



Supplier Code of Conduct

We recognize that our procurement decisions can have important economic, environmental and social impacts in the communities we serve and beyond. Therefore, we have developed this Supplier Code of Conduct ("Code") to establish principles, guidelines and standards with respect to the supply of the products and materials we use in our business. These principles, guidelines and standards build on those contained within our Ethics Policy and are intended to help us address certain supply chain risks. We expect our covered suppliers and service providers to respect the principles, guidelines and standards in this Code as well as in our Ethics Policy. We also expect our covered suppliers and service providers to follow best industry practices.

Principles, Guidelines and Standards

- 1. Application.** This Code applies to any organization or person involved in the supply chain of products and materials for our operations ("Supplier").
- 2. Compliance with Laws and this Code.** Suppliers are expected to understand and comply with the laws and regulations that apply to their activities, wherever conducted or performed, including any licensing, permitting, registration or inspection requirements, and the provisions in this Code. In addition, Suppliers must understand and follow the KB Home policies and procedures that apply to their business relationship with us and the specifications we establish for their particular products and materials. Suppliers are expected to maintain the highest ethical conduct in carrying out their activities; in particular, Suppliers may not pay or accept things of value in contravention of anti-corruption laws, whether in monetary or any other form, and are expected to have policies and programs in place to verify that they are not engaged in corrupt practices. Moreover, and without limitation of the foregoing, each Supplier accepts that the terms of KB Home's Ethics Policy apply to their relationship with KB Home.
- 3. Child and Forced Labor.** Suppliers must operate in accordance with applicable laws establishing the minimum age of workers generally and in relation to particular working conditions. In the absence of any such laws in a particular jurisdiction, Suppliers are expected to observe International Labour Organization Conventions 138 and 182 standards. Suppliers must not use any involuntary or forced labor at any time, including indentured, bonded or prison labor, or engage in human trafficking in any form.
- 4. Discrimination and Harassment.** Suppliers are expected to treat all workers fairly and with dignity and respect. Accordingly, Suppliers must not engage in unlawful discrimination, harassment or abuse 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. Hiring, pay, benefits, advancement, termination and retirement decisions should be based on merit and equal opportunity.
- 5. Wages and Benefits.** Suppliers must pay workers at least the legally or their contractually required minimum wage and provide all required benefits.
- 6. Work Hours.** Suppliers must ensure that work hours do not exceed legal limits and that all other working conditions comply with applicable laws.
- 7. Health and Safety.** Suppliers are expected to provide all workers with a clean, safe and healthy work environment that complies with all applicable laws.
- 8. Environment.** Suppliers must comply with all laws and regulations and KB Home policies or procurement practices relating to the environmental impact of their operations, including those that prohibit or restrict the use, disposal or discharge of certain materials or substances and the use of certain production methods and workplace practices, and must support our environmental sustainability commitments. If requested, Suppliers agree to provide reasonable data necessary to assist KB Home in meeting its sustainability objectives and commitments. Consistent with those sustainability commitments, we encourage Suppliers to, where possible, operate in an efficient and environmentally responsible manner, conserve natural resources and minimize waste and the use of environmentally harmful materials.

Compliance Procedures

- 1. Communication.** Suppliers are expected to communicate the principles, guidelines and standards in this Code to all workers and supervisors within their operations and to third parties involved in the upstream supply chain of the products or materials they supply for our operations. In addition, Suppliers should promptly inform us of any material Code nonconformities of which they become aware.
- 2. Monitoring.** We reserve the right, but disclaim any obligation, to monitor, directly or with the assistance of representatives, agents or other third parties, compliance with the provisions of this Code, including through unannounced audits or inspections of facilities or other business locations and private worker interviews. We expect Suppliers to authorize and to fully cooperate with any monitoring efforts we or our agents may undertake. This includes responding to questions and requests for records, documents and other information, and providing reasonable access to business facilities and workers.
- 3. Enforcement.** Any Supplier's failure to comply with the provisions of this Code may result in our working with the Supplier to develop an acceptable corrective action plan or taking other actions as we may determine appropriate under the particular circumstances.
- 4. Effect of Code.** As an expression of principles and expectations, this Code is not intended to create or provide any rights for any third party or to establish or impose any obligations, duties, responsibilities or liabilities of any kind on KB Home or its representatives, agents or other third parties. We may from time to time, and without prior notice, amend this Code to reflect changes in our business or in the law or for other reasons.