

**CAVCO INDUSTRIES, INC.**  
**CLAWBACK POLICY**  
*Effective as of December 1, 2023*

**I. Introduction**

The Board of Directors (the “**Board**”) of Cavco Industries, Inc. (the “**Company**”) believes that it is in the best interest of the Company and its shareholders to adopt this Clawback Policy (the “**Policy**”) providing for the recoupment from certain Covered Executives (as defined below) of Incentive Compensation (as defined below) in the event of an accounting restatement (as described below) [or the occurrence of the other clawback events] described below. The Policy intends to comply with Section 10D of the *Securities Exchange Act of 1934* (the “**Exchange Act**”), the rules of the Securities and Exchange Commission (“SEC”) thereto and applicable Nasdaq listing standards.

**II. Administration**

The Board will administer the Policy as recommended jointly by the Audit and Compensation Committees of the Board. Any determinations made by the Board shall be final and binding on all affected individuals.

**III. Covered Executives**

In accordance with Section 10D of the Exchange Act, as well as the listing standards of the Nasdaq stock exchange, this Policy applies to any current or former “executive officer”. The Board shall designate its “executive officers” on an annual basis and from time to time as additions or departures occur. For purposes of this Policy, “executive officer” means the Company’s president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company (each, a “**Covered Executive**”, and collectively, the “**Covered Executives**”).

**IV. Recoupment; Accounting Restatement; Time Frame**

The Board must recoup from all Covered Executives in the circumstances described in Section (a). The Board may in its exercise of reasonable discretion recoup from Covered Executives in the circumstances described in Section (b) below; provided, however, such events have not resulted in an accounting restatement subject to Section (a).

(a) Accounting Restatement. In the event the Company is required to prepare an accounting restatement of its financial statements due to material non-compliance, including to correct an error that while not material to previously issued financial statements would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period, the Board must recover Incentive Compensation, granted, paid, delivered, awarded or otherwise received by a Covered Executive during the three year period preceding the date on which the Company is

required to prepare an accounting restatement. Such recovery applies to unpaid or unvested Incentive Compensation based upon determination of the correct financial reporting measure.

(b) **Detrimental Conduct.** To the extent that the Board determines, in its sole discretion, that one or more of the Covered Executives committed one or more willful acts of material fraud or material misconduct that directly or indirectly caused a Material Adverse Effect (as defined below), the Board may require reimbursement or forfeiture of certain Incentive Compensation granted, paid, delivered, awarded or otherwise received by a Covered Executive during the three-year period following the commission of the acts of fraud or misconduct and/or occurrence of a Material Adverse Effect, in either case, as determined by the Board in its sole discretion. Such forfeiture or reimbursement shall be sought, unless it is Impracticable to do so or the Board otherwise determines, in its sole discretion, that such forfeiture or recovery would not be in the best interests of the Company. "Material Adverse Effect" means any event, change, development or occurrence, individually or together with any other event, change, development, or occurrence, that the Board determines, in its sole discretion, is materially adverse to the finances, business, condition, assets, or results of operations of the Company. In addition to Incentive Compensation, if the Board determines that one or more of the Covered Executives committed one or more willful acts of material fraud or material misconduct that directly or indirectly caused a Material Adverse Effect the Board may require reimbursement or forfeiture of certain equity awards which vest solely based on the passage of time.

## **V. Incentive Compensation**

For purposes of the Policy, provided the compensation is granted, earned or vested in whole or partially on the attainment of a financial metric, **Incentive Compensation** means any compensation that is granted, earned, or vested based wholly or in part upon attainment of a financial reporting measure, including, but not limited to, any of the following:

- Non-equity incentive awards that are earned based wholly or in part on satisfying a financial reporting measure performance goal;
- Bonuses paid from a bonus pool, the size of which is determined based wholly or in part on satisfying a financial reporting measure;
- Other cash awards based on satisfaction of a financial reporting measure performance goal;
- Restricted stock, restricted stock units, performance share units, stock options, and stock appreciation rights that are granted or become vested based wholly or in part on satisfying a financial reporting measure performance goal; and
- Proceeds received upon the sale of shares acquired through an incentive plan that were granted or vested based wholly or in part on satisfying a financial reporting measure performance goal.

Financial reporting measure means measures that are determined and presented in accordance with the accounting principles used in preparing the Company's financial

statements, and any measures that are derived wholly or in part from such measures, including, but not limited to, the following:

- Revenues;
- Net income;
- Operating income;
- Profitability of one or more reportable segments;
- Financial ratios (e.g., accounts receivable turnover and inventory turnover rates);
- Earnings before interest, taxes, depreciation and amortization;
- Funds from operations and adjusted funds from operations;
- Liquidity measures (e.g., working capital, operating cash flow);
- Return measures (e.g., return on invested capital, return on assets);
- Earnings measures (e.g., earnings per share)
- Sales per square foot or same store sales;
- Revenue per user, or average revenue per user;
- Cost per employee;
- Any of such financial reporting measures relative to a peer group, where the Company's financial reporting measure is subject to an accounting restatement; and
- Tax basis income.

**VI. Excess Incentive Compensation: Amount Subject to Recovery**

In the case of an accounting restatement and resulting recalculation of a financial reporting measure, the amount of Incentive Compensation to be recovered by the Company from each Covered Executive is the amount of Incentive Compensation paid to each Covered Executive that exceeds what the Covered Executive would have received based on the restated financial reporting measure during the three-year period preceding the year the restatement or correction is determined to be required.

In the case of Detrimental Conduct, the amount of Incentive Compensation to be recovered from each Covered Executive will be determined in the Board's discretion in an amount up to but not to exceed all Incentive Compensation received by such Covered Executive during the three-year period following the commission of the acts of fraud or misconduct and occurrence of a Material Adverse Effect in either case, as determined by the Board in its sole discretion.

Subject to compliance with any applicable law, the Company may effect recovery of Incentive Compensation under the Policy from any amount otherwise payable to a Covered Executive, including, if permitted by law, amounts payable to such individual under any otherwise applicable Company plan or program. Any recovery pursuant to this Policy shall be in addition to any other remedies that may be available to the Company

under applicable law including, but not limited to, disciplinary action up to and including termination of employment or other services.

## **VII. Recovery Process**

The amount of the recovery pursuant to this Policy will be determined pursuant to the following process:

- a. The Audit Committee of the Board will have the initial responsibility to investigate any restatement to determine whether it triggers a recovery of Incentive Compensation under the Policy. The Audit Committee will report its findings to the Compensation Committee and make recommendations to the Compensation Committee as to the recovery of Incentive Compensation;
- b. The Compensation Committee will review the Audit Committee's report and make a determination as to the Covered Executive(s) from whom recovery will be sought and the amount of the recovery. The Compensation Committee's determination will be reported to the Board.
- c. The Board will then make a final review and determination as to the amount of the recovery and the Covered Executive(s) from whom recovery is sought.

It is expected that the Board will interpret the Policy as necessary to correct any error or ambiguity. Any determination by the Board under this Policy shall be final, binding and conclusive on all Covered Executives.

## **VIII. Method of Recoupment**

Once the amount of Incentive Compensation to be recovered has been determined, the Company must recover such amounts "reasonably promptly". The Board will determine, in its sole discretion, the method for recouping Incentive Compensation hereunder and such method may include, to the extent permitted by applicable law and Section 409A of the Internal Revenue Code, but not be limited to:

- (a) Reimbursement or repayment of cash Incentive Compensation previously paid;
- (b) Seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer or other disposition of any equity-based awards;
- (c) offsetting the recouped amount from any compensation otherwise owed by the Company to the Covered Executive;
- (d) Cancelling all or a portion of outstanding vested or unvested equity awards (including any related dividend amounts paid or accrued with respect to such awards);
- (e) Reducing the amount of any current or future compensation that may be awarded or become due and owing to the Covered Executive; and/or
- (f) Taking any other remedial and recovery action permitted by law, as determined by the Board, including, without limitation, requiring the return of shares or the reimbursement of any net proceeds received as a result of the sale of shares.

**IX. No Indemnification**

The Company shall not indemnify any Covered Executives against the loss of any incorrectly awarded Incentive Compensation.

**X. Interpretation**

The Board will interpret and construe the Policy as well as make all determinations necessary, appropriate or advisable for the administration of the Policy. It is intended that the Policy be interpreted in a manner that is consistent with the requirements of Section 10D of the Exchange Act and any applicable rules or standards adopted by the Securities and Exchange Commission (the "SEC") or the Nasdaq stock exchange on which the Company's securities are listed.

If any provision of this Policy is or becomes or is deemed to be invalid or unenforceable in any jurisdiction or as to any Covered Executive, such provision shall be construed or deemed amended to conform with applicable law.

**XI. Effective Date**

This Policy shall be effective as of the date of adoption by the Board (the "Effective Date") and shall apply to Incentive Compensation approved, awarded or granted to Covered Executives on or after that date.

**XII. Amendment; Termination**

In its sole discretion, from time to time, the Board may amend the Policy for any reason, including, to reflect final regulations adopted by the SEC under Section 10D of the Exchange Act and to comply with any rules or standards adopted by Nasdaq on which the Company's securities are listed.

**XIII. Other Recoupment Rights**

The Board intends that the Policy will be applied to the fullest extent of the law. The Board may require that any employment agreement, equity award agreement or similar agreement entered into on or after the Effective Date shall, as a condition of the grant, require a Covered Executive to agree to abide by the terms of the Policy. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company pursuant to the terms of any similar policy in any employment agreement, equity award agreement, or similar agreement and any other legal remedies available to the Company.

**XIV. Impracticability**

The Board shall recover any excess Incentive Compensation in accordance with this Policy unless such recovery would be impracticable, as determined by the Board in accordance with Rule 10D-1 of the Exchange Act and the listing standards of Nasdaq on which the Company's securities are listed.

**XV. Successors**

This Policy shall be binding and enforceable against all Covered Executives and their beneficiaries, transferees, heirs, executors, administrators or other legal representatives.