

*Everyone at National MI contributes to our **culture of compliance** by understanding – and acting consistently with – our business conduct and ethics policies.*

*This Code has been designed to set forth our **standards of business conduct and ethics** that will protect the Company, its employees, officers, directors, and shareholders.*

## INTRODUCTION

This Business Conduct and Ethics Policy (“Policy”) covers a wide range of business practices and procedures. It does not address every issue that may arise, but it sets out basic principles to guide honest and ethical conduct. All covered persons must conduct themselves accordingly and seek to avoid even the appearance of improper behavior. The basic principles discussed in this Policy are subject to any specific Company policies covering the same issues.

For purposes of this Policy, the terms “you” or “covered persons” includes all employees, officers, external directors, contractors and other personnel (full-time, part-time, or temporary), of NMI Holdings, Inc. and its direct and indirect subsidiaries (collectively, “we” or the “Company”).

If a law or regulation conflicts with a standard in this Policy, you must comply with law. Alternatively, if a local custom or practice conflicts with this Policy, you must comply with the Policy. If you have any questions about these conflicts, you should ask your supervisor how to handle the situation. All covered persons are responsible for understanding the legal and policy requirements that apply to their jobs and reporting any suspected violations of law, this Policy, or other Company policies.

If you are in, or aware of, a situation that you believe may violate or result in a violation of this Policy, promptly report it as provided in this Policy.

## **COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

Obeying the law, both in letter and in spirit, is fundamental to the Company. The Company is a highly regulated financial services organization, subject to rules, laws, and regulations at the federal, state, local, and agency levels. You must respect and obey the laws, rules, and regulations of the jurisdictions in which we operate. Although you are not expected to know the details of each of these laws, rules, and regulations, it is important to understand and comply with those that apply to your job position, and to know enough to determine when to seek advice from appropriate personnel.

## **CONFLICTS OF INTEREST**

The Company's Board of Directors ("Board") has adopted a Conflicts of Interest Policy ("COI Policy"), which is hereby incorporated by reference. If a conflict or inconsistency exists between the COI Policy and this Policy, the COI Policy shall govern.

A "conflict of interest" exists when a person's private interest interferes with the interests of the Company. A conflict situation can arise when a person takes actions or has interests that may make it difficult to perform their Company work objectively and effectively. Conflicts of interest may also arise when a person (or a member of their family) receives improper personal benefits as a result of their position in the Company.

### **Examples of potential Conflicts of Interest:**

- Loans to, or guarantees of obligations to, employees, directors and officers and their family members by the Company may create conflicts of interest and in certain instances are prohibited by law.
- Working for a competitor, customer, or supplier while at the same time employed or engaged by the Company. You should avoid any direct or indirect personal business connection with our customers, suppliers, or competitors.
- Other outside activities, including other full or part-time work opportunities that may impact your ability to meet your obligations to the Company or to satisfactorily perform your work responsibilities.

### **Exceptions to and reporting potential Conflicts of Interest:**

- Conflicts of interest are prohibited as a matter of Company policy, except as approved by an appropriate member of management or the Board. Any covered person who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, the Compliance Officer or other lawyer in the Law Department, or other appropriate personnel who is not involved in the matter giving rise to the conflict.

For additional policies and procedures relating to the review and approval or ratification of transactions between the Company and one of its directors, executive officers, beneficial owners of more than 5% of the Company's outstanding stock, or any immediate family member of those persons (a "Related Party"), please refer to the Company's Related Party Transaction Approval Policy.

## **INSIDER TRADING**

The Company's securities are registered and listed on a public stock exchange (NASDAQ symbol: NMIH). All non-public information about the Company should be considered confidential information. If you have access to confidential information about the Company or any other entity, you are not permitted to use or share that information for trading purposes in the Company's securities, the other entity's securities, or for any other purpose except for the legitimate conduct of Company business. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision based on this information is not only unethical but may also be illegal. Further discussion about insider trading and communication of non-public information is addressed in the Company's Insider Trading and Information Policy. If you have any questions, please consult the Compliance Officer or other lawyer in the Law Department.

## **CORPORATE OPPORTUNITIES**

Covered persons are prohibited from diverting for personal gain opportunities from which the Company might benefit, or that are discovered using Company property, information, or influence, without the prior approval of the Company. Similarly, no covered person may use Company property, facilities, information, influence, or position for outside activities (without prior approval of the Company) or to compete with the Company directly or indirectly.

## **COMPETITION AND FAIR DEALING**

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance and never through unethical or illegal business practices. Unauthorized access or use of proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited.

All covered persons should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, competitors and employees. No covered person should take unfair advantage of anyone through manipulation, concealment, abuse of proprietary or privileged information, or misrepresentation of material facts, nor engage in price fixing, bid rigging, allocation of markets or customers, or other similar impermissible unfair dealing activities.

The Company will not engage in any activity that has the effect of unlawfully limiting competition. We are subject to antitrust laws designed to preserve competition across industries and to protect consumers from unfair business arrangements and practices. The laws vary across jurisdictions, but generally prohibit activities that unreasonably inhibit or restrain competition, create a monopoly, abuse a dominant market position, artificially raise or maintain prices, or otherwise illegally hinder

or disrupt normal commerce. Many situations could create the potential for anticompetitive conduct and are expected to be avoided. These include but are not limited to: (1) proposals from competitors to share or set prices or to allocate markets or customers; (2) requests by customers, potential customers, or others to provide specific quotes; or (3) for the Company to join in a boycott of certain customers.

## **GIFTS AND ENTERTAINMENT**

The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage with customers. To avoid even the appearance of impropriety with current or prospective customers, vendors and consultants, covered persons shall observe the following guidelines regarding gifts and entertainment.

No gift or entertainment should ever be offered, given, provided or accepted by any covered person or their family member or agent unless it: (1) is not a cash gift; (2) is nominal in value; (3) cannot be construed as a bribe, kick-back or payoff; (4) is not received from a vendor for the personal use of a Company employee with influence or decision-making authority over that vendor relationship; and (5) does not violate any laws, regulations or applicable policies of the Company or the other party's organization, including federal and state anti-bribery/corruption laws and the Real Estate Settlement Procedures Act ("RESPA") or state anti-inducement and anti-rebate laws. Modest and infrequent business meals or entertainment may be appropriate; accepting or providing lavish meals or entertainment is prohibited.

Please review the Company's Conflicts of Interest Policy, Employee Handbook (as applicable), Business Expense and Travel Policy, and RESPA/Anti-Inducement Policy for further information, and always discuss with your supervisor any gifts or proposed gifts (*in advance* of giving or receiving, if practical) that you are not certain are appropriate. If a Company employee is faced with a situation where they cannot return a gift of more than nominal value, and offering to pay for it could adversely impact the continuing business relationship, the individual should promptly notify their supervisor who will determine appropriate next steps, including possible donation to charity, employee give-away, or other disposition of the gift.

## **INTELLECTUAL PROPERTY**

Federal and state laws prohibit any unauthorized use or expropriation of another party's intellectual property. Intellectual property includes copyrights, trademarks, patents, and trade secrets, each of which is briefly discussed below. It is important to respect the intellectual property rights of the Company, as well as the intellectual property rights of others. It is the Company's policy not to acquire or seek to acquire via improper means a competitor's trade secrets or other proprietary or confidential information.

### **Copyright**

Copyright laws provide automatic protection of an original work of authorship, such as a book or an article, contents of a website, a computer software program, or video or audio recordings.

Examples of the types of activities that might constitute a violation of the laws protecting copyrights are the following:

- installing computer software on more than one computer system, if the license agreement permits only a single user installation;
- copying an entire issue or an article from a magazine or newsletter, or the internet;
- downloading information from a subscription database for uses beyond temporary reference.

### **Trademarks/Service Marks**

Trademark/service mark laws protect consumers from confusion as to the source and quality of goods or services. Infringement occurs when using a mark (e.g., logo, symbol, moniker or phrase) in a manner likely to cause a consumer to be confused as to the source of the product or service in the marketplace.

Examples of the types of activities that might constitute a violation of the laws protecting trademarks or service marks include:

- adopting a slogan, name, or symbol for goods or services that is confusingly similar to trademarks in use or reserved by others;
- using another's trademark without obtaining such party's permission.

### **Trade Secrets**

Trade secret laws prohibit misappropriation of valuable information that is not generally available from public sources and is protected from public disclosure by the owner taking reasonable steps to protect it.

Examples of the types of activities that might constitute a violation of the laws protecting trade secrets include:

- disclosing to others outside of the Company any information received in confidence from a vendor, supplier or contractor;
- disclosing to others, who do not have a reason to know, any confidential or proprietary information belonging to the Company.

Notwithstanding the foregoing nondisclosure obligations, the Defend Trade Secrets Act provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law. Further, an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other

proceeding, if such filing is made under seal. An employee who files a lawsuit for retaliation for reporting a suspected violation of law may disclose the trade secret to an attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order.

## **Patents**

Patent laws give an inventor exclusive rights to make, use and sell the patented invention, which may include a process, a machine, or the manufacture or composition of a tangible thing. Once a patent is issued, the invention is protected.

Examples of the types of activities that might constitute a violation of the laws protecting patents include:

- selling or giving to third parties a process or device developed internally;
- failure to cease use of a device, software, process or system after receipt of information that the Company may be infringing a patent that belongs to a third party.

Before using or incorporating materials, slogans, or names belonging to another party into products or informational materials or presentations for the Company's use, consult with the Law Department to ensure that you are not infringing the trademarks, copyrights or patents of the owner. Reproducing copies of a protected work without authorization could subject the Company to an infringement suit, which may result in damages or an order against continuing use. It is also a criminal act to violate the intellectual property rights of other parties; any such violation may be prosecuted as a federal misdemeanor punishable by significant monetary fines, or up to one year's imprisonment.

You also need to protect the Company's assets including the Company's own intellectual property such as its trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, product ideas, designs, databases, records, and any unpublished salary or financial data and reports. Unauthorized use or distribution of this information is a violation of Company policy. It could also be illegal and result in civil or criminal penalties. Please remember that your obligations to respect the Company's intellectual property rights survive even after you leave the Company, and the Company may assert its rights to protect its intellectual property, as appropriate and permitted under applicable law.

## **POLITICAL CONTRIBUTIONS**

Individual employees are encouraged to vote, participate in the political process and are free to make personal political contributions as they see fit. However, the use of corporate funds in connection with elections and other political activities is restricted by federal and state laws.

Therefore, except for the NMI Holdings, Inc. Political Action Committee ("NMI PAC"), the Company

prohibits political contributions (directly or through trade associations) by the Company or its business units. This includes: (a) any contributions of Company funds or other assets for political purposes; or (b) encouraging individual employees to make any such contribution.

Under applicable law, the Company is strictly prohibited from reimbursing an employee for any political contribution, including contributions made to the NMI PAC.

## **DISCRIMINATION AND HARASSMENT**

The diversity of the Company's employees is a tremendous asset. We are firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment based on race, color, religious beliefs, sex, gender, gender identity, sexual orientation, national origin, immigration status, ancestry, citizenship, veteran status, marital status, physical or mental disability, age or any other characteristic, condition or status protected by applicable federal, state or local law. For further information, employees should consult the Employee Handbook.

## **HEALTH AND SAFETY**

The Company strives to provide a safe and healthy work environment. As applicable, all covered persons have the responsibility for maintaining a safe and healthy workplace for all by following environmental, safety, and health rules and practices and by reporting accidents, injuries and unsafe equipment, practices, or conditions. Any actual or threatened violence or threatening behavior is expressly prohibited and may result in immediate removal from Company premises or systems and may also result in criminal or civil action.

You are expected to perform your Company related work in a safe manner, free of the influences of alcohol, illegal drugs or controlled substances. The use of illegal drugs in the workplace will not be tolerated. Employees can find more information in the Employee Handbook, and the Illness and Injury Prevention Program.

## **COMPANY RECORDS**

The Company requires honest, accurate and timely recording and reporting of information in order to make responsible business decisions and to comply with applicable laws.

All business expense accounts must be documented and recorded accurately in a timely manner. If you are not sure whether a certain expense is legitimate consult the Company's Business Expense and Travel Policy, which is available from the Finance Department (also posted on the Company intranet for employees). Please also be aware of your obligations under applicable kickback (e.g., RESPA) and anti-inducement laws, as well as anti-bribery and other obligations relevant to the proper use of Company expenses and ethical conduct.

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail; must appropriately reflect the Company's transactions; must be promptly disclosed in accordance with any applicable laws or regulations; and must conform both to applicable legal requirements and to the Company's system of internal controls.

Business records and communications often become public, and we should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of people and companies that may be misunderstood or misconstrued. This applies equally to e-mail, internal memos and formal reports. Records should always be retained or destroyed according to the Company's Document Retention and Destruction Policy, subject to any litigation holds issued by the Law Department. Upon any litigation or governmental investigation, please consult with the Law Department prior to destroying records.

## **PUBLIC COMMUNICATIONS AND FINANCIAL REPORTING**

As a public company, and state-regulated insurance company, the Company has obligations to the public, its shareholders, and its regulatory authorities to make accurate and timely disclosures. We are committed to open communication, while not compromising proprietary and confidential information.

We have various reporting obligations with the Securities and Exchange Commission ("SEC") and other regulatory authorities, and it is our policy to make timely, accurate, and full disclosures regarding our financial condition in these communications. The Company devotes significant resources throughout the year in ensuring that our disclosures are accurate and timely and expects you to take this responsibility very seriously. Misstating financial results can result in significant regulatory penalties and reputational damage for the Company, as well as criminal and civil penalties for you, the Company and other individuals.

If you have any concerns or complaints related to financial, accounting or auditing matters of the Company, you should promptly discuss it with your supervisor, a senior officer within your department, or officer within the Finance department, Internal Audit or Law Department. Such matters may also be reported to the Compliance Officer, General Counsel or Chair of the Audit Committee, or via the anonymous hotline process described herein.

## **IMPROPER INFLUENCE ON CONDUCT OF THE COMPANY'S INDEPENDENT AUDITOR**

As indicated above, the accurate and timely preparation of our financial statements is of the utmost importance, and it is the Company's policy to ensure that those that assist in that process, namely the Company's independent auditors, are permitted to perform their functions without improper influence or interference. Specifically, it is prohibited to directly or indirectly take any action to coerce, manipulate, mislead or fraudulently influence the Company's independent auditors for the purpose of rendering the financial statements of the Company materially misleading. Prohibited actions include, but are not limited to, those actions taken to coerce, manipulate, mislead or fraudulently influence an auditor to: (1) issue or reissue a report on the Company's financial statements that is not warranted in the circumstances (due to material violations of generally accepted accounting principles, generally accepted auditing standards, or other professional or regulatory standards); (2) not perform an audit, review or other procedures required by generally accepted auditing standards or other professional standards; (3) not withdraw an issued report; or (4) not communicate matters to Company management and/or the Company's Audit Committee.

## **PRIVACY AND CONFIDENTIALITY**

Our customers, suppliers, employees and shareholders trust us to protect information – and as such, covered persons have a duty to maintain the confidentiality of sensitive, confidential and proprietary information entrusted to them. This includes all non-public information that might be of use to competitors or harmful to the Company or its customers, employees or suppliers if disclosed, including, but not limited to, non-public personal information (“NPI”) of borrowers that the Company receives and retains in connection with underwriting mortgage insurance. All covered persons involved in the human resources, underwriting, claims and servicing functions, or that otherwise have access to NPI in carrying out their employment responsibilities, are expected to be knowledgeable about, and comply with relevant Company policies and the applicable provisions of the Federal Gramm-Leach-Bliley Act and substantially similar state privacy and information security laws. The obligation to preserve and safeguard confidential and proprietary information continues even after your relationship with the Company ends.

As the importance of the privacy and safeguarding of information, and the potential dangers of its misuse have become more clear, various authorities, ranging from states to federal agencies to law enforcement at all levels have imposed, and are continuing to legislate, very specific safeguards which dictate specific methods regarding the classification, use, storage, ownership, and transmission of information. As such, the Company has developed specific detailed policies and other guidance that go beyond the broad statements of this Policy. For more information regarding your privacy obligations, please see the Company’s Privacy Policies and Procedures, Information Security Policies, the Employee Handbook (as applicable), and the Document Retention and Destruction Policy. If you have knowledge of an actual or potential incident involving the compromise of confidential or proprietary information, you are obligated to immediately notify your supervisor, the Compliance Officer or the Law Department, or send an email to [privacy@nationalmi.com](mailto:privacy@nationalmi.com) or [security@nationalmi.com](mailto:security@nationalmi.com).

## **INFORMATION SECURITY POLICIES**

The Company’s Information Security Policies and the Employee Handbook (as applicable) address the appropriate and permissible uses of Company computer and communication systems, including but not limited to, computer hardware, software, internet, intranet, email, instant messaging, telephone, voice messaging and faxes.

You should be aware that the Company has the right, but not the obligation, to access, monitor, audit, delete, create an audit log, and/or save any and all information, data, documents, presentations, analyses and/or communication (including email, video, instant messages, audio, etc.) that you create, store, transmit or receive at any time and for any reason using Company computer and communications systems or while performing work or services for the Company. In addition, the Company has the right, without prior notice to you, to provide such information and/or communications to other Company personnel or to third parties in connection with its compliance or investigatory activities, and in response to regulatory requests or legal process. The

issuance of a password to you by the Company is to prevent unauthorized access to your work product, but it is not, and should not be expected by you, to create a right or guarantee of privacy. You should have no expectation that your communications on the Company's systems are or will remain private.

All of the foregoing applies to your use of the internet and the Company's email and other systems. The Company has software, systems and processes in place to monitor your internet and email use to ensure your activities comply with this Policy and provisions of our privacy and information security policies or Employee Handbook, as applicable.

## **VIOLATIONS AND WAIVERS**

Potential violations of this Policy will be promptly reviewed and addressed on a case-by-case basis. Any covered person found to have violated any part of this Policy may be subject to disciplinary action, up to and including termination of employment. In addition, persons involved in illegal activities may be subject to civil damages and criminal penalties including fines and imprisonment. The Company may pursue and/or cooperate with any criminal investigation and prosecution that may result from such activity.

Any waiver of this Policy for executive officers or directors may be made only by the Board (or committee thereof) and will be promptly disclosed as required by law, rule or regulation.

## **REPORTING ILLEGAL OR UNETHICAL BEHAVIOR**

This Policy addresses some, but not all, situations where choices and decisions must be made. Covered persons are encouraged to seek guidance from their supervisors or other appropriate personnel about observed behavior that they believe may be illegal, unethical, impermissible, questionable or a violation of this Policy or any other Company policy.

All violations must be promptly reported. Specific sections in this Policy discuss reporting of certain types of issues to specific persons or departments – but Policy violations can always be reported to your supervisor, an HR officer, or the Compliance Officer or other member of the Law Department or other appropriate personnel. In addition, a covered person who has a concern about the Company's accounting practices, internal controls or auditing matters should report such concerns to the Compliance Officer or other lawyer in the Law Department, or to the Chair of the Audit Committee. Covered persons are expected to cooperate in internal investigations of misconduct.

Covered persons wanting to make a report with respect to any of these matters anonymously may do so via the Company's anonymous and confidential hotline service. To do so contact "ReportIt" through the mobile app: Text "Nationalmi" to 63975 or via <http://www.reportit.com> and use ReportIt code: "NationalMI"

The Company will maintain the confidentiality or anonymity of the person(s) making the complaint to the fullest extent reasonably practicable within the legitimate needs of any ensuing evaluation or investigation.

## **PROTECTIONS FROM RETALIATION**

In no event will there be any retaliation against any person for reporting in good faith an activity believed to be a violation of this Policy, or any law, rule, or regulation. Retaliation against an individual, who, in good faith, has made a complaint, disclosed information relating to a complaint or otherwise participated in an investigation relating to a complaint, is prohibited regardless of the outcome of the investigation.

Employees may find additional information regarding the Company’s internal complaint reporting procedures in the Company’s Complaint Handling Process.

## **ANNUAL ACKNOWLEDGEMENT**

To help ensure compliance with this Policy, the Company requires that all covered persons review the Policy and certify upon hiring and on an at least annual basis thereafter that they have received, reviewed and understand their obligations of compliance.

### **MY PERSONAL COMMITMENT TO THE BUSINESS CONDUCT AND ETHICS POLICY**

I acknowledge that I received a copy of the Business Conduct and Ethics Policy (“the Policy”), that I have read the Policy and that I understand it. I certify that my conduct is in compliance with the Policy. If I learn that there has been a violation of the Policy, I will contact my supervisor, the Compliance Officer (or other lawyer in the Law Department), or the anonymous reporting hotline as provided in the Policy. I acknowledge that the Policy is not a contract and that nothing in the Policy is intended to change the traditional relationship of employment-at-will.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_