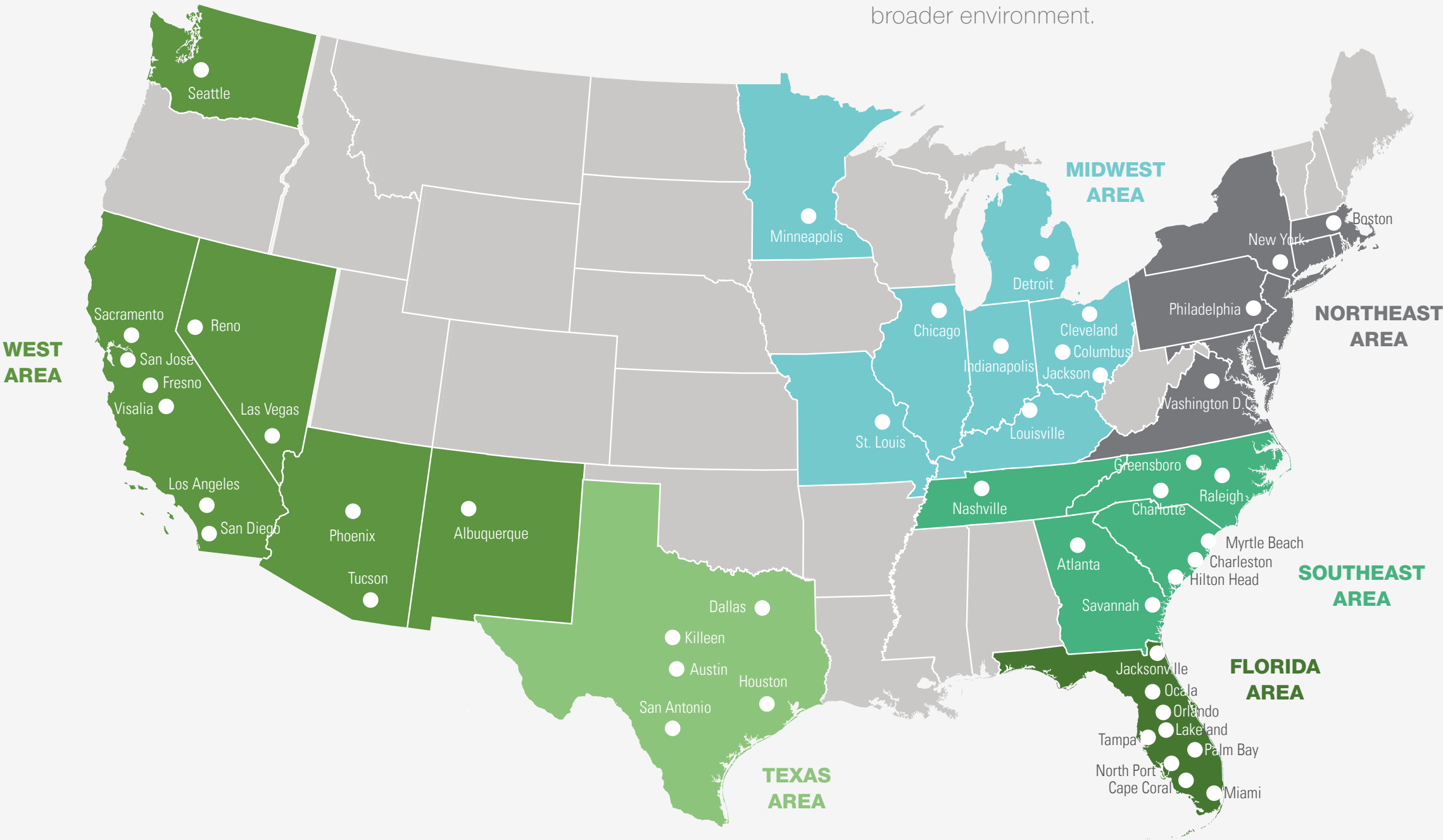
PulteGroup has partnered with Shaw Carpet to improve the durability and quality assurance of our carpeted flooring options. Research identifies nylon as 20 percent tougher than other fiber types, so it looks newer, longer. All Anso®Eco nylon boasts improved texture retention and is recyclable back to new carpet — making it durable, comfortable and environmentally-friendly.



Innovations in Action

NOTABLE ENVIRONMENTAL IMPACT INITIATIVES BY REGION

One of the benefits of belonging to an organization as large as PulteGroup, is the sheer amount of ingenuity, ideas and best practices our people bring to the industry. One of our challenges is making sure these best practices are purposefully shared throughout our organization. Highlighted on the following pages are some of the environmental initiatives our teams are leveraging to make significant impact in their local communities and the broader environment.



INNOVATIONS IN ACTION

Our **Cleveland Division** executed a purchase agreement with a local land seller for 159 acres to create a subdivision, called Forest Creek, specifically targeted to serve Medina County’s empty-nester buyers. The Division in turn donated 42.4 acres back to the Medina County Park District, creating green space that everyone can enjoy for decades to come.

Our **Columbus & Kentucky Division** implemented two specific initiatives focused on material waste reduction: The utilization of zone quantity estimates for commonly managed plans and the field verification of material shipments to ensure accuracy, help to reduce onsite material waste and shipping costs. The homes in the Division are also consistently exceeding industry standard ratings for energy performance thanks, in part, to reduced duct leakage, efficient gas furnaces, state-of-the-art insulation processes, low-energy windows and doors, tankless water heaters, Moen faucets and remaining fully compliant with the 2009 International Energy Conservation Code.

Our **Illinois Division’s** Atwater community was once a 204-acre golf course in Naperville. Of the parcel, over 110-acres will remain as open space to compliment two additional park sites within the community. The Division has partnered with the Conservation Foundation, a nonprofit agency based in Naperville to oversee and maintain the open space on behalf of the Home Owners’ Association. Additionally, the community will feature almost four miles of walking trails within the space, open to the public, to benefit residents and the local community.

Our **Las Vegas Division** voluntarily implemented ENERGY STAR® 3.1 standards in 100 percent of homes built in 2015. They also conduct recurring training sessions with field construction teams, sales, marketing staff and even trade partners to educate them on the new build quality standards and product and material innovations. The Division was also awarded the prestigious Silver Nugget Award for Green Builder of the Year. This honor recognizes their legacy as a market leader in the implementation and education of energy efficiency, water smart and sustainable building programs.

NOTABLE ENVIRONMENTAL IMPACT INITIATIVES BY REGION

In order to adhere to the new, stringent 2015 Residential Energy Code requirements, our **Michigan Division** ensures that all HVAC systems are energy efficient by:

- Achieving a 95 percent rating or above
- Including external ventilation motors for better air circulation
- Installing programmable thermostats and dampers to conserve energy.

Other notable Michigan Division efforts include:

- Concrete recycling. The Division purchased special recycling bins up front, and pays nothing for subsequent pickup or removal. The concrete is, then, ground into material to be used for road base.
- All community irrigation systems now utilize solar-powered clocks. This lessens environmental impact and provides monthly cost savings.

At our **Minnesota Division’s** new Aspen Hollow community, over 2,200 new trees of varying species have been planted on-site. Additionally, we’ve dedicated 9-acres for open space, active park areas, walking trails, and a wetland buffer.

Through an especially creative design, all storm water that falls on the site now runs into infiltration basins along the streets instead of into storm water ponds. These basins are ideal for preserving water quality and recharging groundwater. Additionally, they’ve restored nearly 30-acres of protected wetlands, and launched a sanctuary preserve project.

When preparing land to build a new community in **Northern California**, our land department employs responsible environmental practices by providing the following: storm water treatment, recycling/waste reduction and installing LED street lights. This Division participates in GreenPoint — a certification program that provides proof their homes meet or exceed expectation in five categories: community, energy efficiency, indoor air quality and health, resource conservation and water conservation.

Our **Pacific Northwest Division** continues to implement advanced framing techniques in all the homes they build; reducing the amount of wood required to construct the homes and offering an opportunity to better insulate the structures, cutting down on future energy use. They also perform special whole house and duct leakage tests on each home to monitor heat loss.

Our **St. Louis Division** is creatively recycling many of their materials to give them a second life: Excavated rock is regularly crushed for sewer backfill, retaining wall backfill and street subgrade. Detained storm water is being used for irrigation and fly ash (a coal power plant by-product) is being used as an additive in concrete. They’ve also partnered with a tree removal contractor for the clearing of new sites and are recycling trees into mulch to be used by their landscaping contractors. In a few especially environmentally-sensitive communities, the Division constructs bio retention basins on-site to naturally filter pollutants from storm water runoff.

By partnering with the local Home Owners’ Association, our Sun City Georgetown community outside of Austin, TX has been able to execute many unique projects:

- In the face of drought conditions and resulting restrictions on water use, the Division has greatly reduced the usage of potable drinking water. Creation of the Water Ambassador Committee - a group of residents who meet with every new homeowner to recommend energy saving techniques and help program their irrigation for optimal water conservation.
- Conversion of all common lighting (parking lots, walkways, etc) to LED.
- Securing Audubon certification for all property golf courses — the highest environmental rating available.
- Obtaining “Firewise Certification” from the state of Texas — a series of techniques and best practices to reduce the chance of wildfires.



2,200

Trees planted in Minnesota’s Aspen Hollow



Voluntarily implemented for all homes built in our Las Vegas Division



Donated to Medina Park District in Cleveland, OH



Investing in Our Greatest Asset

CULTIVATING SUSTAINABILITY UNDER OUR OWN ROOF

A house is built with raw materials — but people make it a home. The same is true of PulteGroup. Our greatness as a company is achieved by the expertise, passion and skill of our teams. That’s why we support programs and efforts to increase employee engagement, create a positive company culture and cultivate a healthy work environment. We believe investing in the health and success of our employees will only serve to improve the future of PulteGroup as a whole.

We employ a three-pronged approach to creating a company where our employees feel valued, respected and fully-engaged.

1 Creating the Right Environment

Ensuring we have the right policies, visibility and awareness for our changing workforce.

2 Developing Our People

Providing our employees with the education and training needed to succeed in their roles and achieve their full potential.

3 Recruiting the Best Talent

Attracting talent that reflects the diversity of the communities in which we build.

Putting this approach into action within our organization has taken many exciting forms. Some of the most recent are:

- We enhanced our maternity benefits while adding paternity and adoption benefits designed to assist parents and encourage bonding time with a new child.
- Providing benefits that are important to our employee population including coverage for the diagnosis and treatment of Autism Spectrum Disorders and 100 percent coverage of diabetic and hypertension generic prescriptions.
- Joining approximately 500 Georgia companies in signing the “Georgia Prospers” pledge, a simple statement of inclusion and welcome, and opposing legislation which would allow businesses to discriminate.
- Providing a variety of flexible work arrangement options such as part-time, compressed work week, job sharing and flextime in order to support work/life flexibility and create a competitive advantage.
- We invest in building the capability and leadership of our people by utilizing innovative learning methodologies that include hands-on application, simulation, mentoring, situational experiences, skill building and informal learning. We continue to focus on leadership development and retention to bolster our talent pipeline and are currently working to expand our diversity and inclusion training portfolio to grow a more engaged and inclusive culture.
- Designing a Management Development program that provides a development framework to successfully hire, onboard and train top tier outside industry talent. By broadening the net outside the traditional home building sector, we will be able to hire more diverse talent and anticipate that outside talent will be able to bring additional skills and knowledge from other industries that can be applied to home building to enhance our business model.



GLOBAL CORPORATE CHALLENGE

As a means of promoting a culture of wellness, PulteGroup is also taking part in a national program called Global Corporate Challenge (GCC). GCC provides employers with a simple and engaging way to cultivate a culture of health across multiple avenues within their business.

For a period of 100 days, employees across the country compete in teams of seven, working together on a journey to improve their physical and psychological health. Employees who have successfully taken part in GCC, report improved body mass index, lower stress levels, improved morale, job satisfaction, increased productivity, better overall health, and alot of fun.

Dawn Dortch

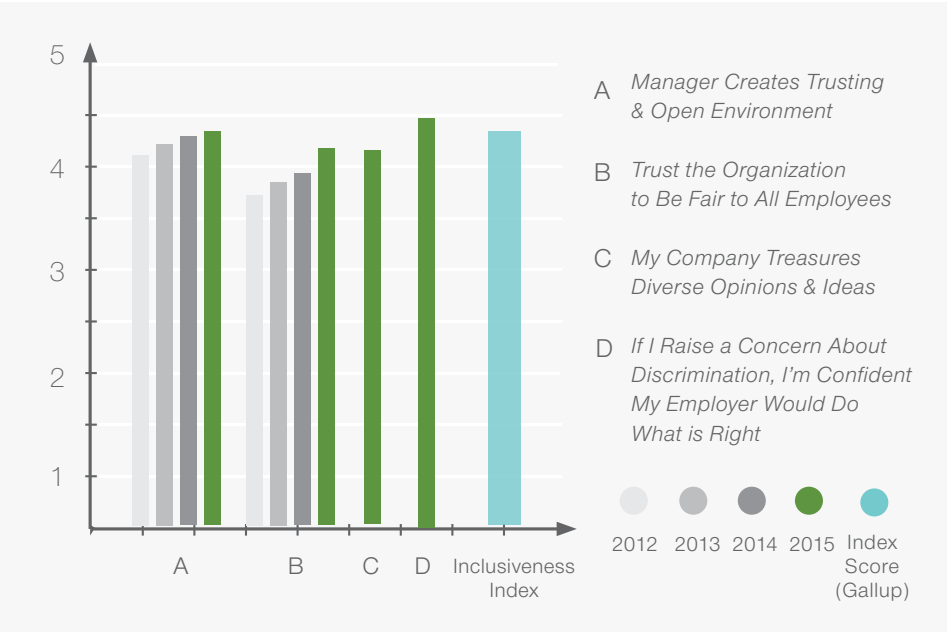
Director of Diversity & Inclusion



As part of our initiative to implement diversity strategies across all levels of the organization, PulteGroup announced an important new position in June 2015. After an extensive internal review and selection process, Dawn Dortch was promoted to Director of Diversity and Inclusion.

Prior to stepping into her new role, Dawn had been with PulteGroup for more than 17 years. She joined the company in 1999 and progressed through a number of roles in marketing, customer relations, sales, instructional design and human resources. Her experience in multiple disciplines in the home building industry as well as her participation on Pulte's National and Texas Area Diversity & Inclusion Councils, allow her to better understand the impact of diversity and inclusion at PulteGroup.

According to Dawn, "PulteGroup's commitment to being a diverse and inclusive company is a fundamental component of who we are and what we value. As we continue on our journey, we have become more deliberate in our efforts to ensure diversity and inclusion continue to be an important part of our culture. We understand that creating a great culture for our employees is the foundation for creating an outstanding experience for our customers." One of the ways PulteGroup has moved toward that end is through the introduction of our Inclusiveness Index — a tool we employ to benchmark our progress against other companies.



As the graphic suggests, PulteGroup is experiencing an upward trend in employee trust of the organization, and strong feelings of belonging and inclusion. We believe Dawn will play a key role in ensuring this trend continues for years to come.

Will Cutler

Senior VP, National Homebuilding Operations



How big is the environmental footprint of a home? When you consider it spans from the underlying land, to the home's design and construction to how the home performs over its lifetime, you understand a house has some big environmental feet. While the challenges associated with shrinking a footprint this large are significant, the potential positive impacts are too compelling to ignore.

PulteGroup took another step to effecting a positive change in naming Will Cutler to lead the Company's sustainability efforts within its homebuilding operations. As Senior Vice President, National Homebuilding Operations, Will has a perfect vantage point to help enhance the overall impact our homes have on the surrounding environment through production and in terms of future energy and water usage.

Will has a deep understanding and passionate commitment to building quality homes for PulteGroup having joined the Company straight out of college 20 years ago. Will began his career as an assistant field manager and advanced through a series of construction and operations related positions including roles as Vice President of Operations in Charleston and most recently Division President of our Coastal Carolina operations. Prior to joining Pulte, Will served in the United States Army and had the unique privilege of serving as both a Guard and Relief Commander at the Tomb of the Unknown Soldier in Washington, DC. Clearly, he appreciates what it means to serve the greater good.

As Will noted, "From our prototype Zero Net Energy home to our focus on construction efficiency and reduced energy usage in our sales centers, our sustainability efforts are expanding. I see tremendous opportunities to better integrate our efforts, share best practices across the enterprise and advance the Company's work toward building a more sustainable homebuilding platform."

Will has a **deep understanding** and **passionate commitment** to building quality homes...

Excellence in the Everyday

LEVERAGING OUR POWERS FOR GOOD



The **Charleston Division** has partnered with two new local schools to support education and facilitate learning. They've provided school supplies for children in need, donated iPads for each student, and sponsored a new Technology lab, as well as participated in and created community events including:

- A 5K Fun Run to raise money for the school
- Breakfast for a PTA meeting
- An outing for students achieving academic excellence

The Division also partners with Toys for Tots during the holidays and many members of the team participated together in the Heroes Run. Many will also be participating in and sponsoring a Fishing with Military Heroes event in their Hampton Lake community.

The **Cleveland Division** supports First Glance, a community youth center in the Kenmore neighborhood of Akron. First Glance works with teen moms, their children, inner city teens and young adults by providing a safe and loving environment where students can be accepted just as they are. For many of the students that go to First Glance, our Division team members are more than mentors — they've become family. The Division also raised \$3,000 for "Adopt-a-Family for Christmas" in 2015 and was able to help four families in need. They're also currently collaborating with Habitat for Humanity for projects that will begin in late 2016/early 2017.

Derived from the book *The Boys in the Boat* by Daniel James Brown, our **Columbus, OH and Kentucky Divisions** launched the "Boat Team Initiative" with a focus on driving employee engagement while developing cross-functional relationships. The Division has implemented community operations called "Boat Teams" focused on managing the business at a community

level. Each team is comprised of members from various functions of the organization to encourage diverse perspectives and spur creative solutions. Additionally, employees are receiving further training and development in the fundamental areas of the operation.

In **Illinois**, our Division takes mentoring seriously, inside the company and out in the community. Along with millennial Sales Consultants, the Illinois sales leadership team has created an internship program that is now used in Arizona, Texas and the Midwest Divisions. PulteGroup of Illinois also sponsors the Northern Illinois Professional Sales Program, as well as volunteering time and resources to the Collegiate Sales Advisory Board. The Division volunteers and sponsors several on-campus events such as "Meet a Mentor" and role playing, along with networking bowling, golf events and career fairs. The Division also scheduled their quarterly meeting in April 2016 at the Northern Illinois Food Bank — covering their business topics first, then volunteering together as a Division team. The Illinois Sales Team has also volunteered at Feed My Starving Children — a non-profit organization empowering volunteers to pack meals for malnourished children in nearly 70 countries. Within a few short hours, the team packed 122 boxes that provided 26,352 meals to children and families in need — which will ultimately feed 73 children for an entire year.



The **Indianapolis Division** is leading by example. They've created a team dedicated to the Global Corporate Challenge with hopes that it inspires the rest

As a company we value people and productivity, and believe everyone has the capacity to impact others for good. We've been so thrilled to hear the inspiring ways this value is trickling throughout our organization — in the ways we interact with each other and reach out into our communities. Many of our Divisions support local charity initiatives including food drives, Habitat for Humanity or running events to raise finances and awareness. Here are a few of the amazing ways our teams are inciting change within their organizations and around the communities in which they live.

of their Division to participate and facilitate a culture of health and wellness. The Division has also developed an outreach committee of cross-functional peers designed to work together and give back to the community. This outreach will include the Division's participation in Habitat for Humanity in the summer of 2016.

Lindy Oliva, Division President for our **Houston** operations has recently developed a special leadership discussion group for high-potential and female managers within the Division. The goal is to inspire greater confidence and create open forums for conversations around how to best manage a career and family simultaneously. The Division is also participating three times per year in a food drive to support local assistance organizations and their pantry needs. They were able to collect 940 pounds of food during the holiday season last year.

In 2015, our **Michigan Division** orchestrated a Pulte Olympics teambuilding event to engage employees and create a more team-oriented work environment. The Division also has a mentor training program and a work environment committee they call the Culture Council — a cross section of employees from all different disciplines that plan many Division events. The Division is also proud to maintain partnerships with over 150 local trade partners. PulteGroup has assisted in creating well over 150 jobs over the past two years with local contractors.

Our **Minnesota Division** has taken extra care to focus on improving diversity throughout their hiring and recruiting practices. Over the course of the last year, 38 percent of new hires have been female and 13 percent have been of an ethnicity other than

Caucasian. Additionally, 50 percent of their operating team is now female. The Division has also developed a local employee mentoring program to enhance the development of current and future leaders within the organization. The Division also conducted its 5th annual golf tournament raising over \$25,000 to support the Builders Association of the Twin Cities (BATC) Foundation. The Foundation uses the skills and resources of its members to build, remodel and repair homes for families in need in the Twin Cities.



For the past few years, the **St. Louis** sales team has held a golf outing and silent auction as a fundraising event to support the local Habitat for Humanity. Each event has raised between \$4,000-5,000 for local families and their housing needs.

Our **Southern California Division** is on par to significantly impact the community of Rancho Mirage, well beyond adhering to environmental sustainability considerations. They will also bolster the sustainability (net zero or net positive impact) of the community through:

- An estimated annual net recurring surplus of \$297,000 to the City's General Fund at build out.
- Directly and indirectly, creating an estimated 3,000 jobs over the 6-year life of the project.
- An estimated \$100M of net positive output over the life of the project.



SAYING “THANK YOU” THE BEST WAY WE KNOW HOW

Active U.S. military participation in Iraq and Afghanistan has wound down over the past few years, but for many of our servicemen and women, the battles continue. Our returning heroes often face difficult challenges related to their injuries, adjusting to civilian life, along with finding a job or finding a home.

We at PulteGroup are forever grateful to our veterans for the countless sacrifices they and their families have made defending our country. And we wanted to say thank you by doing what we do best. In living our promise to “make lives better,” the PulteGroup Built to Honor™ program provides mortgage-free homes to deserving wounded veterans across the country.

Launched in 2013, PulteGroup operations across the nation have banded together with our dedicated and generous suppliers and contractors to support this effort. This year we will deliver our 40th home to deserving wounded veterans and their families – making the as-built value of these homes close to \$15 million. From Michigan to Texas and Washington D.C. to California, our hope is that together we can make a difference assisting our veterans and their families as they rebuild their lives here at home.

The success of Built to Honor™ and its ability to provide these worthy veterans with the gift of a new home is only possible through the steadfast support and participation of our valued business partners.



NUMBER OF HOMES BUILT FOR
WORTHY VETERANS TOTALING
NEARLY \$15 MILLION

SPECIALIST DAVID MORENO | ARIZONA

Spc. David Moreno joined the Army National Guard in 2003. While serving in Iraq as an infantry gunner on a Humvee, he was hit by an IED explosion that caused a myriad of combat-related injuries. The 31-year-old veteran, who also serves on border patrol, has been honored with multiple awards including: Purple Heart, Army Commendation Campaign Medal, National Defense Service Medal, Global War on Terrorism Medal and Iraq Campaign Medal. David, his wife Monica and their two young children moved into their new home in Red Rock Village in 2016.



STAFF SERGEANT TIM PAYNE | NORTH CAROLINA


Staff Sgt. Payne was injured by an IED in Afghanistan on July 3, 2011, causing the loss of both legs and partial mobility loss to his left arm. He then worked with Walter Reed Army Hospital for fitting and training on prosthetics. He has received numerous commendations including the Afghanistan Campaign Medal and Army Commendation Medal. In the summer of 2015, Tim and his wife Kate moved into their home in Centex's Highland Creek community in Raleigh.



SPECIALIST HAYWOOD RANGE | TEXAS

In 2006, Spc. Range was severely injured in a training incident in preparation for an upcoming deployment to Afghanistan where his combat vehicle rolled multiple times. As a result, his right arm was amputated and he has undergone numerous surgeries. He is married with two daughters and a son. In June 2015, Haywood and his family moved into their new home in Centex's Champions Park in San Antonio.





For more information on PulteGroup's
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