

KB HOME 2024

Ethics Policy

Standards for Conducting
Business with Integrity



kb
HOME

Built on
Relationships[®]

Effective: 12/1/2024



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CORE VALUES

Doing the Right Thing for the Right Reason



A message from **Jeffrey T. Mezger**

KB Home Chairman and
Chief Executive Officer

Dear KB Home Team:

Some of you may be reviewing our Ethics Policy for the first time as new employees. Others may be reading this for the second, third, tenth or twentieth time. To those of you who are new, I would like to say welcome. To all of you, I would like to say thank you for choosing to work at this world-class organization governed and guided by sound principles and facts as well as good-intentioned individuals.

The contents of the Ethics Policy are designed to assist you by providing guidelines and standards to help you navigate a career at KB Home. The underlying theme to our Ethics Policy is a pretty simple one – “Do the right thing, for the right reason.”

We almost always know what the right thing to do is, even though it might not be easy to do it. As an employee of KB Home, you are expected to always do the right thing. What is great about this is that the “right thing” often also serves to benefit our business and our customers, and therefore, our shareholders and our organization.

In making decisions related to your business at KB Home, it is imperative for you to look to our Ethics Policy as a guide and to always discuss issues or concerns with your supervisor, local division leadership, or our Ethics Officer.

To this end, every employee and member of the Board of Directors of KB Home, without fear of retaliation from anyone at KB Home, is expected to:

- Ask for help in resolving ethical concerns
- Promptly report in good faith potential Ethics Policy violations or other misconduct
- Cooperate fully with investigations
- Raise questions about the Ethics Policy

If you have any questions about the Ethics Policy or have something to report, contact an immediate supervisor, your division or department leader, or the Ethics Officer. You may also make confidential and anonymous reports to the Ethics Policy Hotline by calling **(800) 304-0657** or to the Ethics Policy Reporting Website, which is available through our intranet website or at www.kbhome.ethicspoint.com.

Doing the right thing for the right reason cultivates trust and credibility, from business to business, employee to employee and business to customer. All of these relationships are vital to your own personal success as well as the success of the Company and need to be managed with integrity. I firmly believe that choosing to do the right thing will serve you well in these relationships in your career here at KB Home. This is why I feel strongly that it is important for each and every employee to understand and value KB Home’s Ethics Policy. Thank you, again, for choosing to work here at KB Home and for supporting our business to the best of your abilities.

Jeffrey T. Mezger



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Our Vision

To be the most customer obsessed homebuilder in the world.

Our Strategy

How we execute our KB Edge business model in order to generate superior financial results and maximize shareholder returns

Exceed customer value expectations

- Provide exceptional homes at an affordable price
- Uphold choice as a competitive advantage
- Ensure the highest levels of customer satisfaction at every touch point
- Lead the industry in sustainability and innovation that delivers real customer value

Make insight driven decisions, grounded in fact

- Listen to customers and act on their preferences
- Continually generate deep market knowledge
- Make data available to everyone
- Focus on high volume, high growth markets

Build a world class organization

- Ensure a clear role and responsibility structure
- Reward high performance
- Provide clear paths for career and compensation advancement
- Reinforce shared belief in vision, mission, and values
- Treat teammates with respect

Develop unmatched operating excellence

- Deliver 100% on time and 100% complete
- Be a low cost producer
- Employ disciplined process driven even flow production
- Deliver superior customer satisfaction
- Deploy technology and systems to maximize operational efficiency

Maintain an exceptional network of business partners

- Nurture a trade base that meets our high standards for quality, cost efficiency and service
- Uphold the highest standards of ethical conduct

Develop a strong brand

- Reinforce the uniqueness of our value proposition
- Distinguish ourselves within the industry



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Ethics Policy

Overview

At KB Home, we are committed to achieving our business goals with integrity and high ethical standards, and in compliance with laws, regulations and KB Home Policies.

This Ethics Policy (or “Policy”) sets out principles, guidelines and standards to help us conduct our business in a way that is honest, ethical, lawful, and above reproach. These principles, guidelines and standards are grounded in fundamental human rights that have been advanced under international conventions, such as the United Nations Universal Declaration of Human Rights.

The principles, guidelines and standards in this Policy apply to all KB Home employees, whether full-time or part-time, and to the members of our Board of Directors (or “Board members”). They also apply to our relationships with subcontractors, vendors, service providers, customers and business partners, and the employees of our joint ventures. In addition to encouraging them to report any Policy-related concerns as described herein, as part of our efforts to build strong relationships with these stakeholders, we expect their respect for this Policy’s scope and content.

Unless stated otherwise in the Policy, “**KB Home**,” “**us**,” “**we**,” and “**our**,” refer to KB Home and its subsidiaries across our operational footprint.

Any actual or potential violation must be promptly reported. Also, promptly report misconduct to, or ask questions of, any of the following:

- An immediate supervisor or your division/department leaders
- The Ethics Officer (please see “Reporting and Compliance” section)
- The confidential Ethics Policy Hotline or Ethics Policy Reporting Website

Reports can be made anonymously, and the Policy prohibits any retaliation for asking questions or reporting misconduct in good faith.

Violations of the Policy may be grounds for discipline, including termination of employment or relationship with KB Home.

When in Doubt, Ask

Although the Policy covers many different situations, we cannot address every possible scenario you may face. In these situations, use the principles in the Policy and consider a few simple questions:

- Is this action in line with KB Home’s values?
- Is it legal?
- Even if legal, is it ethical?
- Could it endanger anyone’s health or safety?
- Is it fair?
- Would I be comfortable if my family and friends knew about it?
- How would it look in a frontpage newspaper article?



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Confidential Ethics Policy Hotline and Ethics Policy Reporting Website

Our Ethics Policy Hotline and Ethics Policy Reporting Website are available for you to report misconduct or concerns confidentially and anonymously. Ethicspoint, an independent company owned by Navex Global, operates the Hotline and the Ethics Policy Reporting Website 24 hours a day, seven days a week. We do not monitor calls to the Hotline or access to the Ethics Policy Reporting Website, including calls from our phones and access from our computers.

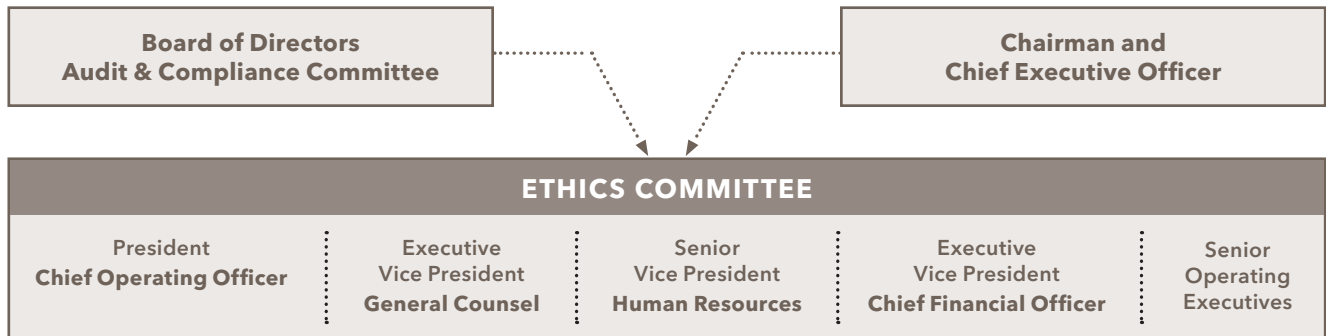
Ethicspoint staff members answer all calls made to the Hotline and receive all reports submitted through the Ethics Policy Reporting Website. Ethicspoint keeps all Hotline and Ethics Policy Reporting Website reports it receives confidential. The information is disclosed only in reports to the Ethics Officer and their designees, or as required by law or court order.

The Ethics Officer promptly reviews reports from Ethicspoint and will, as appropriate, investigate a reported matter further or take other action. While investigating a matter, they may seek help from other KB Home employees, outside advisors, or law enforcement. They may also ask follow-up questions to Hotline callers or Ethics Policy Reporting Website users through Ethicspoint.

All reports made to the Ethics Officer—and any information gathered during an investigation—will be kept confidential to the fullest extent possible. Please see the confidentiality policy in the “Reporting and Compliance” section.

Ethics Committee

Our Ethics Committee oversees the Policy and reports to our Chairman and Chief Executive Officer (“CEO”) and to the Audit and Compliance Committee of our Board of Directors. The Ethics Committee includes our President and Chief Operating Officer; Executive Vice President, General Counsel; Senior Vice President, Human Resources; Executive Vice President, Chief Financial Officer; and Senior Operating Executives (or their functional equivalents).



The Policy prohibits any retaliation for the good faith reporting of misconduct or concerns, asking questions, or cooperating with an investigation. Promptly report any retaliation to an immediate supervisor, your division/department leaders, to the Ethics Officer, or to the confidential Ethics Policy Hotline or Ethics Policy Reporting Website.

Ethics Policy Hotline: [\(800\) 304-0657](tel:8003040657)

Ethics Policy Reporting Website: www.kbhome.ethicspoint.com



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Promptly report any actual or potential violations of these Principles to:

- An immediate supervisor or your division/department leader;
- The Ethics Officer;
- The confidential Ethics Policy Hotline; or
- The confidential Ethics Policy Reporting Website

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Principles

1 | Compliance with Laws and KB Home Policies

Compliance with all laws, regulations, and KB Home policies is required at all times. Anyone who conducts any business activities for us must understand and follow the laws, regulations, and KB Home policies that apply to those activities. This includes KB Home policies that support our sustainability commitments as well as other KB Home policies, as updated from time-to-time, including, but not limited to the KB Home:

- Records Retention Policy;
- Employee Purchase Policy;
- Transactions in Company Securities Policy;
- Political Contributions Policy;
- Electronic Communication Systems Policy;
- Social Media Policy;
- Bring Your Own Device Policy; and
- Workplace Violence Prevention Policy.

2 | Financial Disclosure

As a public company, we must comply with all securities laws and regulations, including those that apply to the external and internal reporting of information about our business.

- **External Reporting.** The information we disclose to our investors and the public about our business and our financial condition and results of operations, and the information we rely on in preparing public or regulatory reports and documents, must be timely, complete, accurate, understandable, and not misleading. This includes all reports required by the Securities and Exchange Commission and the New York Stock Exchange.
- **Internal Records and Controls.** Employees and Board members must comply with our Records Retention Policy. Our internal books, records, and accounts must completely and accurately represent our business in reasonable detail. They must also comply with all laws and regulations that apply to their creation and use, our internal policies and controls, and generally accepted accounting principles. No one may enter or modify information to hide or misrepresent any business activity or to avoid or undermine our internal controls.

3 | Equal Opportunity; Labor Standards; No Discrimination

As an organization Built on Relationships with our colleagues, we are committed to maintaining a work culture that treats all employees fairly and with respect and provides equal opportunities based on merit.

To promote an inclusive workforce and the professional growth of the diverse individuals of all viewpoints and backgrounds who join us, our employment policies prohibit discrimination based on race, color, religion, national origin, ancestry, familial status, age, veteran status, physical disability, mental disability, medical condition, gender, gender identity, sexual orientation, marital status, or any other legally protected status.

As an organization, we will not use forced labor or engage in human trafficking in any form, nor will we hire individuals below the locally applicable legal age. We expect our service providers will not engage in such activities, as well as not engage in unlawful discrimination or fail to comply with applicable wage and hour obligations to which they are subject with respect to their workforces.

In addition, we are committed to following the letter and spirit of all rights protected under anti-discrimination laws that apply to our business, including the Federal Fair Housing Act (which prohibits discrimination in home sales and lending services), the Americans with Disabilities Act, and all state and local fair housing ordinances.

A **service provider** is a contractor, vendor, or other third party (excluding a government contractor or employee and public officials) that does or seeks to do business with us.

4 | No Harassment

Our employees, Board members, business partners (and their employees), and service providers must not engage in:

- Sexual harassment;
- Harassment on the basis of race, color, religion, national origin, ancestry, familial status, age, veteran

status, physical disability, mental disability, medical condition, gender, gender identity, sexual orientation, or marital status; any other legally protected status; or

- Any other form of harassment prohibited by law or regulation.

All employees must participate in our training programs on identifying, preventing, and reporting harassment in the workplace.

5 | Conflicts of Interest

Our employees and Board members must avoid actual and potential conflicts of interest and must disclose any action, interest, or relationship that is or could lead to a conflict. Also, we encourage employees to disclose even the appearance of a conflict of interest to the Ethics Officer. Board members must disclose actual or potential conflicts of interest to the full Board of Directors.

Some common conflict of interest situations are:

- **Outside Business Interests.** Full-time employees may not carry on any outside business, employment or consulting arrangement or activity for any outside company and/or service on the board of directors of a for-profit company, without prior approval from the Ethics Officer in our sole discretion. Senior corporate officers, Regional General Managers, Regional Presidents and Division Presidents must obtain prior approval from the Ethics Committee and the CEO. Even with prior approval, employees may not participate in any outside arrangement or activity that interferes with their service to us, adversely impacts an employee's time, presence or job performance at work, utilizes a material amount of Company time or resources, or reflects poorly on KB Home. If an employee serves on the board of a Homeowners Association ("HOA") as an individual homeowner in a KB Home community (such that the employee is not representing KB Home on the HOA board as the community's developer), the employee should recuse themselves from any matters where there is a potential conflict of interest with the HOA and abstain from voting on HOA matters involving KB Home.
- **Interests in Business Partners and Competitors.** Employees and Board members may not own or control any interest in an organization with which we do business or compete. If a family member of an employee or Board member owns or controls any interest in an organization with which we do business or compete, we require the employee or Board member to disclose this fact to the Ethics Officer or the SVP, Human Resources and may take appropriate steps to assure that KB Home's business and

business interests are properly protected and that no violations of this Policy have occurred or will occur in the near future.

This does not apply to passive ownership interests of employees that the Ethics Officer pre-approves, or to passive ownership interests of senior corporate officers that the Ethics Committee pre-approves. It also does not apply to ownership interests of less than 5% of the stock of a publicly traded company or investment fund. Board members and senior corporate officers must obtain prior approval from the full Board of Directors as described below under "Related Party Transactions" where a related party has—or will have—an indirect or direct material interest.

A **senior corporate officer** is an officer appointed by our Board of Directors (or by an appropriate committee of the Board).

- **Employment.** We intend to hire and promote employees based on their capabilities, performance, and integrity. Any hiring, promotion, or selection decisions based solely on personal relationships may undermine our business goals and objectives and are in violation of this Policy. In general, we will not employ multiple members of the same family in any capacity (including in a part-time, advisory, consulting, contractor, intern or unpaid position or role). However, we may make rare exceptions on a case-by-case basis when proposed hires are not relatives of executive officers and when employment is in separate divisions, or is in separate reporting lines across Corporate business units. We may also make rare exceptions on a case by case basis for individuals who possess unique skills, experiences, or backgrounds, or for employees who subsequently become family members. Employees must bring these circumstances to the attention of the Ethics Officer, and any exceptions and the specific conditions for allowed family member employment must be approved by both the Ethics Committee and the CEO.

A **family member** is a spouse, domestic partner, parent, stepparent, child, stepchild, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, aunt, uncle, niece, nephew, cousin, and anyone else (other than tenants, co-tenants or domestic employees) who currently resides or formerly resided in the same household.

- **Transactions with Family Members.** We prohibit all transactions, including employment and business referrals, with family members of employees or Board members unless prior written approval of the transaction is obtained from the responsible Division President or Corporate Department Head and the Ethics Officer. This includes the purchase of goods and services. Board members and senior corporate officers must obtain prior approval from the full Board of Directors as described below under "Related Party Transactions." This prohibition does not apply to the purchase of a personal primary residence by family members.
- **Personal Relationships.** We are committed to maintaining a professional work environment at all times. Personal relationships between employees and a co-worker, an applicant, a KB homeowner or a service provider must remain at a professional level and shall avoid potential or perceived conflicts of interest that could create expectations of preferential or favorable treatment in return. Employees should not have outside business relationships with co-workers, applicants, KB homeowners, or service providers. We understand that employees may have or develop personal relationships with co-workers, applicants, KB homeowners, or service providers and may be invited to social events or activities as a result. We ask that employees use their good judgment in deciding whether to participate in such social events or activities. The Company expects its employees to maintain their professionalism at all times in any such activities that occur outside of the work environment.

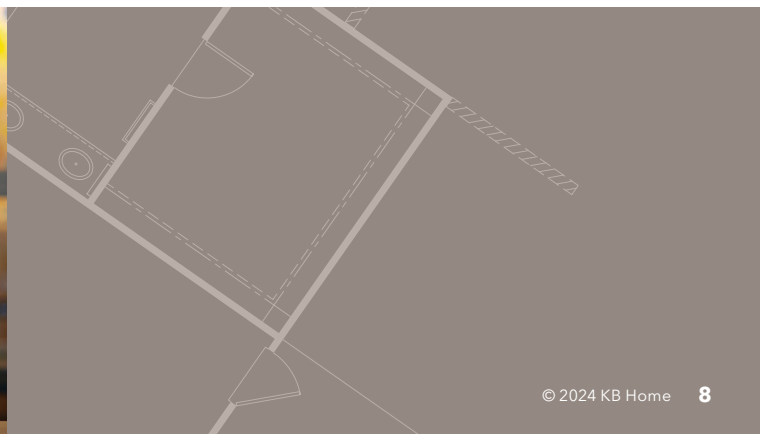
This includes, without limitation, family members and romantic or dating relationships. However, we strongly discourage and do not condone any romantic or dating relationships, or outside business relationships, between employees and a co-worker, an applicant, a KB homeowner, or a service provider because these relationships can raise serious conflict of interest concerns. Employees whose family members are an applicant, a co-worker, KB homeowner, or a service provider, or employees who are involved in a romantic or dating relationship, or outside business relationships, with a co-worker,

applicant, a KB homeowner, or a service provider, must disclose that relationship immediately to a hiring manager, office manager, human resources manager, or the Ethics Officer. All managers and office managers shall then disclose any reported relationships to Human Resources and/or the Ethics Officer.

If such relationships exist before the start of employment with us, such pre-existing relationships must be disclosed no later than the time of hire to one of the individuals listed above, but ideally the applicant shall disclose the relationship during the application process and before an employment offer is made. To ensure that the relationship does not adversely impact our business, business goals or any other employee, the Ethics Officer, with the individual's supervisor, may evaluate potential changes in an individual's job duties or responsibilities, workplace or department location, or reporting lines, among other possible mitigating measures.

- **Using Service Providers for Personal Work.** Employees and Board members may not accept discounts or reduced prices from service providers for personal projects unless the discount or reduced price is generally made available to all employees. If an employee is interested in asking service providers for a quote or to bid work for personal projects, the employee must notify their manager before contacting the service provider. If the manager approves, the employee may then ask the service provider for a written quote. The employee must clearly advise the service provider that the employee is not requesting any special discounts or reduced prices that are not generally available to all employees.

Next, the employee must obtain one additional written quote for comparative purposes. The second quote may be from an outside vendor or a different service provider. Both written quotes must be submitted to the Ethics Officer for final review and approval before the service provider provides



the services and/or products to the employee. The Ethics Officer may request the employee obtain additional information or quotes. In emergency situations, any employee may utilize a KB Home service provider for emergency work on a personal residence so long as the service provider confirms in writing the availability of the same pricing for all KB Home employees and the KB employee discloses the pricing confirmation, the work, and payment to the Ethics Officer on completion of the work. If the Ethics Officer does not approve the service provider quote for any reason, the employee is not authorized to use the service provider.

- **Using Service Providers for Donations or Discounts for the Company’s Charitable or Community Projects.** If an employee is interested in asking service providers to donate or provide discounts on their services and/or materials to benefit a charitable or community project as part of our positive community outreach, the employee must obtain approval from their manager and Division President if a division employee, or from their manager, corporate department head, and the Vice President for Government and Public Affairs or the corporate designee, if a corporate employee, before contacting the service provider. If approved, the employee may then ask the service provider to voluntarily contribute to the charitable or community project, consistent with the approval from the Division President or corporate department head. Service providers may decline any such requests without fear of retaliation. If the employee has any personal interests or non-business related connections to the charitable or community project, the employee must disclose such interests or connections to the Division President or corporate department head and the Ethics Officer for approval. If the Division President or corporate department head has any personal interests or non-business related connections to the charitable or community project, then the Division President or corporate department head must disclose such interests or connections to the Regional President (or functional equivalent) or CEO and the Ethics Officer for approval. If the Regional President has any personal interests or non-business related connections to the charitable or community project, then the Regional President (or functional equivalent) must disclose such interests or connections to the CEO and the Ethics Officer for approval. In addition, any service provider costs or charges to us must be properly allocated to the charitable or community project.

- **Corporate Opportunities.** Employees, Board members, and others covered by the Policy cannot:
 - ◆ Take a business opportunity away from KB Home that arises through their position or the use of our property or information;
 - ◆ Use their position or our property or information for personal gain; or
 - ◆ Compete with KB Home while an employee or a Board member.

To **compete with KB Home** means engaging in homebuilding, land development, real estate sales, marketing, financial services or any circumstance where an employee or Board member puts KB Home at a disadvantage.

- **Related Party Transactions.** Under our related party transaction policies and procedures, our Board of Directors (or one of its committees) must review and approve any transactions in which we participate where a “related party” (as defined by federal securities rules) has—or will have—an indirect or direct material interest. A “related party” generally involves a person or entity affiliated with a member of our Board of Directors or our executive officers. We will disclose these transactions as required by federal securities rules, and in accordance with generally accepted accounting principles.

6 | Investments in Real Estate

Employees or Board members must not purchase property or otherwise acquire real estate if there is any reason to believe that:

- KB Home may be interested in acquiring the property;
- The property may increase in value as a direct or indirect result of any actions KB Home may take; or
- The property may compete, whether by sale or rental, with a new KB home or KB Home community, current or planned.

These prohibitions do not apply to a purchase of a personal primary residence. They also do not apply to transactions involving employees that the Ethics Officer pre-approves, or to transactions involving senior corporate officers that the Ethics Committee pre-approves. Employee purchases of residential property from KB Home are subject to our Employee Purchase Policy.

7 | Trading in Securities

Employees and Board members must comply with our Policy on Transactions in Company Securities, which generally prohibits:

- Trading in any of our securities while aware of material, non-public information about us.
 - ◆ Trading in our securities includes stock option exercises involving the sale (or other disposition) of underlying KB Home securities, and electing, subject to applicable limits, to adjust the percentage of periodic contributions allocated to, transfer funds into or from investments in, or borrow or pre-pay loans against or involving KB Home common stock under the KB Home 401(k) plan or other employee benefit program; and
- Disclosing to others any material, nonpublic information about us.

8 | Bribe Prohibition; Duty to Report; Business Gifts, Entertainment, Tickets, and Courtesies

- **No Bribes, Cash Gifts, Noncash Gifts or Gift Cards/Certificates.** We prohibit offering or accepting any form of bribe, kickback, incentive to do business, cash gifts, noncash gifts or gift cards/certificates relating to our business activities with service providers and KB homeowners, except as expressly provided below for noncash gifts. Prohibitions on cash gifts apply equally to gift cards/certificates. This prohibition also applies to any potential or actual business partners, including but not limited to, any sellers or buyers of land, assets, companies, business opportunities, or any other real or personal property, including any brokers, finders, middlepersons, lenders, financiers, consultants, advisors or any other third parties that do or seek to do business with us.
- **Duty to Report.** Employees or Board members must refuse acceptance of, and promptly report to the Ethics Officer, any offered bribe, kickback, incentive, gift, favor, gratuity, or business entertainment prohibited by the Policy.

A **bribe** is money or something of value given to unfairly influence behavior.

A **kickback** is a rebate, or subsequent payment to someone who influenced a decision or action.

Business Entertainment, and Event Tickets. Our employees, Board members, and representatives may accept an appropriate, lawful, noncash business gift, favor, other gratuity, business entertainment, or event tickets from a service provider in connection with their work for us if all of the following are satisfied:

1. It is not connected with any particular transaction or series of transactions;
2. It could not reasonably be perceived as a bribe, kickback, or incentive, or as likely to lead us to granting the service provider any special consideration in business we conduct or may conduct with them;
3. It is disclosed to:
 - a. an immediate supervisor if valued at \$400 or less (total); or
 - b. both an immediate supervisor and the Ethics Officer if valued at more than \$400; and
4. Receiving or giving event tickets (if applicable) of any value must be disclosed to both an immediate supervisor and the Ethics Officer in all cases regardless of whether or not the service provider attends the event. We require disclosure of event tickets because event tickets may be commonly offered by service providers and it has become necessary to track the frequency of such gifts. Acceptance of or giving event tickets may be permissible if properly disclosed.

All disclosures should be submitted (where possible) for pre-approval before acceptance of permissible noncash gifts, business entertainment, event tickets, and business courtesies whenever disclosures are required in this Policy. To request



pre-approval, the employee can disclose the item to their immediate supervisor in a short email describing the value of the item, the service provider, and (if applicable) who will be attending. If disclosure is also required to the Ethics Officer, the employee can copy the Ethics Officer on the same email sent to your immediate supervisor.

The Ethics Committee or the Ethics Officer may, from time to time and at their sole discretion, prohibit participation in certain categories or types of events or business entertainment.

- **Permissible Acceptance of Business Courtesies.**

Our employees, Board members, and representatives may accept appropriate, lawful, noncash business courtesies from service providers in connection with their work for the Company in accordance with the provisions in this Policy. Since business courtesies include a broad range of items, the following examples are provided for guidance.

1. No disclosure is required for acceptance of business courtesies offered by service providers that are reasonably proportionate in value to the occasion. Examples include:
 - a. reasonable business meals and refreshments;
 - b. participation in charitable or community events as a guest of a service provider;
 - c. promotional, commemorative, or novelty items of nominal value given or available to others in attendance at a meeting or sponsored event; and
 - d. drawings or door prizes of nominal value where all attendees have a chance to win.
2. Disclosure to an immediate supervisor is required for acceptance of business courtesies offered by service providers where the value of the business courtesy is more than nominal or is not proportionate to the occasion. In some cases, disclosure is required to both an immediate supervisor and the Ethics Officer. Examples of various disclosure requirements include:
 - a. attending or speaking at a work-related seminar or meeting, where a service provider voluntarily offers to pay reasonable seminar fees, transportation, and/or lodging for the employee and other attendees or speakers invited by the service provider, requires disclosure to an immediate supervisor;
 - b. accepting drawing or door prizes of more than a nominal value requires disclosure to an immediate supervisor and the Ethics Officer for approval or disposition of the prizes; and

- c. arranging for the donation of honoraria to a charitable nonprofit organization requires disclosure to an immediate supervisor and the Ethics Officer for approval when honoraria is offered to an employee for speaking at a meeting or seminar; however, an employee cannot accept honoraria in cash, gift cards, or any cash equivalent in return for speaking at a meeting or seminar.

Business entertainment is a lawful social, hospitality, sporting, musical or theatrical performance, meal, or leisure activity or event of a similar nature, which is intended to foster the business relationship by having the individual and the service provider attend the event together, as well as transportation and/or lodging related to the activity or event. The total value includes all ticketed events and/or activities provided or used for an employee or Board member and their guests.

In all cases, the appearance of impropriety in our business transactions with service providers must be avoided. For any questions or if uncertain whether or not any noncash gifts, business entertainment, event tickets, or business courtesies from a service provider may be accepted, speak with the Ethics Officer.

- **Permissible Giving of Noncash Gifts and Gift Cards/Certificates.**

Noncash gifts and gift cards/certificates may be given to service providers from us when offered generally as part of company sponsored promotions, traffic generators, or sweepstakes to categories of service providers (e.g., real estate agents/brokers). In all other cases, a noncash gift, gift card/certificate or gratuity may be given to service providers in connection with the development of business relationships, if **all** of the following are satisfied:

1. It is not connected with any particular transaction or series of transactions;
2. It could not reasonably be perceived as a bribe, kickback, or incentive; and
3. It is disclosed to:
 - a. an immediate supervisor if valued at \$400 or less (total); or
 - b. both an immediate supervisor and the Ethics Officer if valued at more than \$400.

9 | Government Employees and Public Officials

- **Gifts.** Employees and Board members may not directly or indirectly offer or give any cash, gift, gratuity, favor, or anything of value (including building materials) to any federal, state, or local government employee or public official for our benefit without the prior approval of the Ethics Committee and the Vice President for Government and Public Affairs or the corporate designee.

No bribes or kickbacks may be offered or accepted. However, food and refreshments of moderate value may occasionally be given to government employees or public officials if permitted by local law or policy.

- **Political Contributions.** Employees and Board members must comply with our Political Contributions Policy. We are committed to complying with all laws that regulate the making and reporting of political campaign contributions.

Political contributions made on our behalf, in our name (whether directly or by implication), or with our funds or other property may not be made without the prior approval of the Vice President for Government and Public Affairs or the corporate designee.

Employees and Board members are free to make personal political contributions and engage in personal political activities outside of regular business hours with personal funds or other personal property. However, our name must not be used in any manner in connection with any personal political activities or contributions, nor may there be any implication of our endorsement or support of such activity. We will not reimburse personal political contributions.

- **Obligation to Report Misconduct.** Employees or Board members must promptly report to their immediate supervisor and the Ethics Officer any instance where a government employee or public official obtains or attempts to obtain money, goods, favors, or other property or gratuity from us for any purpose by the wrongful use of his or her official position.

- **Lobbying.** Employees and Board members may not lobby federal, state, or local government employees or public officials on our behalf or in our name without the specific prior authorization of the Vice President for Government and Public Affairs or the corporate designee.

Employees may discuss a particular KB Home project without prior authorization from us if it is in compliance with the lobbying law of the jurisdiction in which your project is located.

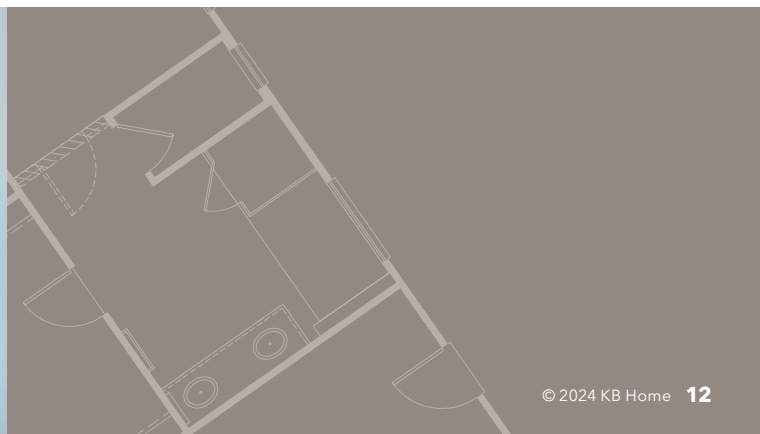
“Lobbying” means a private conversation with or a public presentation to any of these officials.

- **Holding Public Office.** Employees and Board members who seek or hold any public office could come into situations where their obligations to constituents conflict with (or appear to conflict with) their obligations to us.

In these situations, we expect an individual to exclude himself or herself from decisions in any role as a public official. In addition, the requirements described above under “Outside Business Interests” apply to public service.

- **Foreign “Facilitating” Payments.** In certain foreign countries, it may be customary for businesses to make small payments to minor or clerical government officials to obtain their prompt performance of routine duties.

These payments are generally illegal under the Foreign Corrupt Practices Act and other U.S. laws. Therefore, they are prohibited by the Policy, unless approved by the Ethics Officer and allowed under the Foreign Corrupt Practices Act and U.S. laws.



10 | Confidential Information and KB Home Property

While working for or with us, individuals may obtain or have access to confidential and/or proprietary information about us (“Confidential Information”).

Confidential Information includes non-public information about our business, financial condition, performance, strategy, financing, land acquisition opportunities, employees, communities, and future plans. It also includes any other information that we consider proprietary or confidential or any information that state or federal law requires us to keep confidential.

Confidential Information is a valuable asset, and protecting it is critical to our continued growth and ability to compete. The following requirements and guidelines apply to Confidential Information:

- **Duty to Protect Confidential Information.** All Confidential Information must be kept in strict confidence to preserve its confidential or proprietary nature. This obligation includes following all policies and procedures for the use and protection of our internal information systems. Do not disclose Confidential Information without the prior approval of the Ethics Officer. Employees, Board members, subcontractors, vendors, business partners, or service providers may not misappropriate our confidential information.
- **No Unauthorized Use or Disclosure of Customer or Employee Information.** Our customers’ and employees’ personal information must be kept confidential and protected from unauthorized use or disclosure.
- **Protection of KB Home Property.** Our property and assets should be used only for legitimate business purposes and according to our internal policies.

Do not use our property or assets for purposes unrelated to our business without permission. This includes our intellectual property, such as our logo, trademarks, service marks, and copyrighted items. These assets can be used only in our business or with the prior approval of the Ethics Officer.
- **Protection of Others’ Confidential Information.** It is our policy to observe the property rights of third parties (including our competitors) and to maintain the privacy of their confidential or proprietary information if it comes into our possession.
- **Continuing Obligation.** The Confidential Information obligations above are binding after the termination of any employment or other relationship with us.

11 | Laws Governing Competition

We are committed to competing fully and fairly and in compliance with antitrust laws and other laws governing competition.

These laws are complex. Generally, they prohibit agreements with competitors on such matters as price and terms of sale and the allocation of markets or customers. Contact the Ethics Officer with any questions about how antitrust laws and other laws that govern competition apply to a particular business situation.

12 | Drug and Alcohol-Free Workplace

Our employees and partners may not perform business activities under the influence of any substance that could impair judgment or work performance.

Illegal drugs, alcohol, or any substance that could impair judgment or work performance may not be consumed in any manner on our premises or worksites at any time, or while performing work or services for us. Furthermore, no employee may be under the influence of illegal drugs, alcohol, or any substance that could impair judgment or work performance while on our premises or while performing work or services for us.

Employees who are taking properly prescribed prescription medications that may impair the employee’s ability to perform his or her job duties, or may involve a risk of harm to the employee or others based on any impairment, shall notify the Human Resources Department of the fact of such use, but are not required to disclose the type of medication being used or the reasons for the use. The purpose of this notice is to permit the Company to take appropriate steps to accommodate the use of the medication within the employee’s job duties and functions and provide for the safety of the employee and other employees. Employees, however, may not misuse properly prescribed prescription medications or use/be under the influence of a prescription medication not properly prescribed to the employee.

This policy is not intended to limit:

- Properly used medications prescribed by a licensed medical professional, or obtained over the counter, that do not adversely affect one’s performance.
- Alcoholic beverages as part of a function only if authorized in advance by our senior management (Division President OR Corporate Department Head AND Human Resources and above) or in conjunction with an approved business function (e.g., real estate broker event), provided that, in all cases, alcoholic beverages are consumed only in moderation, and appropriate liability waivers are in place.

13 | Cooperation with Investigations

- **Governmental Investigations.** We expect employees and others covered by the Policy to cooperate fully with our attorneys in connection with any governmental investigation. This includes following their directions, responding truthfully and completely to their questions, and fully complying with their requests.

Any request from a government agent for information about our business or about business activities conducted for us or on our behalf must be promptly reported to our Executive Vice President, General Counsel or to the Vice President and Assistant General Counsel, Litigation and Compliance.

- **Audits and Internal Investigations.** We expect employees and others covered by the Policy to cooperate fully with our attorneys, auditors, human resource professionals, and others conducting an audit or investigation. This includes following their directions, responding truthfully and completely to their questions, and fully complying with their requests.
- **Prohibited Conduct.** In connection with (or in anticipation of) an investigation or request for documents or records, do not, under any circumstances:
 - ♦ Destroy, delete or alter any relevant information, document or record.
 - ♦ Lie or otherwise provide false or misleading information (including by omission), or encourage others to lie or provide false or misleading information.
- **Representation of KB Home.** Any individuals who help with or conduct investigations or audits for us, including legal counsel, must act only in KB Home's best interests and in compliance with applicable law. Investigators do not serve as personal representatives of any individuals who are required by the Policy to cooperate with their investigations or audits.

- **Duty To Report.** If an employee or service provider directly reports a concern for any reason, including a concern that is legally protected or of a potentially ethical nature, to a manager or Division President, then that senior leader is required to report the concern to Human Resources or the Ethics Officer immediately for review prior to taking any action, including any investigation of the action.

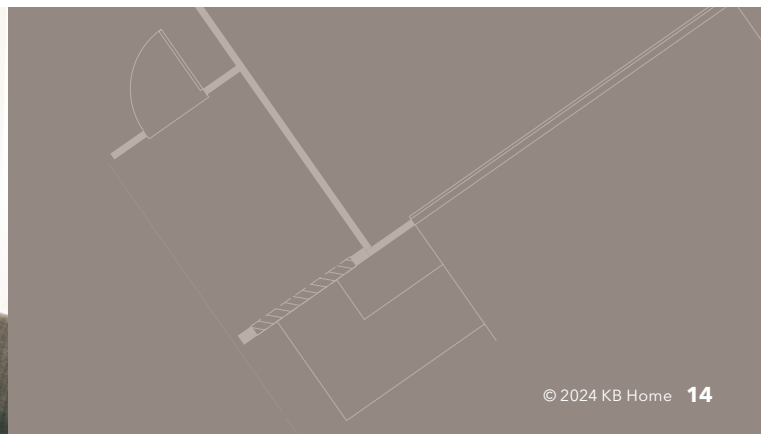
14 | Health and Safety; Workplace Violence Prevention; Environment

We are committed to maintaining a safe and healthy work environment and complying with all health and safety laws and regulations that apply to our business, including OSHA regulations.

KB Home prohibits usage of Electronic Smoking Devices ("ESDs") anywhere that smoking is prohibited in the workplace. Prohibited ESDs include, without limitation, all forms of vaping devices, e-cigarettes, e-cigars, e-pipes, e-hookahs and any similar current or future devices.

KB Home prohibits the possession or use of weapons, firearms, or explosives (whether real, replica, imitation or toy) on our property. A license to carry the weapon does not supersede our policy.

As further described in the Workplace Violence Prevention Policy, KB Home prohibits workplace violence of any kind by our employees, Board members, or service providers. Such behavior includes, but is not limited to, threats through oral, written, or email/text messages and gestures or expressions that communicate a direct or indirect threat of physical or mental harm, throwing objects, pushing, shoving, tripping, or grabbing, or any form of indecent or inappropriate physical contact or threatened contact. Anyone who believes they have been subjected to such workplace violence should promptly report the facts of the incident or incidents and the names of the individuals involved to Human Resources or the Ethics Officer.



Immediately report any unsafe or unhealthful condition in a workplace or in a KB Home community to Workplace Compliance.

Additionally, promptly report any suspected violations of KB Home's obligations under applicable health and safety laws and regulations.

We intend to conduct our business in ways that respect the environment and natural resources, including conserving to the extent reasonably possible clean drinking water. Employees and Board members must comply with the policies and procedures we develop in this regard, and anyone covered by the Policy must support our environmental sustainability commitments. These are further described in our Sustainability Reports.

15 | Public Communications

Employees and Board members must comply with our Electronic Communication Systems Policy and Social Media Policy.

Our advertising, sales materials, disclosures to home buyers, press releases, and other public communications may not contain any false or misleading statements.

16 | Fair Dealing

We expect employees and Board members to always deal in a straightforward manner with our customers, investors, business partners, service providers, competitors, the public, and one another.

Employees and Board members may not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair practice.

17 | Restricting Photographing, Taping, or Recording

We generally do not allow employees to photograph, tape, or record other employees or customers without the knowledge and consent of the other party. However, we will not apply this provision to restrict activities legally protected under the National Labor Relations Act or other law, including employees documenting workplace conditions, or other terms or conditions of their employment. We reserve the right to photograph, tape, and record for business purposes at our premises and communities in locations that are public where there is no reasonable expectation of privacy.



Procedures

1 | Waivers

None of the terms of the Policy may be waived without the prior written approval of our CEO and our Ethics Committee.

Waivers of the Policy for senior corporate officers or Board members may be granted only in writing by the full Board of Directors. These waivers will be publicly disclosed to the extent required by law or stock exchange listing standards.

2 | Consents, Approvals, and Authorizations

Whenever a consent, approval, or authorization is required under the terms of the Policy, it must be in writing (which includes email), and may be withheld for any reason.

Any officer required under the Policy to obtain a particular consent, approval or authorization that the Policy authorizes the officer to grant must obtain the required consent, approval or authorization from another Policy-authorized officer or, in the absence of such an officer, from the CEO. The CEO must obtain consents, approvals or authorizations required under the Policy from the Board of Directors or from the Lead Independent Director acting on the Board's behalf.

3 | Amendments

The Audit and Compliance Committee of the Board of Directors adopted this Policy and its effective date is December 1, 2024. From time to time, the Committee may adopt amendments to this Ethics Policy so that it evolves with our business, changes in law, and other reasons.

4 | Training

Upon joining KB Home, and annually thereafter, all employees must participate in a training course on, and certify as to their understanding of, the principles, guidelines and standards contained within the Policy.





Reporting & Compliance

1 | Ethics Officer

David B. Simons
Vice President and Assistant General Counsel
(925) 983-4502
(310) 231-4231
(925) 944-3845 fax
dsimons@kbhome.com
10990 Wilshire Blvd., 7th Floor
Los Angeles, CA 90024

2 | Accounting Concerns

Promptly report any concerns about financial irregularities or questionable accounting or auditing matters directly and anonymously through the confidential Ethics Policy Hotline or Ethics Policy Reporting Website; to the Executive Vice President, Chief Financial Officer; to the Senior Vice President and Chief Accounting Officer; to the Vice President, Internal Audit; or in writing to the Chair of the Audit and Compliance Committee to this address: c/o Corporate Secretary, KB Home, 10990 Wilshire Blvd., 7th Floor, Los Angeles, CA 90024, or c/o the Ethics Officer.

3 | Non-Retaliation Policy

The Policy prohibits any retaliation for reporting in good faith any suspected violation of law or the Policy or for cooperating with an investigation.

KB Home and its employees shall not discharge, demote, suspend, threaten, harass, directly or indirectly, or in any other manner discriminate against any individual or service provider because of any lawful act by the individual or service provider in making any required disclosures under federal, state, or local law, or for reporting

in good faith a suspected violation of law or the Policy, or for cooperating with an investigation. Without limitation, this also applies to any individual initiating, testifying in, or assisting in any investigation or judicial or administrative action of any federal, state, or local governmental agency.

Promptly report any retaliation to an immediate supervisor, your division/department leadership, to the Ethics Officer, or to the confidential Ethics Policy Hotline or Ethics Policy Reporting Website.

4 | Confidentiality

In general, each question regarding the Policy and each report of misconduct (observed or suspected) will be kept confidential to the fullest extent possible. Information will be disclosed only if:

- Disclosure is required by law or court order.
- We or our legal counsel deems disclosure appropriate to enable us to defend or respond to a legal or regulatory action, investigation, or inquiry, or to properly carry out an internal investigation or inquiry.

5 | Accountability

Failure to comply with the Policy may result in disciplinary action, including termination of employment or relationship with KB Home. It may also require restitution or reimbursement and referral of a matter to the appropriate authorities.

We may also take disciplinary action as to conduct that is not specifically addressed or mentioned in the Policy, and nothing in the Policy is intended to prohibit or restrict our ability to do so.

KB Home service providers

After you have read the Ethics Policy, please acknowledge receipt and understanding of the Ethics Policy by clicking **"I Acknowledge"** on the Ethics Policy Acknowledgment screen in your KB Trade Partners Online ("KBTPO") account. If you do not have a KBTPO account, please sign the acknowledgment on the next page after you have read and understood the Ethics Policy, and return the signed acknowledgment to your primary KB Home contact person.



Built on Relationships

Ethics Policy Acknowledgment

I hereby acknowledge that:

I have received, read, and understand the terms of the KB Home Ethics Policy, effective as of December 1, 2024 (the "Policy"). **To the best of my knowledge and belief:**

- I am in compliance with the Policy and I commit to remain in compliance; and
- At this time, I am not aware of any situation in which KB Home or any employee is not currently in compliance with the Policy.

I understand and agree that:

- I will promptly report to KB Home any misconduct, concerns, or non-compliance with this Policy or any other KB Home Policy;
- I may report anonymously and confidentially at any time to my immediate supervisor, to my division/department leadership, to the Ethics Officer, or to the confidential Ethics Policy Hotline or the Ethics Policy Reporting Website;

Such reporting may, without limitation, include misconduct, concerns, or non-compliance regarding:

- Financial Disclosure and Accounting Concerns
- Trading in Securities
- Discrimination and Harassment
- Bribe Prohibition

I additionally have the opportunity to report as part of the annual Policy certification process using the below text box:

- While KB Home encourages me to promptly report any misconduct, concerns, or non-compliance with this Policy to KB Home, I understand that I am free to, without fear of retaliation from anyone at KB Home, report any such concerns to any federal, state, or local government agency; and
- The Policy prohibits any retaliation against me for reporting in good faith any suspected violation of law or the Policy, or for cooperating with an investigation. Without limitation, this prohibition against retaliation also applies to my initiating, testifying in, or assisting in any investigation or judicial or administrative action of any federal, state, or local governmental agency, and I am not restricted in any way from doing any of these things.

I further understand and agree that neither the Policy nor my making this acknowledgment (whether through an electronic process or otherwise) have created an employment contract between KB Home (or any of its subsidiaries or affiliates) and me (or any business entity with which I am affiliated), and do not constitute any other form of contract between KB Home (or any of its subsidiaries or affiliates) and me (or any business entity with which I am affiliated), and nothing in this Policy changes any at-will employment status.

I understand that if I have questions related to the standards and principles set forth in the Policy, I may contact the persons identified in the Policy.

First and Last Name (Print)

Signature

Date

Company

Built on Relationships®