



NEWS RELEASE

KB Home Releases 16th Annual Sustainability Report, Detailing Its Industry-Leading Initiatives and Achievements

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Annual report represents the longest-running publication of its kind in the homebuilding industry.

LOS ANGELES--(BUSINESS WIRE)-- KB Home (NYSE: KBH), one of the largest and most recognized homebuilders in the U.S., today released its 16th Annual Sustainability Report. The report highlights the company's industry-leading sustainability and social impact initiatives and achievements in 2022.

Over the course of a year marked by substantial changes in the housing market and uncertainty in the global economic outlook, KB Home stepped forward and launched a first-of-its-kind microgrid community in California that represents a future model for residential energy independence and interdependence. Additionally, KB Home made an industry-leading commitment to water conservation for its new communities located in drought-impacted regions. The company continued to contribute to meaningful social impact through an inclusive company culture and philanthropic programs, and by making homeownership attainable for first-time buyers who organically reflect the face of America. KB Home also leveraged and enhanced its strong governance structures and processes to help promote long-term value for all its stakeholders.

"KB Home has maintained a steady course toward greater sustainability for nearly two decades. During this time, sustainability has been an operational driver enabling us to reduce the total cost of homeownership and expand



our reach with our core first-time and first-move up homebuyers as we also strive to do the right thing for the planet and our business,” said **Jeffrey Mezger**, KB Home Chairman, President and Chief Executive Officer. “This past year, we focused on advancing our efforts across each pillar of sustainability — environmental, social and governance — underscoring the strength of our purpose-driven commitment. We are committed to doing well by doing good in support of a more sustainable world.”

KB Home maintained its industry leadership position in sustainability with the following outcomes that it believes demonstrated its priorities in action:

People Driven

In 2022, KB Home:

- Helped over 13,700 customers realize their dream of homeownership, with 76% first-time and first move-up homebuyers and 66% from diverse backgrounds.
- Was once again the #1 customer-ranked national homebuilder based on homebuyer satisfaction surveys from a leading third-party review site, TrustBuilder®.
- Continued to foster a workplace that strives to treat employees with fairness and dignity, promote inclusivity and provide equal opportunities for professional growth. Women and ethnic minorities constituted 41% and 38% of company employees, respectively, as of fiscal year-end 2022.
- Provided access to training and development resources on topics ranging from environmental sustainability to ethics through the company’s online employee training platform, KB University (KBU), which was visited over a half million times in 2022.

Better Homes

In 2022, KB Home:

- Launched the first residential microgrid communities of all-electric, energy-smart homes in California.
- Became the first national homebuilder to commit in July 2022 to the Environmental Protection Agency’s (EPA) highest water-efficiency standards for its new communities built in drought-impacted Arizona, California and Nevada.
- Maintained its position as the #1 energy-efficient national homebuilder based on a national average Residential Energy Services Network Home Energy Rating System (RESNET® HERS®) index score of 48.
- Reached new milestone of over 175,000 high-performance ENERGY STAR® certified homes built, more than any other builder in the nation, cumulatively saving homeowners an estimated \$1 billion in utility bills and reducing CO2 emissions by an estimated 6.9 billion pounds.
- Delivered its 17,500th solar home, achieving 57 cumulative megawatts of solar power installed and producing an estimated total of 97 million kilowatt hours of renewable energy annually.

- Achieved milestone of over 19,000 WaterSense® labeled and Water Smart homes built, more than any other homebuilder, and over one million WaterSense labeled fixtures installed, collectively helping to save an estimated 1.7 billion gallons of water annually.

By 2025, the company is targeting a national average HERS score of 45, down from 50 in 2020. Based on achieving this score, the company would reduce the estimated GHG emissions of its average home built in 2025 by 0.5 metric tons per year, or 8%, compared to its average home built in 2020.

Strong Communities

In 2022, KB Home:

- Contributed to the revitalization of established neighborhoods by delivering 1700+ new homes across more than 50 infill/redevelopment communities.
- Invested heavily in the local infrastructure of the communities in which it operates, including financial contributions totaling \$121+ million toward schools, roads, parks, utilities and other key infrastructure (both voluntary and required).
- Aimed to create meaningful change through KB Cares, the company's philanthropic program, which contributed nearly \$2 million and 3,779 hours of KB employee volunteer time to local communities.

Our Foundation

In 2022, KB Home:

- Publicly articulated additional guiding principles, including:
 - Biodiversity
 - Responsible Lumber Practices
 - Cybersecurity and Data Privacy
- Aligned stakeholder reporting with the Sustainability Accounting Standards Board (SASB), Task Force on Climate-Related Disclosures (TCFD), Global Reporting Initiative (GRI) and United Nations Sustainable Development Goals (UN SDG) frameworks.

Awards and Recognition

KB Home is the only national builder to have earned awards under all of the EPA homebuilder programs, including ENERGY STAR, which establishes energy-efficiency standards, WaterSense, which outlines water-efficiency standards, and Indoor airPLUS, which focuses on indoor air quality.

The company was also recognized across many of the country's foremost corporate responsibility, reputation, workplace and corporate effectiveness rankings, including:

- Newsweek® 2022 list of America's Most Responsible Companies, the first national builder named to the list for three years in a row
- Newsweek 2022 list of America's Most Trustworthy Companies
- Forbes 2022 list of America's Best Midsize Employers
- The Wall Street Journal® and Drucker Institute 2022 Management Top 250 list
- Fortune 2022 List of World's Most Admired Companies

For more information on KB Home, call 888-KB-HOMES or visit kbhome.com.

For more information on KB Home's sustainability initiatives or to view the full report, visit kbhome.com/sustainability.

About KB Home

KB Home is one of the largest and most recognized homebuilders in the United States, operating in 47 markets from coast to coast, and building over 670,000 quality homes in our more than 65-year history. What sets KB Home apart is our focus on building strong, personal relationships with every customer — from those buying their first home to experienced buyers — so they have a real partner in the homebuying process. No two KB homes are the same. That's because every home is uniquely built for each customer, at a price that fits their budget. As the leader in energy-efficient homebuilding, KB Home was the first builder to commit to build every home to be ENERGY STAR® certified, a standard that fewer than 10% of new homes nationwide meet and has built more ENERGY STAR certified homes than any other builder. An energy-efficient KB home helps lower the cost of ownership and is designed to deliver greater comfort and well-being than new homes without certification. Reflecting the company's commitment to creating an exceptional homebuying experience, KB Home is the #1 customer-ranked national homebuilder based on homebuyer satisfaction surveys from a leading third-party review site. Learn more about how we build homes built on relationships by visiting kbhome.com.

Craig LeMessurier, KB Home
925-580-1583
clemessurier@kbhome.com

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