



FROM OUR CEO

Jeffrey Mezger

KB Home Chairman and
Chief Executive Officer

For 18 years, KB Home has led the way with a unified strategy for affordability and sustainability that benefits homeowners, communities and the environment.

I am honored to once again share my perspective on sustainability and homeownership as part of this, our 18th annual Sustainability Report. Each year, this is an opportunity for us to reflect on where we have been and where we are headed – and why sustainability continues to be a priority.

In our industry, *sustainability* and *affordability* are often talked about as two separate, even competing, values. For 18 years, KB Home has been demonstrating that – when done right – they can be part of an integrated strategy that puts the American Dream in reach for more people.

We began our sustainability focus in 2007 as a way to differentiate our homes and meet the emerging interest for highly efficient new homes, while also benefiting the environment. Frankly, at the time, very few in our industry thought it was a good idea. However, then, as now, we saw that high-performance homes could help reduce the total cost of homeownership and support the American Dream for future generations.

Nearly 20 years into our commitment to sustainability, the results are clear:

- National average Home Energy Rating System® (HERS) Index score of 45, among the lowest in the industry and achieved a year ahead of the goal we set in 2020
- 200,000+ high-performance ENERGY STAR® certified homes built, more than any other homebuilder
- 26,000+ WaterSense® labeled and Water Smart homes built
- 2.1 billion gallons of water conserved annually
- \$1.3 billion in cumulative utility savings for our customers

However, for us, sustainability goes beyond the environment. It is also about sustaining a strong social fabric and an economy that supports it, while balancing the needs of today with those of generations to come. *Home* is an essential desire that spans time, supports social connection and community-building, and serves as the foundation for household wealth-building and a healthier economy.

Our sustainability initiatives go beyond building more resilient homes and communities. We strive to be a good corporate citizen, with strong governance standards and infrastructure, a dedication to support the local communities in which we build, and a commitment to excellence that in 2024 drove the highest customer satisfaction score in our history.

This year, we are introducing an Executive Summary, which allows our audience to quickly get to the heart of our sustainability strategies and results. We continue to also publish our full Sustainability Report, the longest-running publication of its kind in the homebuilding industry, which delivers an unmatched breadth and depth of sustainability data.

We are proud that, for the last 18 years, we have led the industry in building high-performance homes that help to lower the total cost of homeownership and sustain the American Dream. This commitment to purpose and excellence has made a difference in our customers' lives and those of their families, while also creating a strong and purposeful business that provides meaningful employment, long-term value to our stockholders and positive environmental impact on the planet. Because we know that building homes changes lives.

Thank you for once again being part of this journey.

A handwritten signature in black ink, appearing to read "Jeff Mezger".