



Amendments to KB Home Ethics Policy

The Audit and Compliance Committee of the KB Home Board of Directors approved amendments to KB Home's Ethics Policy that are effective as of January 19, 2018. The Ethics Policy establishes principles, standards, guidelines, and expectations for all Board members and employees, including all senior executive officers, in conducting KB Home's business, including KB Home's relationships with its subcontractors, vendors and service providers.

The Ethics Policy was amended to update certain of its standards of conduct consistent with KB Home's commitment to operate with integrity and the highest ethical standards. This included incorporating owners of the Company's homes within the Ethics Policy's standards governing personal relationships and the offering and receiving of gifts; and clarifying the term "related party" and that disclosures of related party transactions will be made in accordance with generally applicable accounting principles.

The above summary is qualified in its entirety by the actual terms of the amended Ethics Policy, a copy of which is available on KB Home's website at www.kbhome.com.