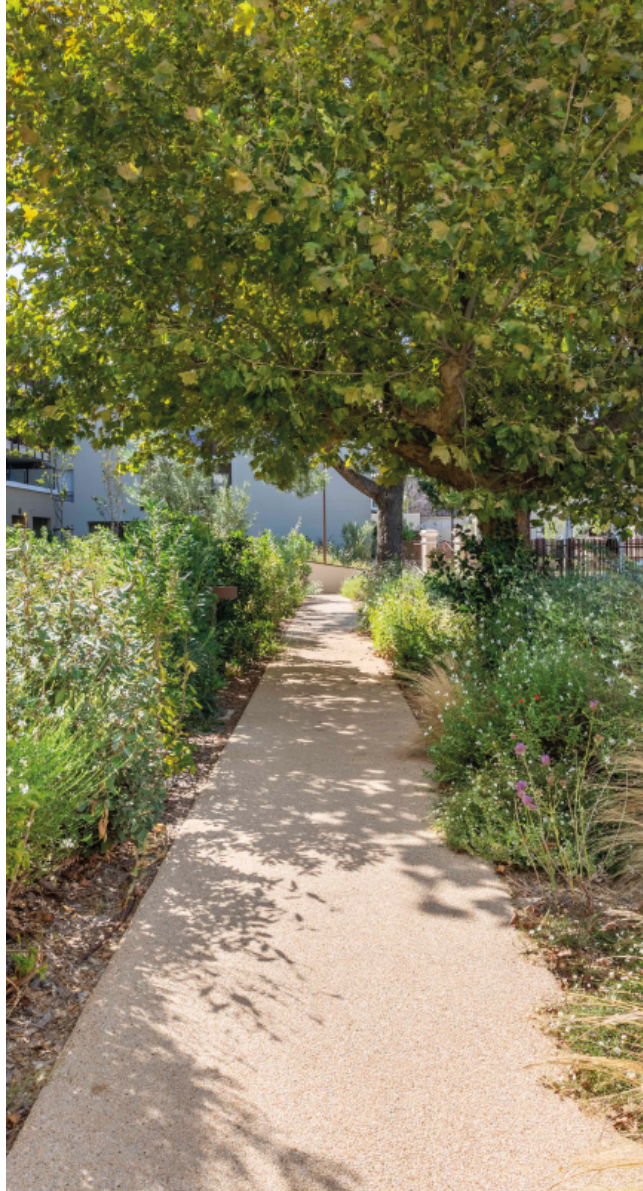




UNIVERSAL
REGISTRATION
DOCUMENT

2024





Universal Registration Document 2024

This Universal Registration Document was filed with the Autorité des Marchés Financiers (AMF) on March 28, 2025, in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said Regulation.

The Universal Registration Document may be used for the purposes of a public offer of financial securities or the admission of financial securities to trading on a regulated market if it is supplemented by a transaction note and, where applicable, a summary and any amendments made to the Universal Registration Document. The resulting package is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This is a translation in English of the official version of the universal registration document of the Company issued in French, filled with the AMF on March 28, 2025 and it is available on the website of the Issuer <https://corporate.kaufmanbroad.fr/en/finance/financial-publications/>.

The present Universal Registration Document contains forward-looking statements regarding the growth prospects and strategies of the group. These forward-looking statements are sometimes identified by the use of future and conditional tenses, as well as by terms such as “consider”, “envisage”, “think”, “aim”, “expect”, “intend”, “should”, “anticipate”, “estimate”, “believe” “wish”, or “might” or, if applicable, the negative form of such terms and other similar words, terminology and phrases. Such information has no historically factual basis and should not be interpreted as a guarantee of future performance. It is based on data, assumptions and estimates from which the group considers it reasonable to draw inferences. Such information is subject and susceptible to change or modification due to uncertainties in economic, financial, competitive, regulatory or tax environments. In addition, the materialization of one or more of the risks described in Section 4 “Risk Factors” in this Universal Registration Document may have a material adverse effect on the group’s business, financial condition and results of operations, as well as its ability to reach its objectives.

Investors are strongly encouraged to carefully consider the risk factors described in Section 4 “Risk Factors” of this Universal Registration Document. The occurrence of all or some of these risk factors could have an adverse impact on the group’s business activities, financial condition or financial results. Furthermore, other risk factors not yet identified or considered insignificant by the group could have the same adverse impact.

The content of the present Universal Registration Document does not constitute legal, tax or financial advice. Investors are encouraged to consult their own advisors regarding any legal, tax or financial aspects of their investment in the Company.

This Universal Registration Document contains information about the group’s markets and its competitive position therein, including information about the size of such markets. In addition to estimates made by the group, the facts on which the group bases its statements are taken from studies and statistics provided by independent third parties and professional organizations and figures published by the group’s competitors, suppliers and customers. Certain information contained in this Universal Registration Document is publicly available information which the Company considers to be reliable but which has not been verified by an independent expert. The Company can provide no guarantee that a third party using different methods to collect, analyze or calculate data about market sectors would obtain the same results. The Company makes no undertaking and provides no warranty as to the accuracy of this information. It is possible that such information will prove incorrect or out of date. The group makes no undertaking to publish updates to such information, except in connection with any applicable legal or regulatory obligation.

Certain figures (including figures expressed in thousands or millions) and percentages in this Universal Registration Document have been rounded.

The totals presented in this Universal Registration Document may differ slightly from those obtained by adding together the non-rounded values of those figures.

CONTENTS

<i>Group profile</i>	6	<i>Key figures and stock market data</i>	18
<i>Chairman's message</i>	8	<i>Activities</i>	20
<i>2024 Highlights</i>	12	<i>Headcount</i>	22
<i>Main locations of the group</i>	17	<i>Corporate governance</i>	24

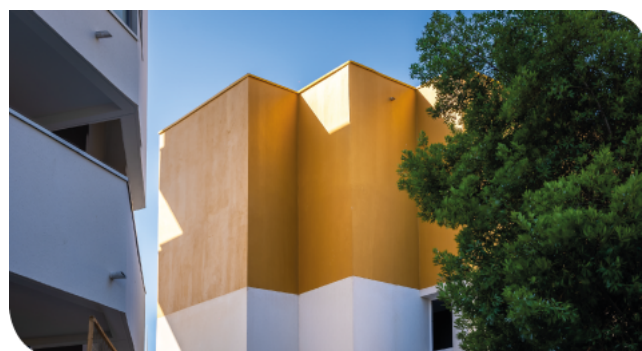
01 Group presentation and strategy 26

1.1	Presentation of Kaufman & Broad group	28
1.2	The market environment	43
1.3	The group's strategy to create financial and extra financial value	54
1.4	Intellectual property	55
1.5	Financing and investment policy	56



02 Business and financial review of Kaufman & Broad 58

2.1	Business evolution analysis	60
2.2	Analysis of the group's results	68
2.3	Analysis of the group's financial position	73
2.4	Liquidity and capital resources	77
2.5	Events after the closing date	78
2.6	Recent developments and outlook	78
2.7	Other information	79



03 Corporate governance 82

3.1	Organization and operation of governance	84
3.2	Group compensation policy	112
3.3	Incentives and profit-sharing programs	128
3.4	Report on options and bonus shares	129
3.5	Other information	134
3.6	Statutory Auditors' special report on related party agreements	139



04 Risk factors 140

4.1	Internal control and risk management system	142
4.2	Description of risk factors and associated control systems	147



05 Non-Financial Performance Statement 164

5.1	General information	167
5.2	Environmental information	183
5.3	Social and societal information	222
5.4	Governance Information - Business Conduct	244
5.5	Report by one of the Statutory Auditors, appointed as an independent third party, on the verification of the consolidated non-financial performance statement	245

06 Information about the issuer, capital and shareholder structure 248

6.1	General information concerning the capital	250
6.2	Details of the Company's shareholding	252
6.3	Dividends	256

07 Assets, Financial Statements and Results at November 30, 2024 258

7.1	Consolidated financial statements at November 30, 2024	260
7.2	Report of the Statutory Auditors on the consolidated financial statements	299
7.3	Parent company financial statements at November 30, 2024	303
7.4	Report of the Statutory Auditors on the parent company financial statements	318
7.5	Five-year financial summary	323

08 Additional information 324

8.1	General information concerning the Company	326
8.2	Persons Responsible	330
8.3	Persons responsible for the audit of the financial statements	330
8.4	Information incorporated by reference	330
8.5	Documents on display	331
8.6	Cross reference tables	331
8.7	Glossary	337



Group profile

Kaufman & Broad is a solid, nationwide group. For more than 55 years, the group has been supporting changes in French cities, developing an in depth knowledge of local specificities. Located in the main metropolitan cities and areas with high economic and demographic growth potential, customers and users are central to the group strategy; enabling it to provide comprehensive, high-performance solutions to the French regions and their residents, our teams are well-versed in the entire real estate value chain, which is centered on the following core businesses.

MARKETING OR CONSTRUCTION IN FRANCE SINCE 1968

165,000

HOUSING UNITS

1,225,000 sq.m

OF OFFICES AND BUSINESS SPACES

« URBAN DEVELOPER AND ASSEMBLER »

Kaufman & Broad is a major player in French real estate, both in residential and Commercial property.

Kaufman & Broad controls the entire real estate value chain, encompassing the development of major projects, residential housing intended for accession or investment (individual or social), the construction of managed residence, as well as Commercial Property, shops and logistics.

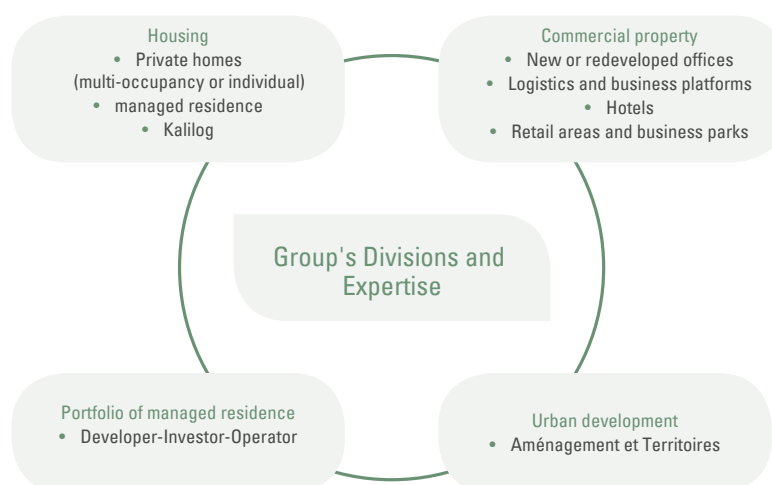
This global expertise makes it possible to transform its projects into dynamic and lively neighborhoods, incorporating concepts of urban harmony and development for residents.

For the group, building right means integrating new construction processes, taking into account uses, reversibility, and delivering a global quality of life that allows everyone to enjoy a fulfilling environment, while preserving our resources.



OUR EXPERTISE EMPLOYED TO MAKE YOUR PLANS A REALITY

In order to provide comprehensive, high-performance solutions to the French regions and their residents, our teams are well-versed in the entire real estate value chain, which is centered on the following core businesses guaranteeing adapted and innovative solutions for each project:

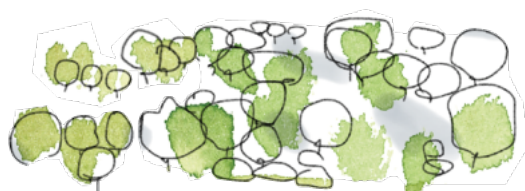


BUILDING THE CITY IN ALL ITS FORMS AND CONTRIBUTING TO THE DEVELOPMENT OF MORE VIRTUOUS CITIES:

- Choosing the most appropriate designs and construction methods to make architectural quality an asset for the city,
- Seeking the highest construction quality to ensure that our properties are built to last,
- Making each new building more efficient than the last to ensure their sustainability and to consider its reversibility,
- Taking into account uses to design spaces tailored to each destination and customer and deliver a global quality of life to all,
- Making the customer the focus of our efforts, thanks in large part to proprietary customer satisfaction-oriented tools and processes.

TAKING ACTION FOR A SUSTAINABLE AND RESPONSIBLE CITY, AND CREATING THE CONDITIONS FOR HARMONIOUS LIVING AS A SOCIETY:

At Kaufman & Broad, responsibility drives our innovation and transformation. We are committed to continuously improving the social and environmental impact of our achievements, remaining focused on the needs of our customers and stakeholders. Innovation is an opportunity to develop our CSR approach, creating tailored products and services, thereby improving our overall and sustainable performance. Our real estate and urban projects, regardless of their size, have an impact on living environments, usage and mobility. We integrate participatory and dialog processes to meet the needs of people and communities.



Chairman's message

Kaufman & Broad's 2024 results were in line with the targets announced at the start of the fiscal year.

In fiscal year 2024 as a whole, Kaufman & Broad's housing orders rose by **7.8% in value and by 4.0% in volume terms**. Orders continued to be supported by buyer occupants, whose share of orders in volume increased by 6 points year-over-year. This trend thus confirms the priority given for several years by Kaufman & Broad to housing units that prioritizes, in addition to quality, the careful consideration of their purchasing power.

The 3.0 months take-up rate for Kaufman & Broad's programs highlights the continued high pace of our sales and confirms the adaptation of our supply to a demand that remains strong. However, the market is entering a phase of housing shortage fueled mainly by the decline in the allocation of building permits.

In commercial property, the Austerlitz project (A7/A8) continues according to the announced schedule.

In terms of CSR, the group has an activity aligned with its objectives and public commitment SBTi 2030 in terms of reducing carbon emissions (generalization of low carbon energy systems and 1,600 wood housing units in the process of authorization or construction).

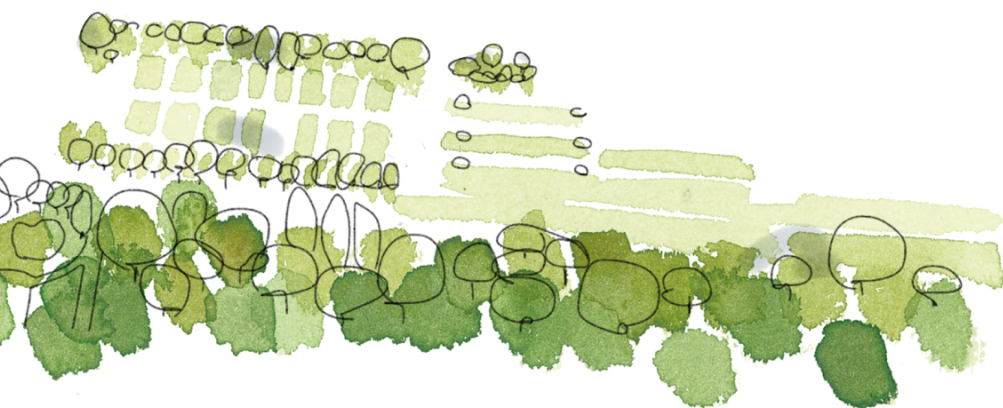
Kaufman & Broad's financial structure remains extremely solid, as evidenced by the confirmation by the rating agency Fitch Ratings of the "BBB-" Investment Grade rating with stable outlook of Kaufman & Broad SA, a constant rating since 2022. The group is thus in a position to take full advantage of the recovery in a healthy market.

For the full year 2025, the group's **revenue is expected to increase by around 5%. The recurring operating income ratio is expected to be between 7.5% and 8.0 %**. The group is expected to remain in a positive net cash position after taking into account the payment of a **dividend of €2.20 per share for fiscal year 2024**, i.e. around €43.1M, which will be submitted to the Shareholders' Meeting for approval on May 6.

In my personal capacity and on behalf of the Board of Directors, I would like to thank you and all the group's employees for your commitment and confidence.

Nordine Hachemi

Chairman and Chief Executive Officer



« 2024 results demonstrate
the strength of its
business model and its
ability to generate cash »



DAVID LAURENT

CHIEF EXECUTIVE
OFFICER, COMMERCIAL
PROPERTY, LOGISTICS
AND AMÉNAGEMENT ET
TERRITOIRES - ÎLE DE
FRANCE REGION

RESIDENTIAL PROPERTY IN THE PARIS REGION



2024 saw the return of first-time homeowners while institutional investors and landlords were more selective.

Obtaining building permits remains complicated in a context of reduced investment capacity and a perception by communities of the risk/interest ratio of building still too often unfavorable to housing despite significant needs at the national level.



COMMERCIAL PROPERTY



In 2024, we still saw numerous deliveries of new offices. But from 2025, and for at least the next two years, the market will experience a real turning point: The supply of new offices will be well below the demand placed.



LOGISTICS



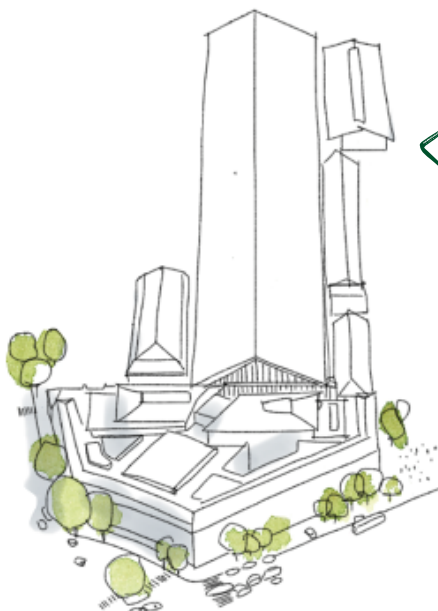
Despite a 30% decline in placed demand in France, investment remained solid, reaching nearly €4 billion. At Concerto, we remain confident. We have just signed a new VEFA in Beaucaire and are actively preparing several projects to support the recovery expected at the end of 2025/2026, driven by still strong structural needs in the territory.



AMÉNAGEMENT ET TERRITOIRES



The development allows us to support cities well upstream, from the first stages of the design of new neighborhoods. By anticipating the needs of people and working hand in hand with communities, we can imagine harmonious, inclusive and sustainable living environments. Our ongoing projects, such as the Magasins généraux in Reims, which reinvents an iconic site in a mixed living place combining habitat, activities and shared spaces, illustrate this commitment. Each development is an opportunity to create bonds, promote well-being and build living areas, designed for now and the future.





SYLVERE HAMEL

CHIEF EXECUTIVE
OFFICER REGION (EAST,
OCCITANIE NOUVELLE
AQUITAINE, MANAGED
RESIDENCES AND
KALILOG)



Kaufman & Broad pursues a diversification that puts innovation at the heart of the development of the territories by offering solutions adapted to the expectations of the inhabitants and the environmental challenges of our regions. We are responding to the growing need for managed residence with an expanded range of student and hotel residences, whether dedicated to tourism, young people or business stays.

We continue to support communities by meeting their expectations, particularly with the renewal of single-family homes, supported by the extension of the Zero Rate Loan.

Our commitment also goes towards the revitalization of the territories through our subsidiary Kalilog, which is now integrated into schemes such as "Action Cœur de Ville" and "Petites Villes de Demain". Finally, we are accelerating the development of eco built programs, with nearly 1,200 wooden frame housing units under construction and the signing of a Sale before completion (VEFA) for a 100% wood program in Alsace.



WILLIAM TRUCHY

CHIEF COMMERCIAL
OFFICER SALES,
MARKETING,
COMMUNICATION AND
DIGITAL



In 2024, we notice a strong momentum in the personal market, especially in principal residence. Thanks to a fine adaptation of our offer - in terms of surface areas and prices - we have been able to meet the expectations of a customer seeking solutions that are in line with their purchasing capacity.

The rapid success of our programs in Vélizy and the relaunch of our activity in Aix La Duranne attest to this. In addition, the signing of our agreement with *Action Logement* marks an essential step forward in our commitment to more accessible housing, by continuing to develop social and intermediate housing.



2024 Highlights



ROBUSTNESS OF THE BUSINESS MODEL AND ABILITY TO GENERATE CASH

In 2024, the group generated a positive net cash position of €397.6 million (excl. IFRS 16 liability and Neoresid Put debt) compared to €180.5 million in 2023. This improvement of more than €217 million in cash flows is mainly due to the sharp reduction in working capital requirement, despite €46.8 million in dividends paid to shareholders.

MAINTAINING OUR OPERATING PERFORMANCE AND SOLID LAND RESERVE

The group's operating efficiency continued, with the gross margin increasing to 19.3% after 18.3% in 2023 and compared to 17.4% in 2022. Sales performance remained high, with a take-up period of 3.0 months compared to nearly 21 months for the market. Finally, the outlook remains well oriented, since the group relies on a solid land reserve of more than 30,000 lots and a global backlog of €2.5 billion.

CASH PAYMENT OF THE DIVIDEND FOR THE YEAR ENDED NOVEMBER 30, 2024

The Combined Ordinary and Extraordinary Shareholders' Meeting of Kaufman & Broad SA, held at the registered office on May 6, 2024 under the chairmanship of Nordine Hachemi, decided to distribute a total dividend of €2.40 per share for the year ended November 30, 2023, i.e. €46.8M. The cash dividend was paid on May 13, 2024.

FITCH RATING FIRMS KAUFMAN & BROAD'S INVESTMENT GRADE "BBB-" RATING

The rating agency Fitch Rating confirmed the "Investment grade" rating - "BBB -" with stable outlook for Kaufman & Broad S.A. This rating has been constant since 2022. For Fitch Ratings the confirmation of the rating reflects Kaufman & Broad's solid business and financial profile, which proves resilient during periods of weak demand. Fitch's confirmation of this rating highlights the strength of the group's financial structure and its ability to structurally generate substantial cash flows. Kaufman & Broad is currently the only pure developer in continental Europe to be rated Investment Grade.

FitchRatings

€1,076.8M

REVENUE
INCLUDING €908.0M
HOUSING REVENUE

€1,163.3m incl. VAT

HOUSING ORDERS
VS €1,079.4M INCL. VAT IN 2023

19.3%

GROSS MARGIN RATE
AT €208.0M
(VS 18.3% in 2023)

€45.0m

ATTRIBUTABLE NET INCOME
€2.26 PER SHARE

€397.6m

NET CASH
(EXCL. IFRS 16 AND NEORESID PUT)

€46.8M

DIVIDENDS PAID TO
SHAREHOLDERS
€2.40 PER SHARE



SIGNATURE OF A NEW €200M SYNDICATED LOAN AGREEMENT

On July 10, 2024, the group entered into a syndicated loan agreement for €200 million with an initial maturity of 5 years. This loan replaces the existing "RCF 2019" syndicated loan agreement for €250 million, maturing in January 2025. The implementation of this corporate line will allow the Company to extend the maturity of its resources, while giving it flexibility of use according to needs and opportunities, in addition to its free cash flow. This facility includes a positive incentive mechanism based on several CSR indicators, demonstrating the Company's environmental commitment.

KAUFMAN & BROAD AND BANQUE DES TERRITOIRES PARTNERS:

Partners since 2021, in the residences for seniors segment, real estate developer Kaufman & Broad and Banque des Territoires (Caisse des Dépôts Group) have strengthened their ties by creating SCI KetB étudiants. Dedicated to investment in student housing, it is 51% owned by Kaufman & Broad and 49% owned by the Banque des Territoires. Neoresid, a subsidiary of Kaufman & Broad, operates the portfolio's residences and the SCI is managed by 123 IM.

ESG RATINGS THAT POSITION THE GROUP FAVORABLY IN THE SECTOR

The continuous strengthening of Kaufman & Broad's CSR policy was rewarded through the various rankings (solicited or unsolicited) during the year. Kaufman & Broad was rated "A -" in 2024, in the CDP ranking, in a sector rated "C".

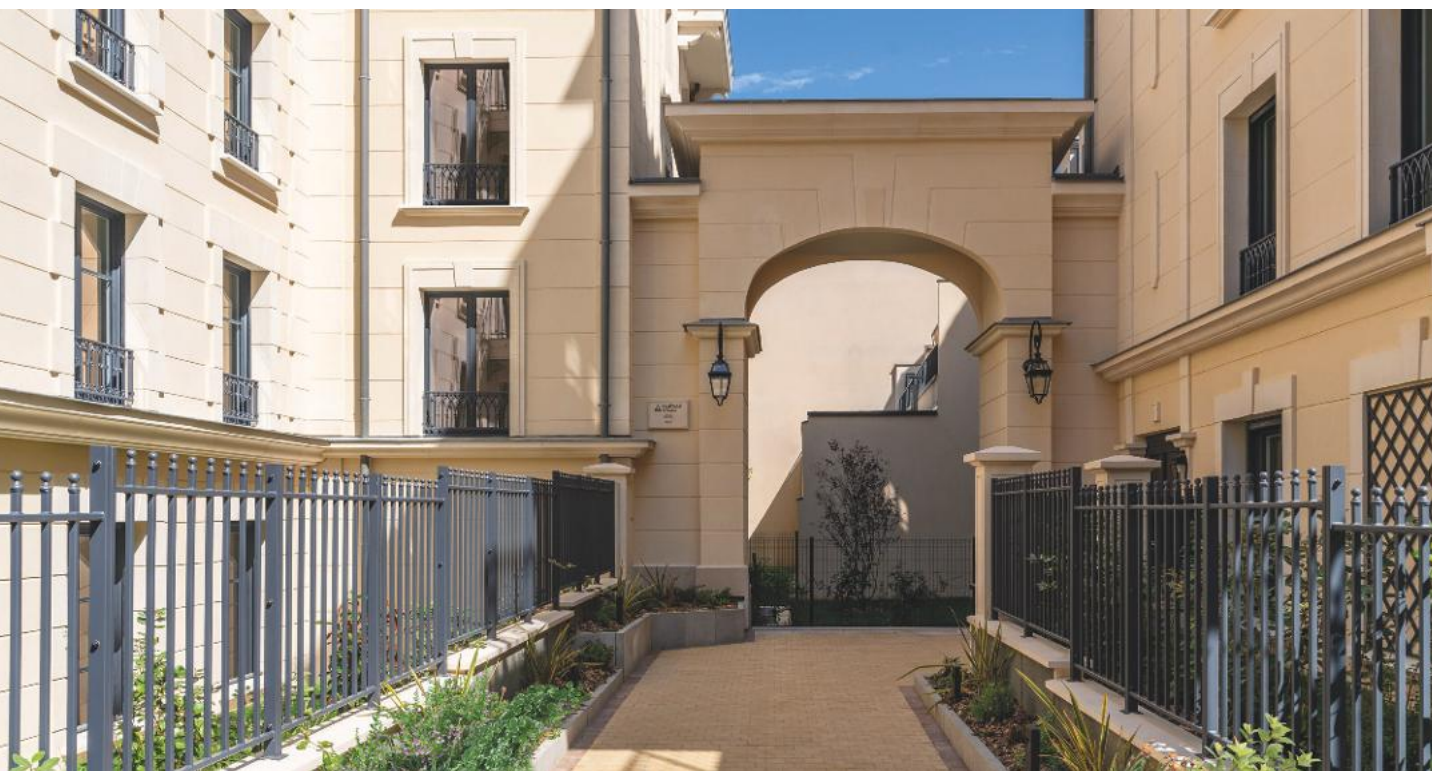


The group maintained the "A" ranking with the MSCI ESG Ratings agency. Kaufman & Broad is committed to reducing its CO₂ emissions by 2030, in line with the Paris Agreements. This commitment was validated and monitored by the SBTi (Science Based Targets initiative).

RECOGNITION OF A REFERENCE BRAND

In 2025, Kaufman & Broad ranked no. 1 in the ranking of **Best Companies in Magazine Capital**. This award recognizes three consecutive years of the group's presence on the podium of French favorite promoters (2023 to 2025). This first place in 2025 underlines the Company's constant commitment to offering quality support and recognized expertise from its customers, thus consolidating its position in the sector.

« Kaufman & Broad's CSR approach integrated into the project production cycle is evaluated annually by independent bodies. »



SIGNIFICANT EVENTS HELD SINCE THE END OF FISCAL YEAR 2024

PROPOSAL OF THE BOARD OF DIRECTORS

The Board of Directors held on January 21, 2025, taking note of the 2024 results, the financial structure of Kaufman & Broad and the high level of its equity, decided to propose to the next Shareholders' Meeting to be held on May 6, 2025, a dividend of €2.20 per share for the fiscal year 2024.

**THERE HAVE BEEN NO OTHER SIGNIFICANT EVENTS
SINCE THE END OF 2024 FISCAL YEAR.**



CALENDAR 2025

April 11

Publication of
1st quarter 2025 results
(after market close)

April 14

Presentation of 1st quarter 2025
results

May 6

Shareholders' Meeting

July 10

Publication of 1st half of 2025 results
(after market close)

July 11

Presentation of 1st half
year 2025 results

September 29

Publication of 3rd quarter 2025 results
(after market close)

September 30

Presentation of 3rd quarter
2025 results



Main locations of the group



ÎLE DE FRANCE

- Head office:**
- Courbevoie
 - Île de France (*)



OCCITANIE

- Toulouse
- Montpellier



NORMANDY

- Caen
- Rouen



PAYS DE LA LOIRE

- Nantes



BRITTANY

- Rennes



HAUTS DE FRANCE

- Lille



PROVENCE-ALPES-CÔTE D'AZUR

- Nice
- Marseille
- Showroom:**
- Fréjus



AUVERGNE-RHÔNE-ALPES

- Annecy
- Lyon



NOUVELLE AQUITAINE

- Bayonne
- La Rochelle
- Bordeaux



BOURGOGNE-FRANCHE-COMTÉ

- Dijon



GRAND EST

- Strasbourg

18

LOCATIONS

30

SALES SPACES

(*) Kalilog

- Concerto
- Aménagements & Territoires
- Commercial property

5

SHOWROOMS

Key figures and stock market data



REVENUE

€1,409.1 m

IN 2023

€1,076.8 m

IN 2024



NET INCOME (ATTRIBUTABLE)

€60.2 m

IN 2023

€45 m

IN 2024



NET FINANCIAL DEBT (EXCLUDING IFRS 16 AND NEORESID PUT DEBT)

-€180.5 m

IN 2023

-€397.6 m

IN 2024



CURRENT OPERATING INCOME OR EBIT

€109.3 m

IN 2023

€80.7 m

IN 2024

7.8%

REVENUE

7.5%

REVENUE



WORKING CAPITAL REQUIREMENT

-€80.8 m

IN 2023

-€289.2 m

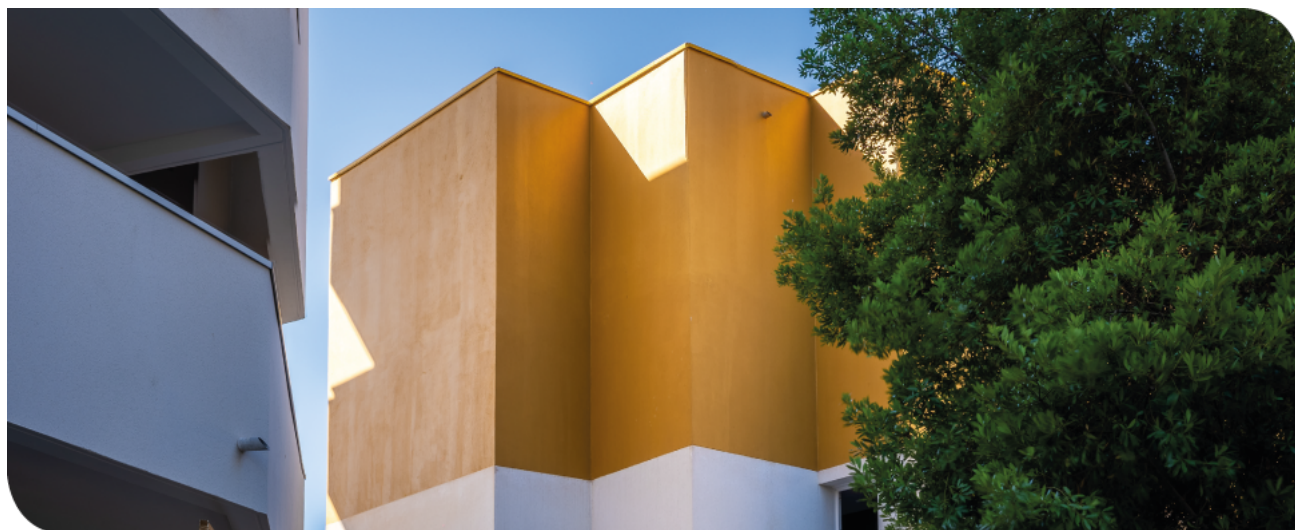
IN 2024

-5.7%

REVENUE

-26.9%

REVENUE



STOCK MARKET DATA AT DECEMBER 31, 2024

19,862,022

NUMBER OF SHARES

648.5 € m

MARKET CAPITALIZATION

48,494

ALL PLATFORMS COMBINED ⁽¹⁾

including Euronext platform: 16,486

EURONEXT MARKET

Compartment B Mid Caps

ISIN code FR 0004007813

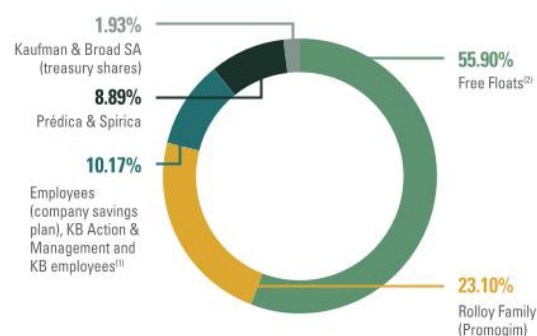
LEI 969500CE0X343D8AL086

CAC Mid & Small and CAC Small Indices

(1) Sources: Euronext Post Listing Advisory.

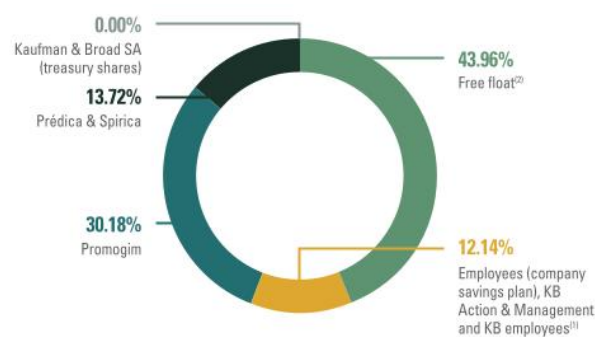
DISTRIBUTION OF CAPITAL

(At November 30, 2024)



PERCENTAGE OF VOTING RIGHTS

(At November 30, 2024)

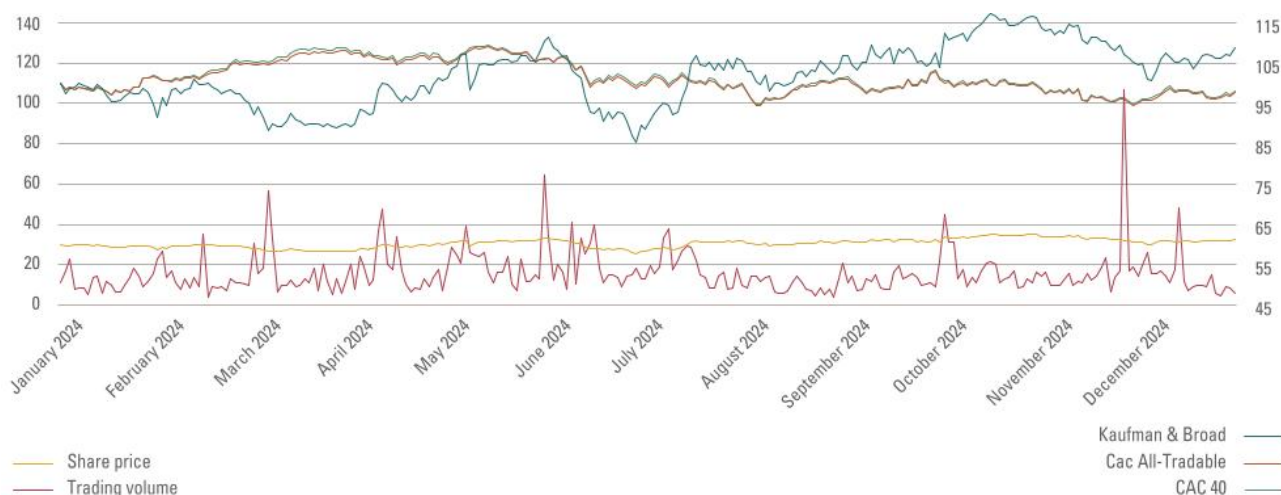


(1) Includes executives and employees of the Company via Artimus Participations, the Kaufman & Broad Actionnariat FCPE, the KB Actions 2022 FCPE. They make up 12.07% of the share capital and 14.43% of the voting rights, including employees holding registered shares in their personal capacity.

(2) The securities owned by Directors are included in "Free float" shareholders at November 30, 2024.

KAUFMAN & BROAD SHARE EVOLUTION

Compared to CAC 40 and CAC All-Tradable



€35.15

HIGH

€25.60

LOWEST

€32.65

LAST LISTED PRICE

Activities

13,692

UNITS UNDER
CONSTRUCTION

11,869

HOUSING UNITS IN THE *BACKLOG*



LAND PORTFOLIO

(in number of housing units)

34,069

IN 2023

30,272

IN 2024



HOUSING BACKLOG

(in € millions excl. VAT)

2,053.4

IN 2023

1,987.8

IN 2024



TOTAL BACKLOG

(in € millions excl. VAT)

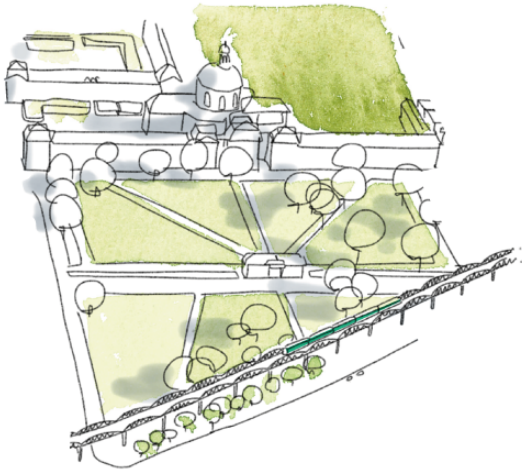
2,676.0

IN 2023

2,497.0

IN 2024





5,543

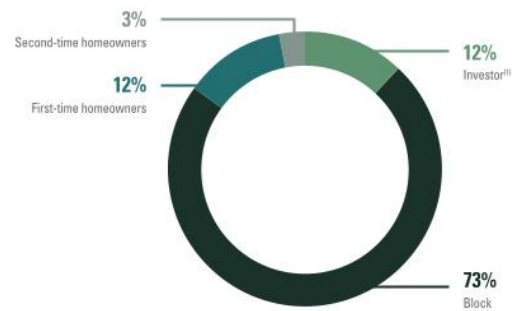
HOUSING UNITS ORDERED

3.0 months

TAKE-UP RATE

ORDER BY BUYER TYPE

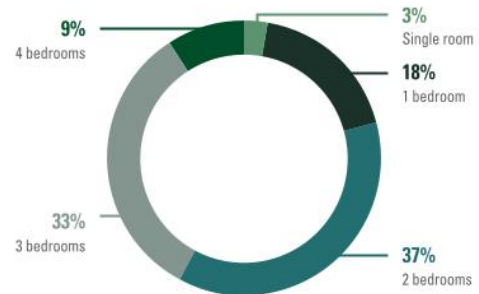
(Number at November 30, 2024)



(1) o/w "Pinel" scheme: 7 %

COMMERCIAL OFFER BY APARTMENT TYPE

(Number at November 30, 2024)



Headcount

641

EMPLOYEES
(REGISTERED AT DECEMBER 31, 2024)

325

WOMEN

316

MEN

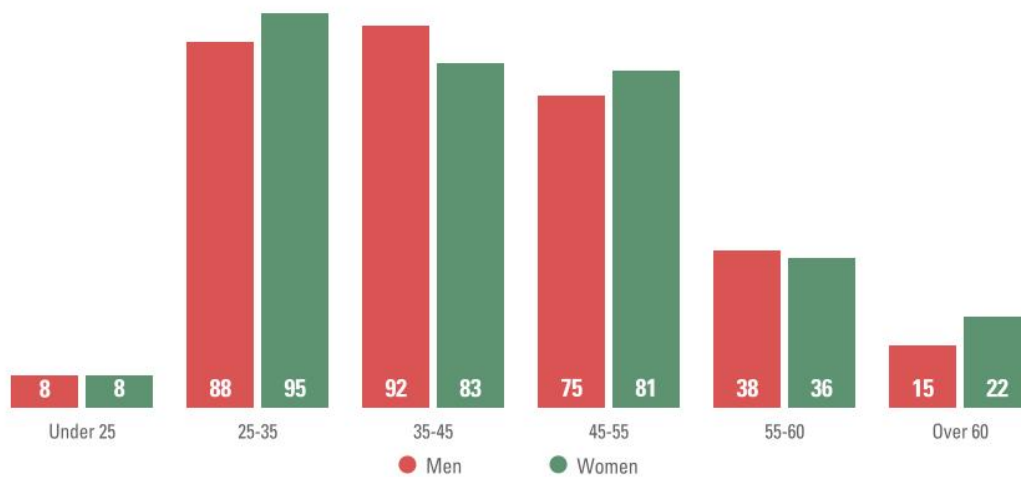
98%

OF THE EMPLOYEES
TRAINED



AGE PYRAMID

(Registered at December 31, 2024)





LABELS AND CERTIFICATIONS OBTAINED IN 2024



CERTIFIED



HappyIndex® Trainees
FRANCE 2025

CERTIFIED



HappyIndex® Trainees
Alternance
FRANCE 2025



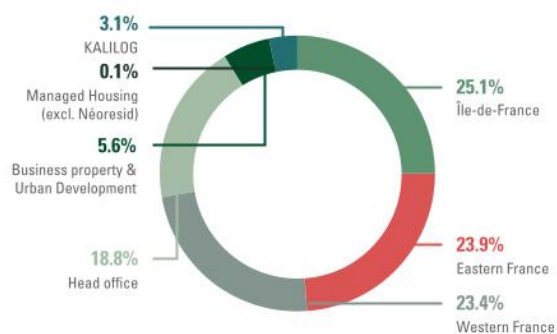
AVERAGE HEADCOUNT BY POSITION

(At December 31, 2024)



AVERAGE HEADCOUNT BY REGION

(At December 31, 2024)



Corporate governance

BOARD OF DIRECTORS

The main role of the Board of Directors is to determine the Company's business strategy and oversee its implementation.

The Board carries out the controls and verifications that it deems necessary and is responsible for reviewing and approving the annual and half-year (statutory and/or consolidated) financial statements and for reviewing and approving the related reports stipulated by current regulations.

10 MEMBERS OF WHICH 8 INDEPENDENTS



Nordine Hachemi

Chairman and
Chief Executive Officer



*Annalisa
Louston Elia* ● ID

Director



Sylvie Charles ● ● ID

Director
Chairman of the Audit Committee



Michel Paris ● ID

Lead Independent Director
Chairman of the Compensation and Nomination
Committee



*Jean Louis
Chaussade* ● ID

Chairman of the CSR Committee



Lucile Ribot ● ● ID

Director



Yves Perrier ● ID

Director



Aline Stickel OD

Director representing
employee shareholders ⁽⁴⁾



Michel Sirat ● ID

Director ⁽³⁾



Isabelle Bordry ID

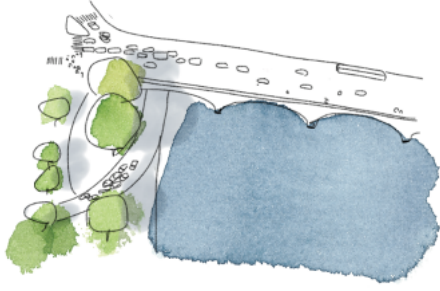
Director ⁽²⁾

- Audit Committee
- Compensation and Appointment Committee
- CSR Committee

- ID Independent Director⁽¹⁾
- OD Other Directors

- (1) Independent directors within the meaning of the AFEP MEDEF Code.
- (2) On May 6, 2024, the Board of Directors coopted Mrs. Isabelle Bordry as a new independent Director to replace Mr. Yves Gabriel resigned for the remainder of his term of office, i.e. until the end of the Shareholders' Meeting of May 6, 2025.
- (3) On September 27, 2024, the Board of Directors coopted Mr. Michel Sirat as new independent Director to replace Mrs. Sophie Lombard who resigned for the remainder of her term of office. Ratification of this appointment will be submitted to the Shareholders' Meeting of May 6, 2025.
- (4) The Board of Directors' meeting of February 21, 2025, proposes to renew Mrs. Aline Stickel as Director representing employee shareholders for a period of 3 years.

EXECUTIVE COMMITTEE AND MANAGEMENT COMMITTEE



7 members

EXECUTIVE COMMITTEE

11 members

MANAGEMENT COMMITTEE
INCLUDING THOSE OF THE EXECUTIVE
COMMITTEE*Nordine Hachemi* ● ●Chairman and
Chief Executive Officer*Sylvère Hamel* ● ●Chief Executive Officer Region East, Occitanie
Nouvelle Aquitaine, Managed Residences and
Kalilog*David Laurent* ● ●Chief Executive Officer, Commercial Property,
Logistics and Aménagement et Territoires -Île de
France Region*Sophie Letiers* ● ●Chief Executive Officer Human Resources -
Operational Excellence*Marc Vettraino* ●Executive Vice President
Grand Paris*William Truchy* ● ●Chief Executive Officer sales, Marketing
Communication and Digital*Frédéric Bourg* ●Executive Vice President Quality, Architecture
and Customer Experience*Bertrand Eyraud* ●

CSR and Innovation Vice-President

*Yannick Le Bihan* ● ●

Chief Executive Officer North West Region

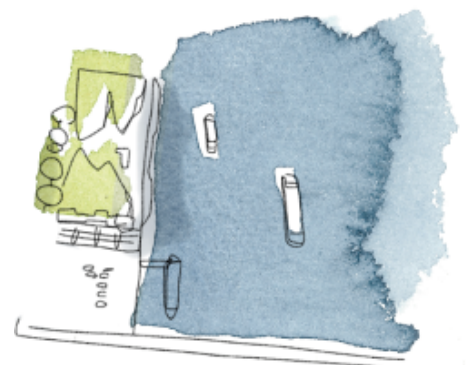
*Georges Lopez* ●

Regional Vice-President Nouvelle Aquitaine

*Bruno Coche* ● ●

Chief Financial Officer

- Executive Committee
- Management Committee





Group presentation and strategy



<i>1.1</i>	Presentation of Kaufman & Broad group	28
1.1.1	History and development of the group	28
1.1.2	Business lines and know-how	33
<i>1.2</i>	The market environment	43
1.2.1	Description of the market	43
1.2.2	The competitive environment	51
1.2.3	Customers	52
1.2.4	Tax incentives	52
<i>1.3</i>	The group's strategy to create financial and extra financial value	54
1.3.1	The observation	54
1.3.2	Strategy	54
<i>1.4</i>	Intellectual property	55
1.4.1	Kaufman & Broad brand	55
1.4.2	Other brands	55
<i>1.5</i>	Financing and investment policy	56
1.5.1	Research and development	56
1.5.2	Main investments	56
1.5.3	Current and future main investments	56
1.5.4	Possible restrictions on the use of capital	56
1.5.5	Expected sources of financing for future investments	56

1.1. Presentation of Kaufman & Broad group

1.1.1. History and development of the group

Founded in 1957 by Eli Broad and Donald Kaufman, **Kaufman & Broad** has established itself as a visionary and pioneering player in the real estate industry, one of the first single-family home builders in the US, building much more than new real estate: Real places for living and sharing. In 1968, the group set up operations in France and began developing single-family home in communities, delivering its first house in 1970 in the Paris region. From its inception until July 10, 2007, Kaufman & Broad was a subsidiary of KB Home. Independent since the 2000's and listed on the stock market, Kaufman & Broad values the autonomy and entrepreneurial spirit of its employees, making each employee a shareholder.

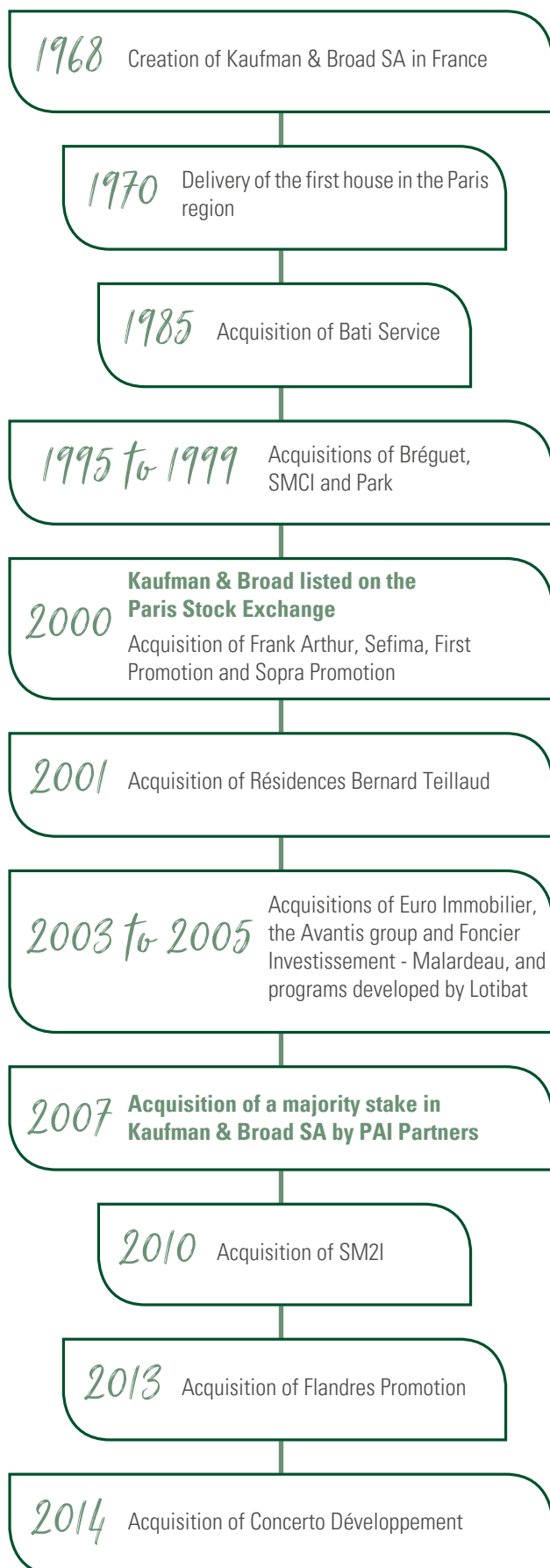
The group designs places of life and use through innovative, sustainable projects adapted to the needs of the regions, while meeting the evolving needs of its customers. Guided by its core values, Kaufman & Broad makes listening to its customers and preserving the environment strategic priorities. Humanism is embodied in an approach that is attentive to the individual needs and aspirations of each person, through an inclusive real estate offering and optimized layouts for well-being.

The vision of the future drives the group to anticipate and reinvent itself in order to offer innovative solutions that promote eco responsibility and a positive impact on the environment, with green projects, de-sealed soils and optimized energy management. The group also attaches great importance to the commitment and loyalty of its teams, illustrated by the label *Great Place to Work*® 2022-2023.

« A building is a link in the heart of the city, the district, the urban fabric, between the present and the future; a link with the group's partners, that is, between the city, the user, the investor and the developer. This link is capital for the Company. It allows it to create truly tailor-made projects, establishing a real relationship, a continuous exchange with its customers and partners. This link does not stop at the delivery of the building: The group continues to advise its customers during the first two years of operation. »

Kaufman & Broad develops, designs, realizes and markets new real estate projects throughout France: Multi-occupancy housing, single-family homes, managed residence, new or renovated offices, logistics platforms, shops, schools, nurseries, thus serving a diverse clientele. The credibility of Kaufman & Broad, built on more than 55 years of expertise and rigorous financial management, makes it a trusted player, recognized for its quality requirement and its numerous certifications in terms of management and ecology.

1.1.1.1. Key dates



Group presentation and strategy

Presentation of Kaufman & Broad group

2015 Acquisition of Serge Mas Promotion

2016 Acquisition of Safaur group
Partial sale of the equity interest in Kaufman & Broad's share capital by Financière Gaillon 8 (a company ultimately controlled by funds managed by PAI Partners)

2017 **Sale of the remaining equity interest in Kaufman & Broad SA by Financière Gaillon 8** (a company controlled by funds managed by PAI Partners)
 Creation of Cosy Diem in partnership with Sérénis (operator of senior and healthcare facilities)

2019 Creation of the company KB Aménagement

2020 Creation of Kalilog

2021 Creation of the first companies (investment vehicles) and acquisition of equity interests in management companies in charge of the new "developer-investor-operator" business branch in the field of managed residence.
 In December 2021, Kaufman and Broad became the majority shareholder of Neoresid Holding.

2022 Commissioning of the first two student residences in the group's managed residence portfolio

2023 Start of work on the Austerlitz Station Renovation Project

2024



In total, Kaufman & Broad has marketed or built over 165,000 homes and 1,225,000 sq.m of office and business premises in France. Kaufman & Broad is one of the leading home builders (single-family homes in communities and multi-occupancy housing) in France, with its market at the heart of the main urban areas. With its initiatives, Kaufman & Broad continues to position itself as a key player, able to address the current challenges in the French real estate industry.

1.1.1.2. Presentation of the Company

In France, the group develops and constructs new housing, including single-family homes in communities (single-family homes), apartments, service residences (business, tourism, students or non-assisted living accommodations for seniors), and commercial real estate (offices, shops and logistics warehouses). As a nationwide property developer, Kaufman & Broad is committed to addressing the strategic concerns of

its customers through diversified projects - single-family or multi-occupancy housing, commercial real estate, service residences, urban developments, trade and logistics warehouses. The group generally does not carry out development construction operations outside France. The group's activities are organized around two operating divisions, Residential and Commercial, and several cross-functional departments.

« Our global approach aims to create spaces that combine quality of life, sustainability, social responsibility and technical performance. Our approach is not limited to the design and realization of a simple building. It is part of a continuous support process in which each project becomes an expression of a link between the aspirations of all stakeholders, economic issues and environmental imperatives: An ongoing dialogue between architecture and its ecosystem. »



In each of its achievements, the group develops real estate solutions that integrate several essential dimensions, namely: Surface optimization, adaptability to new uses, technical and environmental performance, economic attractiveness and the sustainability of the investment. Kaufman & Broad designs scalable and reversible projects that can adapt quickly to changing lifestyles and working patterns, while ensuring energy efficiency and optimized cost of use. "Our projects are thought of

as living ecosystems: Qualitative, functional and flexible spaces that meet contemporary expectations in terms of housing, work and services, while anticipating urban and societal changes.

For more than a decade, the group has also diversified into carrying out eco urban projects or mixed programming operations on behalf of local authorities, as well as investing and operating managed residence, particularly for students and seniors.

Group presentation and strategy

Presentation of Kaufman & Broad group

Expertise and Group subsidiaries

The group's expertise and subsidiaries are as follows:

Aménagement et Territoires: Kaufman & Broad's response to community expectations is comprehensive and tailored to transform a project into a vibrant and lively neighborhood while integrating climate and social challenges facing urban areas.

Residential property: Kaufman & Broad's first business, residential property, integrates issues related to production quality and energy efficiency by offering increasingly economical habitats. **Kalilog** offers bespoke real estate projects, mainly aimed at social landlords and/or for block sales, while **Serge Mas Promotion** develops housing suitable for first time buyers and intermediate rental in the Toulouse region.

Managed Residence: The group provides concrete solutions by enriching the residential pathways that the city can offer its inhabitants.

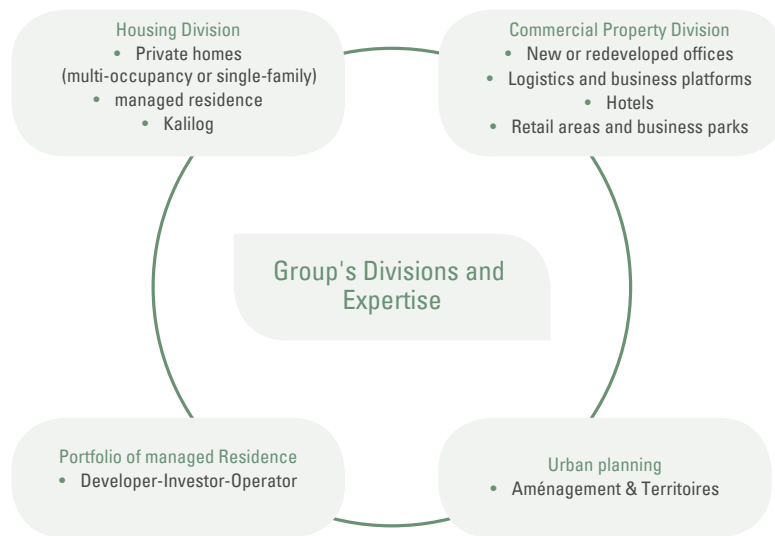
Neoresid offers service residences for short and long stays, intended for students and employees undergoing professional or personal change.

Cosy Diem offers next generation residences with optimized services and personalized support to promote healthy aging at home.

Offices, Retail areas, Hotels: Kaufman & Broad adapts to new societal trends and expectations to transform each site into an asset of performance for investors and appeal for users.

Logistics: The group, with **Concerto**, combines real estate and logistics engineering to develop sustainable urban logistics in the face of rising urban flows.

Please refer to section 1.1.2.3 for further details.



The group's reputation is based on a set of key success factors:

1. Control of the entire real estate chain (see details in section 1.1.2.2 "Development process");
2. A wide range of products and related services that meet the aspirations and demands of the group's customers (see details in section 1.1.2.3 "Products");
3. The group's national scale, with a strong geographical footprint. Kaufman & Broad has a national reach in France, as illustrated by the group's locations below (see detail in section 1.3.2 "Strategy");



4. The reputation of the Kaufman & Broad brand (see details in section 1.4.1 "Kaufman & Broad brand");
5. The group's capacity for innovation (see details in section 1.5.1 "Research and development");
6. The entrepreneurial spirit of the men and women who are part of the group and who have shared for more than 55 years the same vision of their business: The customers and users are at the heart of the group's strategy and its decisions.

1.1.2. Business lines and know-how

1.1.2.1. Description of the group's businesses

The group's new housing development and construction business is subdivided into three operating segments: Ile de France, West and East. Commercial real estate corresponds to the "Commercial Property and logistics" operating segment. The rest of the group's activities are grouped together in the "Other business activities" operating segment, which may therefore include the sale of land, building lots, Delegated Project Management and the sale of additional services such as "Showroom" or "Espace Déco" (see detail in section 1.1.2.2.3 "Marketing method"). Please refer to Note 3.1.1 to the consolidated financial statements for further details.

1.1.2.2. Development process

Kaufman & Broad intervenes at every stage of the design and execution of a real estate operation and coordinates all the players involved in the operation, from land research to marketing to project design, building permit filing and customer service. The group has in depth knowledge of each local market in which it operates, enabling it to:

1. Purchase under the most favorable conditions the land benefiting from the best situation,
2. Design products tailored to demand by anticipating changes in demand, and
3. Best manage relations with local authorities, construction companies and subcontractors.

Single-family homes in communities, multi-occupancy housing and managed residence

Programs for Single-family homes in communities and for Multi-occupancy housing are typically developed in four stages: obtaining administrative permits; sale of the housing units; purchasing the land and their construction.

If possible, the sales process (order contracts) begins when the building permit is filed, even before the purchase of the land. Generally, construction work is only started after reaching a marketing rate of around 50% in value of the tranche to be built.

Group presentation and strategy

Presentation of Kaufman & Broad group

Commercial property

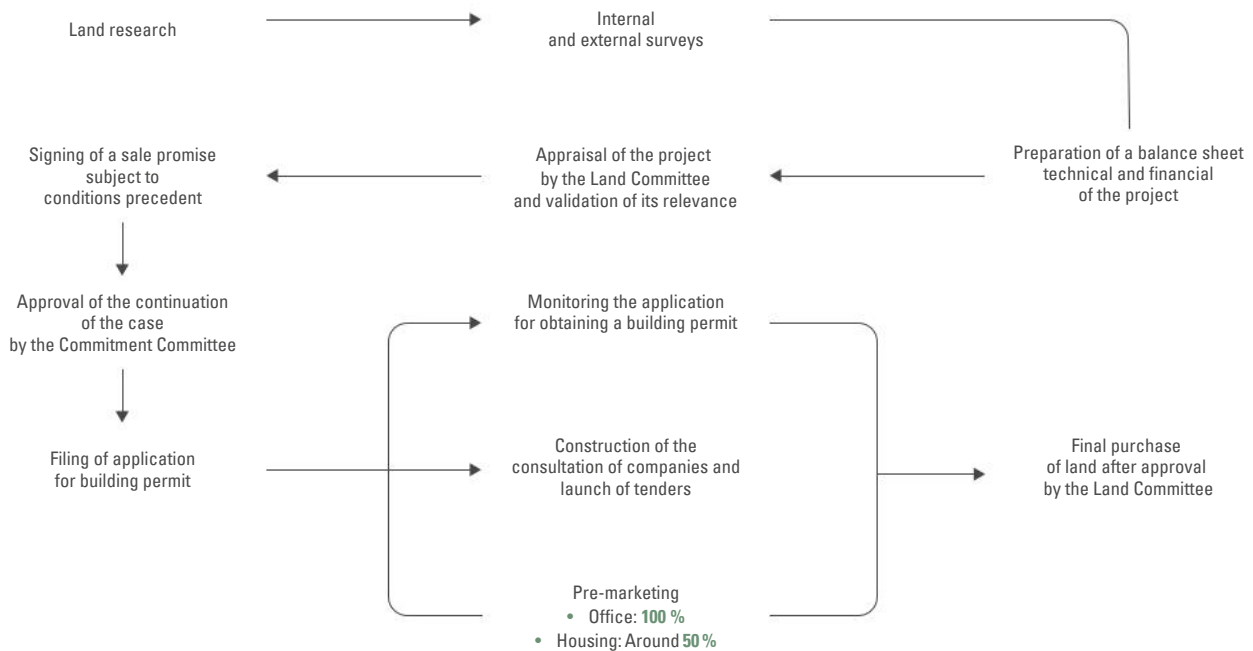
The group's Commercial Property activities are usually only carried out on behalf third parties or sold before completion to a final user or an identified final investor. In the case of redevelopment or renovation work, the group is entrusted with a real estate development contract (the group designs and builds the project for the building's owner-investor in return for a lump sum including fees) or Delegated Project Management or DPM (the group does not advance any funds for construction and only

receives fees). In the case of sales before completion (VEFA), the group designs the real estate program with the assistance of external architects. As soon as the contract of sale is signed, the group looks for a tenant or user for the future premises, as well as a final investor who will be purchase the program.

Usually, the purchase of the land and/or building and the construction is not started until the project is fully sold.

1.1.2.2.1. Land research

The diagram below summarizes the progress of operations from land research to land acquisition:



1. Land selection

Kaufman & Broad is a developer builder whose policy is to:

- Not purchase land for speculative investment, but instead to only buy the land required for the growth of its business;
- Not anticipate any significant increase in real estate prices when acquiring land, but instead to focus on the design and quality of its products.

Kaufman & Broad has its own teams specializing in identifying land and putting together real estate programs. These teams search for land parcels that meets the selection criteria set by the group and prepare a forecast financial statement of the project. The land selection criteria are as follows:

- geographic location (close to a dynamic city for Single-family homes in communities and, for apartment units, in the center of town or near an attractive metropolitan area where multi-occupancy housing is concerned);
- surroundings (proximity to job market areas, public transportation and public facilities such as stores, green spaces and sports facilities, etc.);
- Quality (soil, surface...) : a soil survey of the site being considered for purchase, which generally includes a study of pollution and previous land use, is systematically commissioned from a specialized firm.

For single-family home programs, a technical study of the roads and utilities networks is usually carried out to determine the amount of work required to develop the land in order to determine the overall cost of land development. Since its inception, Kaufman & Broad has had its own team of technicians specializing in roads and utilities networks, assisted by an external design office. This team prepares the master plan (overall project implementation plan) and monitors the development of the program.

2. Approval of projects by the Land Committee

Based on the information provided to it, including a presentation of the land and its environment, the nature of the legal commitments envisaged, a market study as well as a technical and architectural feasibility study, a forecast schedule of completion and a forecast financial balance sheet and a forecast cash flow plan, the Land Committee unanimously confirms the strategic and financial relevance of the programs under consideration and the estimated budget for preliminary expenses (up to the filing of an application for a building permit). It also authorizes the payment of an order deposit for the land, particularly in the case of unilateral contracts of sale.

The Committee members are the Chairman and Chief Executive Officer, the Chief Financial Officer, the Chief Executive Officer Sales and Marketing, the CSR and Innovation Vice-president, the Chief Executive Officer in charge of the region in question and Agency Vice-president.

3. Project management and developments costs

If the program is approved by the Land Committee, a generally unilateral sale promise subject to the condition precedent of obtaining the definitive building permit and under the conditions of use (release of the premises, nature of the soil, presence of pollution or classified facilities, absence of archaeological prescription) may be signed.

The contract includes the following:

- the selling price of the land;
- the terms and conditions for completing the transaction: obtaining the permits required in order to build a minimum number of square meters or, for single-family homes, a minimum number of homes;
- the deadline for exercising the purchase option, which must be compatible with the time limits required for obtaining the administrative permits free of objections from third parties, or for the withdrawal of an administrative permit;
- usually, a marketing clause.

In certain cases, the group signs undertakings to purchase shares in companies which own land parcels. In addition to the conditions precedent described above, this type of agreement includes conditions relating to the completion of accounting, financial and legal audits.

4. Commitment Committee

Prior to filing the building permit application and before the start of the sales and marketing process, the members of the Land Committee meet as a Commitment Committee to approve the operation, its budget that will be used as a benchmark, the program's type and structure. In addition, they also authorize the filing of the building permit application, the launch of the request for tenders and the deployment of the marketing and sales tools. These decisions are taken unanimously.

A building permit application is then filed. Kaufman & Broad's teams monitor its processing with the engineering services departments of the towns concerned or with the relevant Departmental Public Works Office (DDE). The time required for the processing is generally three to five months. To this must be added the time for objections from third parties, which runs for two months from posting of the building permit at the construction site and, in some cases, the three-month period during which the mayor's office may withdraw a building permit. Third parties (associations or local residents) may challenge building and demolition permits on the grounds that they do not comply with local urban planning regulations, such as zoning plans and development plans for mixed development zones (ZACs), or with the French urban planning code.

If an objection is filed, the group has three options:

- abandon the program and invoke the non-fulfillment of the condition precedent to obtain a clear building permit provided for in the contract of sale of the land;
- defend the project before the competent administrative court (this solution is rarely chosen because of the long delays caused by these courts' work load);
- try to reach an amicable settlement with the applicant, pursuant to which the latter agrees to withdraw all objections.

5. Final decision to purchase land

In general, the final decision to purchase land is taken by members of the Land Committee if (i) the necessary administrative approvals have been obtained to build the project on the land, free of any third party objections, (ii) the program's projected profitability has been verified, and (iii) the pre-marketing rate is satisfactory (approximately 50% in value).

Exceptionally, the members of the Land Committee may authorize an acquisition without all of these conditions being met.

In the course of the fiscal year, the group follows the sale level of its real estate programs upon completion of the acquisition of land. At November 30, 2024, the average pre-sales rate of the programs under which the land had been purchased during this period was 70% compared with 72% in 2023.

If the projected financial budgets on which the Commitment Committee has based its decision cannot be met, the definitive purchase of the property in question is re-submitted to the members of the Land Committee for approval.

1.1.2.2. Development and construction

Kaufman & Broad's policy is to generally choose all of its companies and suppliers on tender, whether they are general companies responsible for carrying out all the works or different companies in the event of tenders by state owned companies.

For its single-family home and multi-occupancy housing programs, the group mainly uses separate state owned companies. Most general enterprises do not intervene in these schemes or do so at higher prices than those offered by companies working in separate condition.

Most of the Commercial property operations are carried out in general companies, which have the know-how necessary for the complexity of these programs and for meeting the resulting deadlines.

Architects, design offices and surveyors are chosen either by tender or over the counter, depending on their competence, financial proposal, organization and the quality of their previous achievements.

Kaufman & Broad checks, to the extent of the information available, the financial strength of companies and their financial capacity to ensure the program (given their size and that of the program) by using, for example, the services of a company financial information about companies and ensuring that these companies are covered by appropriate insurance.

The group also verifies the quality of their previous achievements and compliance with worksite schedules: it carefully monitors the achievements of the construction companies it uses by evaluating them at the end of each worksite, which allows it to select the best subcontractors for future programs.

Since 2008, the group has implemented a national purchasing policy for the second project, which makes it possible to streamline the services provided to customers and optimize the associated costs.

Single-family homes in communities

The Technical Department of the Single-Family Homes Division, made up of engineers and specialized technicians from the group, acts as general contractor for Single-family home programs, monitors their construction, and each phase of the program. It ensures that the work is carried out in compliance with the contracts signed and with Kaufman & Broad's quality standards and monitors adherence to the construction schedule.

For this purpose, group foremen regularly perform on-site inspections of the work, with each foreman monitoring two or three programs. External inspection offices are also mandated to ensure the quality of the construction works.

The delivery of groups of single-family homes in tranches gives the group significant security by enabling work to begin on the first and subsequent tranches depending on the pace of marketing.

Delivery by tranches also provides great flexibility because it allows the group to vary the types of homes by category of design in accordance with customer preferences. If a change is decided, the group files an application for the corresponding amended building permit.

The normal cycle of implementation of a traditional program (construction of various roads and networks and construction) of Single-family homes in communities is on average 18 months.

Group presentation and strategy

Presentation of Kaufman & Broad group

Multi-occupancy housing and Commercial Property

For its Multi-occupancy housing and Commercial Property programs, Kaufman & Broad does not usually act as general contractor (except on a regional basis), but instead uses outside architects and/or general contractors who, working hand-in-hand with the group, prepare the architectural plans and timetable for the program and monitor the quality and execution of the construction process.

The normal run of a multi-occupancy housing scheme is about 24 to 30 months. This period does not take into account the time required to set up and pre-market the operation.

Monitoring operating budgets

Every quarter, the operating budgets for all the property programs are reviewed and updated by the operational players concerned (Land, technical, and sales) in the agency, under the responsibility of the relevant regional finance controller, and approved by the Agency Vice-President. Financial balance sheets are submitted at quarterly Committee meetings, by each Agency Vice-President concerned, to the Finance Department and to the Chief Executive officer in charge of the Region, where they are then jointly approved.

1.1.2.2.3. Marketing method

Kaufman & Broad deploys a marketing organization to meet two major strategic objectives:

- Provide the sales force with a continuous flow of qualified and mature prospects or contacts in their acquisition project, thanks to appropriate marketing mechanisms;
- Improve acquisition costs and processing rates through rigorous control of the efficiency of the actions implemented, and a *test and learn* policy.

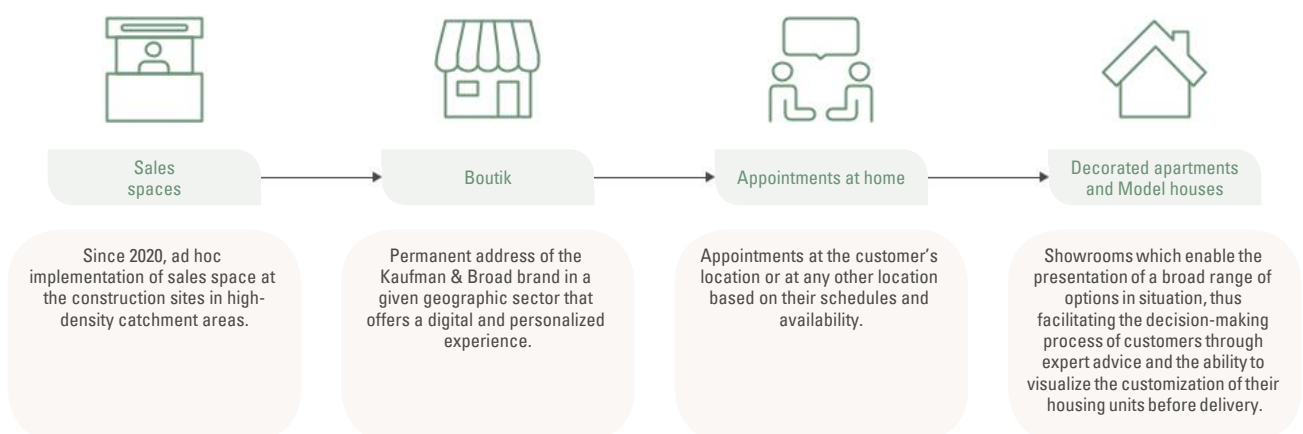
For Kaufman & Broad, marketing is a key step in the customer journey and one of the important criteria for its final satisfaction.

Sales teams

Kaufman & Broad relies on all the sales channels it has available depending on the nature of its offer, with the goal of always finding the best ratio between marketing costs and take-up rates.

Our sales points

Kaufman & Broad shapes the customer experience by adapting its points of sale to fit each marketing stage and the needs of prospective customers. Accordingly, it implements:



These channels are as follows:

Internal direct sales

Kaufman & Broad believes that its sales team is highly effective, professional and efficient, as it has supervisory personnel and dedicated training to enable it to rapidly adapt to customers' expectations in terms of support, whether they are individual investors or future occupants of their purchased property.

Sales through intermediaries

Kaufman & Broad generally relies on:

- independent wealth management advisors;
- banking networks;
- marketing networks;
- sales platforms;

to which it tasks with the distribution of the products developed by the brand to customers including primarily individual investors. This sales channel is supervised by an internal team of Prescription Managers tasked with coordinating these players, helping them in selecting products and presenting them to their customers.

Block sales

Lastly, Kaufman & Broad sells a portion of its production to institutional investors. For this purpose, its General Management in charge of sales and institutional sales, is in constant contact with the major social or income-based housing lessors, institutional investors, banks and financial institutions, to identify needs and opportunities and relies on the regional departments to prepare suitable offers.

The health crisis has had the effect of generalizing remote selling. The group has developed digital tools dedicated to customer support. The main B2C website, www.kaufmanbroad.fr, benefits from constant functional updates aiming at continuously improving both the user experience and natural search engine optimization.

Kaufman & Broad offers 3D visualization of the residence for all of its programs sold to individuals. This specificity contributes to customer satisfaction and enabled all the marketing channels to be particularly effective in selling remotely and meeting the needs and wishes of their customers in this new mode of consumption for real estate.

Digitization of sales decision-making tools is also used in the other sales channels and specifically in sales through intermediaries by allowing all contracted partners to use the www.kbpatriimoine.fr website. This extranet presents most of the offer and provides a number of tools (calculators, selection tools, dashboards, etc.) to the intermediaries, making it easier for them to present offers to their customers.

The entire offer is also distributed via secured and automated flows on various partner distribution or marketing platforms.

Finally, an extranet site reserved for orders, www.mon-espace.kaufmanbroad.fr, assists customers throughout the process, from order placement to delivery, allowing them to communicate with their internal contacts directly from their secure account.

Operational marketing and advertising

The contacts made to the sales force come from two types of levers:

- "Product-centric" advertising campaigns geolocated and targeted according to the characteristics of the program, the market and the competitive context. These campaigns are implemented in particular when programs are launched.
- Transversal "customer-centric" campaigns targeted for specific geographic locations and focused on a specific topic. These campaigns have the dual objective of nurturing Kaufman & Broad's prospects and maintaining or developing its brand image and reputation. They rely largely on targeted digital marketing actions.

These actions are determined and managed using data reporting tools, which enable the team to accurately and in real-time ensure the return on investment of the actions carried out.

1.1.2.2.4. Customers

Customer assistance during the sales process

Kaufman & Broad's policy is to have its customers' financing plans communicated to ensure their ability to finance their acquisition. Sales teams can help customers obtain financing if customers so desire and depending on the information they provide. This initial analysis gives the group an approximate assessment of the financing capacity of each buyer and thereby limits the risks of triggering the cancellation clause in sale contracts when financing is not obtained.

As part of its strategy to improve customer services, Kaufman & Broad generally refers its customers to financial institutions (prominent first-tier banks) and brokerage platforms with which the group has forged partnerships designed to offer its customers offers on the best terms. A financial advisor may also be present at the sales area when a major program is launched.

The group's Sales administration Department assists customers throughout the process until the signature of the final deed of sale. The department usually helps customers prepare the financial paperwork, particularly their loan and insurance applications. It makes sure that the civil-law notary sends drafts of the contract to the customer, which must, according to law, be delivered at least one month before the scheduled

signature date. It also ensures that notices to attend the notarized signing of the contracts are sent out at the appropriate time.

Form of sales and payment schedule

Since September 1, 1999, the group has been marketing all its programs under the rules governing sales before completion ("VEFA"), as do most of its competitors.

Under a sale-before-completion agreement, the law has given real estate developers the option of calling for payments from customers as and when the work advances toward completion in accordance with a payment schedule governed by law, in exchange for the obligation to issue customers with a Performance Bond, on the other hand. The signature of the sale-before-completion contract immediately transfers to the buyer the title to the land and then the title to the building, as and when construction is completed.

Calls for funds are sent to customers on the basis of work certificates established by the execution project manager. If the signature of a deed of sale occurs while the works have started, the fraction of the price payable at the signature will be that provided according to the progress of the works. Kaufman & Broad is likely to adjust the legal timetable for customers participating in one-off promotional deals, aimed at boosting sales in certain programs.

The amount paid by the customer at the time of signing the order agreement is blocked in a booking escrow account until the final signature of the contract of sale, when the group definitively acquires the funds. On the basis of the SRU (Solidarity and Urban Renewal) Act which is incorporated in the French Construction and Housing Code, any customer has a legal reflection period of 10 clear days from the receipt of the contract during which he can withdraw. If they do not withdraw, the sale covered by the order is subject only to the usual conditions of obtaining the related loans and insurance. However, customers retain the right to withdraw from the contract in return for forfeiting their deposit. This amount is returned to the customer if: (i) the contract of sale is not signed within the time specified in the order contract; (ii) the loan or loans stipulated in the order contract are not obtained by the customer, or the amount of the loans obtained is 10% less than the amounts provided for in the order contract; (iii) any of the fittings described in the order contract cannot be delivered; or (iv) the building (or the part of the building) that is covered by the order contract declines in value by more than 10% in terms of consistency or quality of planned work, as determined by an expert.

Customer service

Highly committed to customer satisfaction, Kaufman & Broad has created a department responsible for answering the questions that buyers may have, throughout the customer journey and up to the right uses during the life of the property. Thanks to Klient 360, Kaufman & Broad provides overall customer relations and monitoring, from the notary's signature to ten-year guarantees. This portal makes it possible, in particular, to assist the customer in its procedures as well as to facilitate the monitoring of projects and the exchange of documents with customers, whether they are private buyers, investors (private, social or institutional), tenants as well as certain stakeholders (trustees, managers, etc.).

Should a disorder be reported in a home, the Customer Service Department contacts the construction company responsible and makes sure there is a response as soon as possible. Similarly, if the one-year completion bond, the two-year guarantee of good working order or the 10-year guarantee is enforced, the Customer Service Department helps the purchaser contact the relevant construction or insurance companies (for a description of these guarantees and insurance, see Section 4.1.2. "Insurance").

Group presentation and strategy

Presentation of Kaufman & Broad group

To guarantee customer satisfaction and constantly improve customer service, Kaufman & Broad called on a third-party firm (BVA) to implement a customer satisfaction survey. The latter are surveyed at different points in their experience, both on the general quality of the group's products and on its various departments (sales team, technical services, Interior design advisor and customer service). The analysis of the survey results enables the group to better understand customer requirements and continuously improve its range of products and services. Satisfaction surveys are also conducted at the end of the project and enable the group to react quickly in the event of non-satisfaction. Refer to section 5.3.4.3. for more details.

1.1.2.3. Products

By listening to its customers and stakeholders, by observing how they change, their ways of living and working, the group has been able to imagine and create products that meet their aspirations and have become benchmarks in its sector. Kaufman & Broad's reputation has in particular been built on the quality of its design as well as that of the execution of its achievements.

Kaufman & Broad's offering consist of four classes of products: (i) apartments, (ii) single-family homes in communities (iii) managed residence (business, students, tourism and serviced accommodations) and (iv) Commercial property.

1.1.2.3.1. Private housing (collective or individual)

The group offers its future customers who plan to become owner of a new housing to benefit from the many advantages that this type of property offers, namely: enhanced comfort and safety, energy savings (compliance with labels and standards), financing assistance, specific legal provisions, etc. The advantages can be broken down as follows:

1. "Tailor made" real estate projects: The group offers its customers numerous opportunities for fitting out and customizing their homes. To this end, the group has Showrooms to discover both the range of contractual services as well as a wide range of options;
2. labels and certifications: They guarantee the quality of goods on various topics: Health, safety and well-being of occupants, the environment, energy performance and the quality of the property. All of the group's housing projects include quality and environmental certification by an independent third party accredited by COFRAC (NF Habitat, Prestaterrre Bâtiment Environnement or Promotelec), a French national accreditation body internationally recognized by the *International Laboratory Accreditation Cooperation* (ILAC), the *International Accreditation Forum* (IAF) and the *European Co-operation for Accreditation* (EA).
3. Financing assistance, tax benefits and reduced fees (for more details, see Section 1.2.4

4. Guarantees: The purchase of new housing benefits from various guarantees such as:

- The money back or completion guarantee (see section 4.2.1.4 for more details),
- The guarantee of apparent defects and defects in conformity,
- The guarantee of perfect completion,
- The two-year good performance guarantee,
- The ten-year good performance guarantee.

1.1.2.3.1.1. Single-family homes in communities

For more than 55 years, the group has developed the concept of single-family homes in communities France. Particular attention is paid to site selection.

Each community, depending on its size, has different models, the size of a program generally varying from 20 to 60 homes. The strengths making Kaufman & Broad known in single-family homes are as follows:



Adaptation of the project to the wishes and needs of customers and municipalities



Quality urban planning incorporating environmental considerations



Minimizing the impact of taxiways and cars



Special treatment for pedestrian areas and soft traffic



Rainwater collection in landscape nodes



Variety of House Models, in typology, volumetry and architectural processing

In addition, in this type of transaction, the group proposes the inclusion and integration of reflections on the following criteria:



Each detached house comes with a private and landscaped garden.

These house designs are offered with several architectural styles. Kaufman & Broad is committed to ensuring that its houses have harmonious architecture and functional interior design.

In Île-de-France, the group's Single-family homes in communities are generally:

- Either detached or semi-detached houses with a surface area of 75 to 140 sq.m intended mainly for the first time buyers or investors market; at prices generally starting from €300,000.
- Either single-family homes in communities with a living space generally ranging from 42 to 106 sq.m and which are mainly intended for second-time buyers; at prices generally varying between €360,000 and €800,000.

In the Regions, the group is developing its single-family homes in communities business with products designed for both first and second time buyers, usually at prices ranging from €260,000 to €650,000.

To meet the expectations of its customers, Kaufman & Broad regularly updates its housing line, offering new models with more contemporary architecture taking into account today's sustainable development and energy saving requirements.

1.1.2.3.1.2. Multi-occupancy housing

When developing its apartment programs, Kaufman & Broad pays close attention to site selection. In Île-de-France, these sites are often located close to public transportation and local services. In the Regions, they are also located in the city centers or inner suburbs of the main cities.

Kaufman & Broad pays great attention to the architecture of its buildings, the design of communal areas (entrance hall, floor landings, shared spaces, garden and green spaces), interior fittings, space optimization, and views toward the outside. In its multi-occupancy housing programs, the group, which favors integrated architecture in urban sites, may use

renowned architects. Thanks to an internal service dedicated to this function, which reworks the plans offered by architectural firms, the plans of the apartments are optimized in terms of volume and functionality.

The group also produces buildings taking into account the latest energy saving requirements, in compliance with legislation RT 2012, RE 2020.

In the Île-de-France region, the group markets multi-occupancy housing intended primarily for:

- first time homebuyers or investors in the inner, middle and outer Paris suburbs, offering an average surface area of 40 to 65 sq.m at prices typically ranging from €3,700/sq.m to €5,700/sq.m (including VAT);
- second-time buyers, in the inner and middle Paris suburbs, offering an average surface area of 65 to 95 sq.m at prices typically ranging from €4,500/sq.m to €7,900/sq.m (including VAT).

In the Regions, the group offers its multi-occupancy housing programs under the Kaufman & Broad brand primarily to:

- first time homebuyers or investors, with apartments offering an average surface area of 40 to 65 sq.m at prices typically ranging from €2,700/sq.m to €4,800/sq.m;
- second-time buyers, with apartments offering an average surface area of 60 to 90 sq.m at prices typically ranging from €4,000/sq.m to €7,000/sq.m.

Kaufman & Broad's expansion in the Regions means that the group is able to market multi-occupancy housing units intended for first- and second-time buyers and investors in both the main provincial cities and secondary economically buoyant cities.

In addition, demand on the Atlantic, Normandy and Breton coasts has risen, areas in which the group has been positioned for several years in connection with their strong attractions that appeal, in particular, to a clientele of retirees.

1.1.2.3.1.3. Social housing (Kalilog)

The issue of access to housing for all is at the heart of the growth challenges facing local authorities, which aim to reach the 25% threshold of social housing required by the SRU Act, while developing qualitative and affordable social housing. To support the latter in implementing these policies, Kalilog offers turnkey solutions. These solutions cover the entire process, from the search for land to the delivery of tailor-made projects, intended for block sales for social landlords. It is a dedicated structure, operating throughout the national territory, to meet the needs of implementing social housing programs in particular in areas in which Kaufman & Broad does not operate directly (apart from major cities). This activity is for the group a new diversification and complementary development through Sale before completion (VEFA) 100% social projects.

1.1.2.3.1.4. Managed residence

Kaufman & Broad develops managed residence throughout the country for tourists, students, business people, young people and seniors (non-assisted living accommodation). The managed residence business is operated by specially selected managers with recognized expertise and a sound proven financial position, thus reassuring the owners that their property will be leased. These special purpose housing units are marketed as amortizable investments for non-professional renters of furnished accommodations that enable buyers to recover VAT.

The development of this activity is based on three main strategic areas:

- Student residences: The group's objective is to maintain the level of investment in "classic" student residences in order to meet the growing needs for housing in this sector, while developing "new generation" student residences concepts;
- Tourism and business residences: Kaufman & Broad aims to develop this category of projects, particularly in areas with high tourist appeal in France;
- Senior residences: Kaufman & Broad is positioned as a key player in the *Silver Economy* and responds to the national challenge of keeping people with reduced independence in their homes, by offering two solutions: housing adaption services for the majority of projects and, for people seeking social ties, group housing for seniors, in partnership with nationally recognized service providers.

Senior residences

Due to the continued increase in life expectancy and the growing aging of the French population, Kaufman & Broad launched an innovative concept in 2017: *Cosy Diem*, a joint venture with Sérénis, to operate senior residences acquired by SCl KetB Seniors (51% owned by Kaufman & Broad and 49% owned by the *Banque des Territoires*). In September 2021, Kaufman & Broad and the *Banque des Territoires* (groupe *Caisse des Dépôts*) joined forces in a new joint venture to strengthen the residential offer dedicated to aging well in France. It is structured around the following elements:

- A personalized coaching program developed with the assistance of the *Toulouse CHU Gériatopôle* to maintain residents' abilities according to their wishes;

- on-site catering based on healthy, organic and fresh products designed to keep local residents healthy, from short supply chains;
- Maintaining social ties and developing intergenerational ties due to location in the heart of cities and the opening of the residence to its immediate environment, both geographically and socially (e.g.: accessibility of the local market, stores, partnership with nurseries, etc.).

Student residences

Every year, students struggle to find accommodation in city centers, while their number is increasing. In 2021, Kaufman & Broad teamed up with Banque des Territoires and acquired a majority stake in Neoresid Holding, in order to become the manager of the student activities that the group wishes to develop, particularly through its subsidiary for investment in managed residence. *Neoresid* is a recognized operator in managed residence, particularly student residences. This project is part of an approach to developing a qualitative offer throughout the country, and particularly in strained areas with a strong actual or potential presence of students, and where the current offer of managed residence and related services for students is reduced.

1.1.2.3.2. Commercial property

The Kaufman & Broad group's commercial business lines helps to develop urban diversity around multiple products while supporting customers and investors in creating new living spaces. These teams design, develop and build cross-cutting projects that contribute to the urban development of cities: Offices, hotels, logistics platforms, commercial and local units for higher education. This is tailor-made support for areas ranging from 3,000 to 100,000 sq.m throughout France and more particularly in major cities.

The group operates this activity, either on behalf of third parties (delegated project management and real estate development contract) or on its own behalf with a view to marketing the buildings, under a strict policy of purchasing land once the entire program has been presold (Sale before completion or "VEFA").

For its commercial property developments, Kaufman & Broad focuses on addressing the key concerns of users: optimizing surface use, quality, sustainability, security of investment, long term profitability, respect and protection of the environment and economic attractiveness. To this end, the group designs:

- Spaces of use, qualitative, pleasant and adapted to new ways of working;
- Efficient, modular and reversible buildings that adapt to use (optimization of space at each workstation), with high technical, energy and environmental performance and optimized operating cost.

These buildings also perfectly meet investors' expectations, by enhancing the value of the investment through the use of high quality design (up-market buildings), giving priority to the flexibility of spaces, their ability to evolve over time and their longevity, which makes it possible to maximize the life cycle of the latter.

1.1.2.3.2.1. New offices

Each new office complex project is unique. The teams from Kaufman & Broad's Commercial Property Division are therefore present at every stage of the project from the design stage to completion, assisting customers, investors and occupants in the creation of a tailor-made project. A new office building is the culmination of a meticulous creation process, the combination of strict parameters and decisive choices made in close collaboration with our partners, in order to:

- Choose the best locations;
- Provide tailored responses to the needs of businesses;
- Incorporate the requirements of public authorities and investors;
- Construct the most healthy and comfortable, the most economical and virtuous, the most efficient and profitable buildings.

1.1.2.3.2.2. Redeveloped offices

Since 2010, Kaufman & Broad had operated in the commercial property redevelopment market for:

- Project managers who focus on preventing their property from losing value due to obsolescence;
- Public asset Owners who own a large number of surface areas that come to the end of their use cycle and require redevelopment.

This renovation offer allows the group to enhance the value of its real estate assets, significantly lower energy consumption, comply with environmental standards and customize the redevelopment of buildings. The group's redevelopment projects help to change the use of buildings while maintaining the structural work and structure. This approach saves some of the carbon emissions related to materials compared to new construction and also reduces soil sealing.

For the group, the challenges of redevelopment can be broken down as follows:

- Create "Core" assets by repositioning them through their redevelopment in the premium segment of the commercial property market in sale before completion (VEFA);
- Restore the functional and technical features of new buildings;
- Offer a comprehensive, complex and multi-use offer that can include schools, business, hotels, etc.
- Optimize surfaces and spaces;
- Convert offices into housing (for more details see section 1.3.2);
- Enhance the charm and authenticity of the original architecture or propose a new interpretation of the site. With this in mind, Kaufman & Broad strives to:
- Anticipate the legal and regulatory framework;
- Reducing the energy consumption and GHG inventory of user companies;
- Protect the health of users.

The aim is to make the property attractive again so that a fresh cycle of long-term profitability and optimal liquidity can be generated for the real estate assets.

1.1.2.3.2.3. Logistics and business platforms (Concerto)

The logistics real estate market is a growing global market that has grown significantly over the past decade, in line with the major rise in e-commerce, accelerated by the COVID-19 pandemic. Companies are continually looking to optimize their supply chain, prompting them to invest in strategically located warehouses.

Despite the growing needs of the market, it faces significant regulation as well as land scarcity highlighting two major challenges for the group: (i) the research and use of buildings/land as well as (ii) their optimization via technological innovations, such as automation, but also the verticalization of warehouses.

To meet these challenges as well as the needs of the market, Kaufman & Broad has chosen to partner with Concerto, created in 1998 and a subsidiary of the group since 2014, the group has thus become one of the leaders in logistics engineering in France. Concerto has a dedicated logistics team with two skills:

Land Research and Use: the Concerto team is in direct contact with local authorities in order to find suitable locations for logistics projects while integrating the possible use of the project for a tenant or buyer.

Optimization: The team also focuses on optimizing user operating performance, particularly through the integration of automation and mechanization systems.

This dual skill of the Concerto teams enables them to identify projects with real logistics potential upstream. This business strategically complements the expertise and know-how of the commercial property Division and demonstrates its ability to create value for its industrial customers, distributors or logistics providers, by offering them solutions and projects adapted to the new technical challenges facing the logistics businesses today.

1.1.2.3.2.4. Hotels

To develop new concepts and diversify its future customer base, Kaufman & Broad places its expertise in hotel project design at the service of the largest national and international brands.

These teams are able to offer future customers tailor made projects so that they can:

- Capture the benefits of the globalization of tourism and the growth of the particularly resilient hospitality market;
- Develop new hotel concepts that create more value and are more attractive to customers;
- Meet global urban challenges and find their place at the heart of the city.

1.1.2.3.2.5. Retail areas

Kaufman & Broad does not design a program without giving consideration to the residents, employees, neighborhood and to people's uses and habits. The group puts its know-how and expertise in commercial property at the service of users and the city to develop a diversified offer: commercial premises on the ground-floor of residential buildings, or managed residence.

1.1.2.3.3. Products and services from cross-functional departments

1.1.2.3.3.1. Aménagement et Territoires

By supporting Cities in their complex urban projects, the group helps to reduce the ecological footprint of the City of Tomorrow while ensuring its future growth.

After the creation of an Urban Projects Department in 2014, Kaufman & Broad launched the Planning Department at the end of 2019 to meet the expectations of local authorities in their eco urban projects. Born of this desire, *Aménagement et Territoires* embodies this ambition by integrating from the conception the analysis of the overall life cycle of neighborhoods, promoting a virtuous approach and establishing a lasting partnership with cities.

Development and Territories offers strong expertise in designing sustainable neighborhoods that bring together, are alive and resilient, drawing on the group's real estate know-how. *Aménagement et Territoires* Department is also part of a strategy to integrate innovations in mobility, energy, sobriety, the circular economy and new urban services. Each project, in agreement with local authorities, sets targets for excellence and measurement indicators to which the group is committed over the long term. The operations that the group is developing are very varied in size and are based on the conviction that the success of a sustainable neighborhood requires the consistency of all the components of its ecosystem.

1.1.2.3.3.2. managed residence portfolio: Developer-investor-operator

For several years, Kaufman & Broad has been developing a Developer Invest Operator business in the managed residence business. The aim is to offer institutional, private and public investors portfolios of student and senior residences offering regular returns with moderate capital risk over 10 to 20 years. This activity benefits from demographic trends favorable to these segments.

Through its expertise, Kaufman & Broad covers the entire value chain: Land exploration, design, realization and operation. The financing strategy is based on Kaufman & Broad's strong balance sheet structure. It is based on a balance between debt and equity, which can be shared, on a case by case basis, equally between Kaufman & Broad and third party investors.

In 2021, then in 2024, Kaufman & Broad joined forces with the *Banque des Territoires* to build a portfolio of senior and student residences through its managed residence investment subsidiary; and to become the manager of student and senior activities, thanks to its holdings in Cosydiem and Néoresid. In addition to the residences currently in the portfolio, several projects are identified and could be developed over the next few years on the basis of this model implemented by Kaufman & Broad.

1.2. The market environment

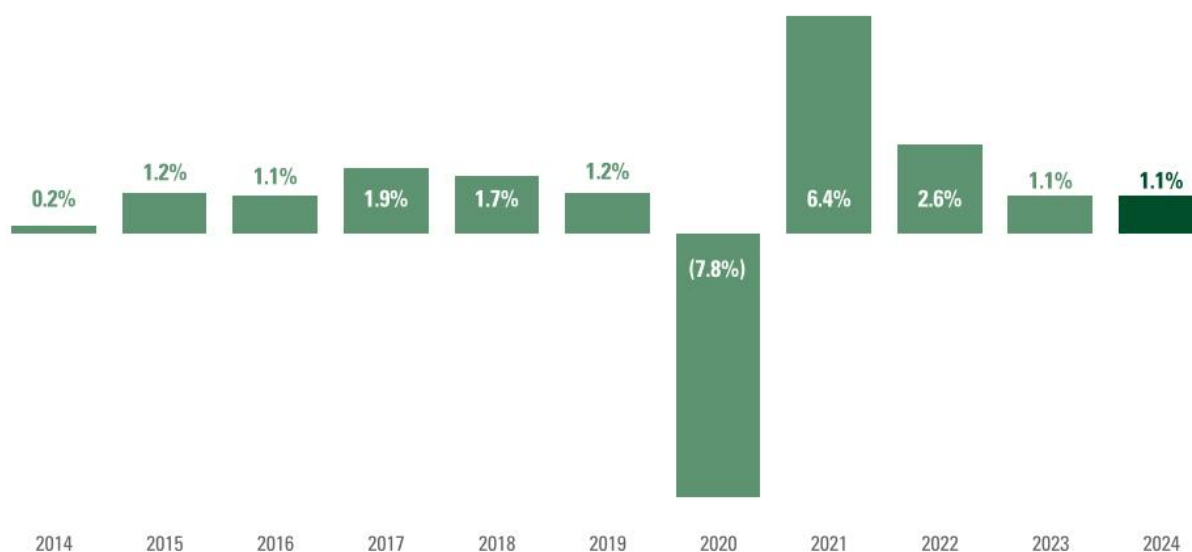
1.2.1. Description of the market

1.2.1.1. Macroeconomic indicators influencing the state of the market

Changes in the new housing market are primarily influenced by the macroeconomic indicators presented below.

French GDP Growth

CHANGE IN GDP GROWTH RATE



Source: INSEE - Economic dashboard (February 2025).

In a lackluster context, French GDP was virtually stable at 1.1% compared to 2023. While household consumption rebounded, business investment slowed down and foreign trade deteriorated, weighing on GDP developments. In addition, construction activity continued to decline, particularly with regard to the construction of new housing.

Group presentation and strategy

The market environment

CONSUMER CONFIDENCE INDEX MONTHLY TREND



Source: INSEE.

TREND IN THE UNEMPLOYMENT RATE IN MAINLAND FRANCE



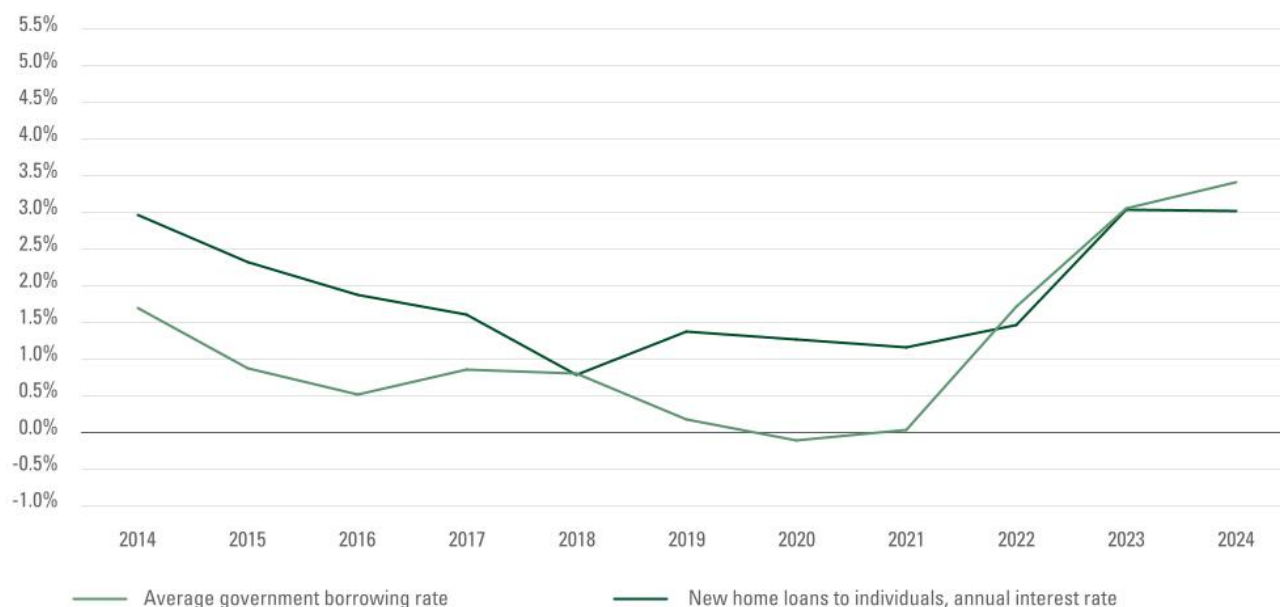
Source: INSEE - Economic dashboard (February 2023).

In the fourth quarter of 2024, the ILO unemployment rate stood at 7.3% of the French labor force (excl. Mayotte), almost stable (-0.1 points) at 7.4% of the labor force in the fourth quarter of 2023. It remains slightly above its previous low since 1982 (7.1 % in the fourth quarter of 2022 and the first quarter of 2023) and well below its mid 2015 peak of -3.2 points. On average in the fourth quarter of 2024, the 15-64 year employment rate fell by 0.2 points over the quarter to 68.9%. It remains 0.4 percentage points higher than a year earlier.

Debt conditions

The group has benefited from a favorable environment for several years now, with low mortgage rates helping its housing activity and relatively long loan terms; on the other hand, since 2022, the real estate sector has been affected by the rapid rise in home lending rates from just 1% to over 3.0%. Interest rates on home loans⁽¹⁾ stood at 3.15% in December 2024, compared with 3.61% in January 2024.

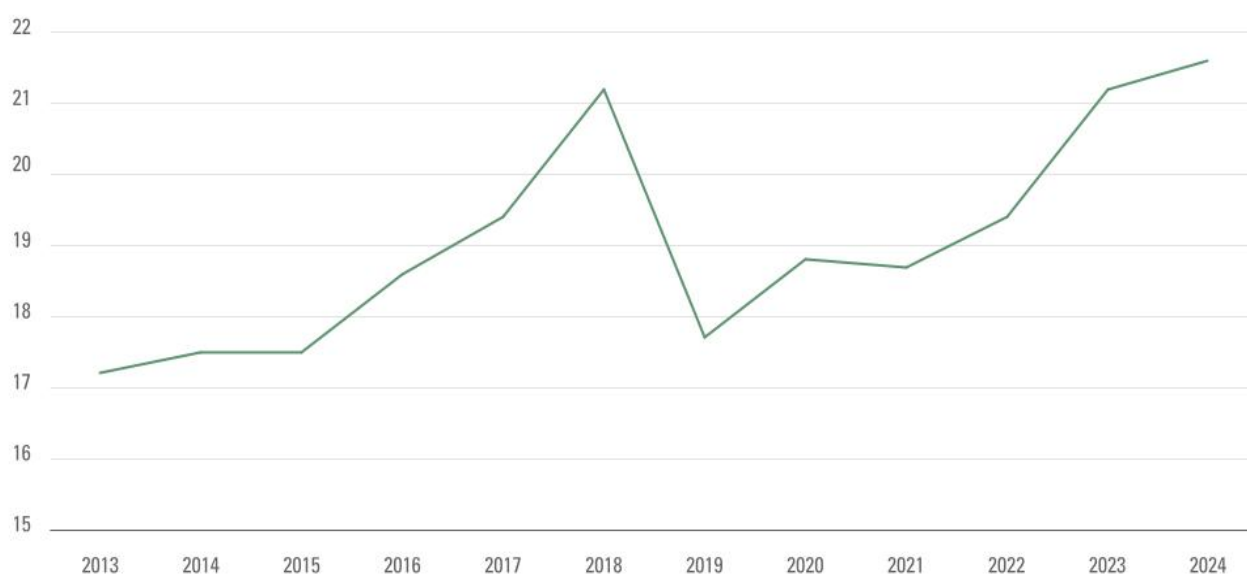
AVERAGE INTEREST RATE ON REAL ESTATE LOANS



Source: Banque de France.

During this period, the average term⁽²⁾ of real estate loans increased from 15.4 years (on average in the 1st quarter of 2004) to 21.7 years at the end of December 2024, an increase of over 6 years in almost two decades. This increase, combined with low interest rates, made it possible to absorb the consequences of the steady rise in housing prices and, often, to contain the debt-service-to-income (DSTI) ratio below the 35% threshold. At the end of 2024, the average loan term reached its highest level ever observed to date, in December 2018 with 21.8 years.

AVERAGE TERM OF REAL ESTATE LOANS



Term of mortgages to real estate loans to individuals. All markets

Source: Banque de France.

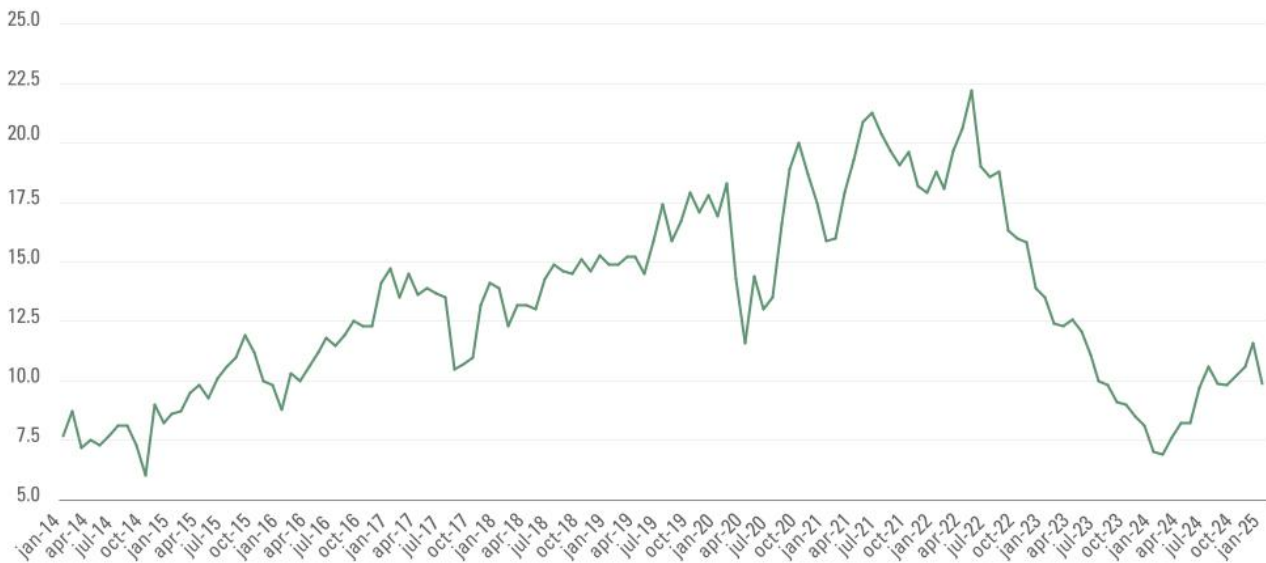
(1) Source Banque de France - New home loans to households, annual interest rate (excluding renegotiation).

(2) Source Banque de France - "Average term of real estate loans excluding buy backs and renegotiations to individuals".

Group presentation and strategy

The market environment

NEW HOME LOANS (EXCL. RENEGOTIATIONS) TO HOUSEHOLDS, FLOWS AND CVS



Source: Banque de France.

The production of *new home loans (excl. renegotiations) to households* increased from €7.7 billion in January 2014 to 9.9 billion at the end of January 2025, an increase of 29% in a decade. During this period, however, real estate lending activity peaked between the end of 2021 and the beginning of 2022, with nearly 22 billion new loans to households. However, since the sharp rise in interest rates and the tightening of lending conditions in recent years, this production of new loans has fallen sharply by 55% compared to this high point, falling between end December 2024 to €11.4 billion and January 2025 (-14.7%). The rise of interest rates on home loans induced by that of the main key rates, driven by the main central banks with a view to tightening their monetary policies to cope with inflationary pressures since mid-2021, is expected to stabilize at current levels, in the coming months or even years. It therefore seems likely that in a context, home loan rates remain in a range of 3 to 3.5% in the coming quarters.

1.2.1.2. The state of the market

1.2.1.2.1. New housing market

In 2024⁽¹⁾, new housing orders fell by over 6.6% compared to the same period in 2023, to nearly 61,000 new housing orders equivalent to 1995. This decline came after 2023, which was down nearly 37% (65,086 sales at the end of 2023 compared with 103,199 sales at the end of 2022). The market has been almost halved since 2021, when the number of orders stood at nearly 120,000 homes.

In terms of supply:

- In 2024⁽²⁾, the commercial offer of new housing was down by around 12% compared to the comparable period in 2023 (commercial stock at the end of the period corresponds to "outstanding stock of new homes available for sale to individuals"): It stood at 104,036 homes offered for sale at the end of 2024 compared to 117,959 homes offered for sale at the end of 2023.

In terms of the types of buyers (source: FPI), the situation breaks down as follows:

- Compared to 2023, retail sales were down 3.7% year-on-year and accounted for 59.2% of new housing sales⁽³⁾. Block sales (excluding managed residence) decreased by 9.7% compared to the comparable period in 2023 and accounted for 35.0% of sales;

- Sales to individual investors fell by more than 11% compared to 2023 and accounted for 19.6% of total sales in 2024. Sales to investors accounted for 33.2% of retail sales in 2024 at 18,440 homes compared to 20,785 homes in 2023;
- Sales to owner occupiers (including reduced VAT), representing 66.8% in 2024 compared to 63.9% in 2023, from 36,904 units in 2023 to 37,179 units in 2024;
- Sales of managed residences were down slightly in 2024 by 1.8% compared to 2023. They represented 5,500 housing units, or 5.9% of total housing orders in 2024, compared with 5,600 housing units in 2023, or 5.6% of total housing orders.

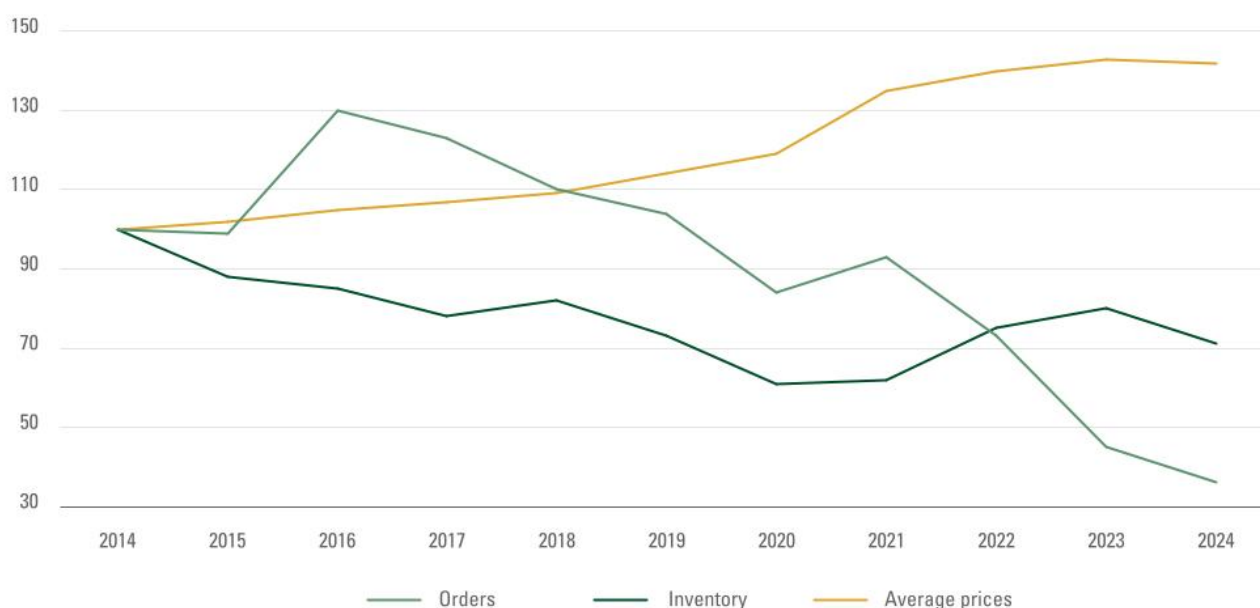
(1) Calculated on the basis of data from the ECLN (Survey on the Marketing of New Housing published by the French Ministry of Ecological Transition and Territorial Cohesion, SDES - DiDo, at the end of December 2024 - February 2025), on a gross basis and excluding existing buildings.

(2) Calculated on the basis of data published by the French Ministry of Ecological Transition and Territorial Cohesion in the fourth quarter of 2024, on February 26, 2025: "Outstanding new homes available for sale to individuals".

(3) Changes based on total new home sales estimated by the Fédération des Promoteurs Immobilier (FPI) in 2024 (February 13, 2025).

A. Single-family homes in communities

Trend in orders, inventory and average price for Single-family homes in communities over the past 10 years



(Data on a 100 - 2014 basis) (excl. block sales and on existing buildings).

Source: French Ministry "Ministère de la transition écologique et de la cohésion des territoires", new housing unit sales study (ECLN).

The chart above illustrates three key trends in the single-family homes in communities. Although bookings have been down since 2014 and inventories are stabilizing, the average price continues to remain high.

B. Apartments (multi-occupancy housing)

Trend in orders, inventory and average price per sq.m for apartments over the past 10 years

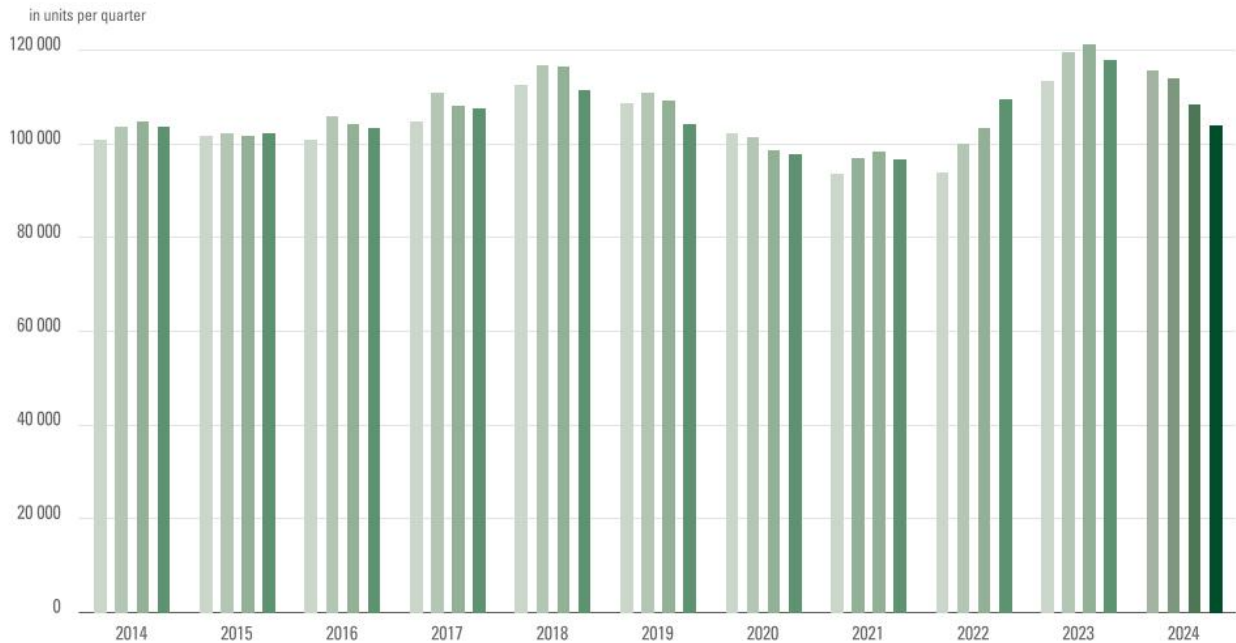


(Data on a 100 - 2014 basis) (excl. block sales and on existing buildings).

Source: French Ministry "Ministère de la transition écologique et de la cohésion des territoires", new housing unit sales study (ECLN).

The chart above shows a sharp decline in bookings while prices continue at a high level, and inventories have begun to decline steadily since the end of 2023.

Inventory of housing units available for sale in France

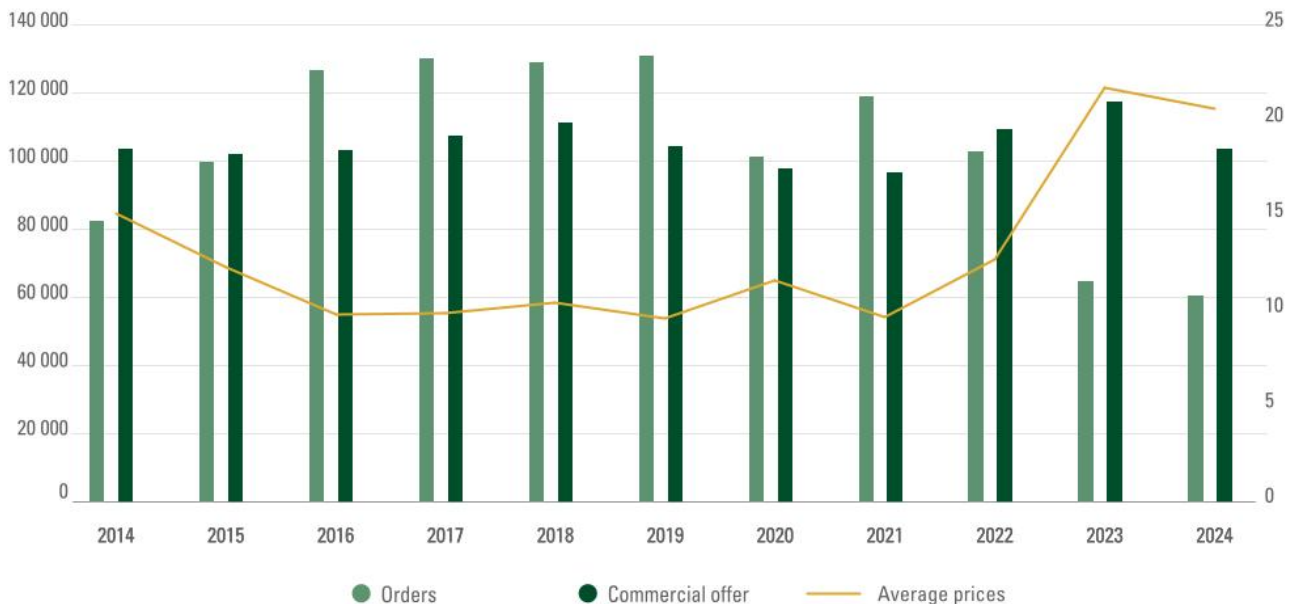


Source: French Ministry - Ministère de la transition écologique et de la cohésion des territoires ; new housing unit sales study (ECLIN).

Housing inventory: projected housing, housing under construction and completed housing.

The inventory of housing available for sale was down at the end of December 2024 (-11.8%) to 104,036 units, compared to 117,959 units at the end of December 2023. During 2024, 60,749 units were ordered, down 6.7% compared to 2023 with 65,086 orders. Sales were down 29.1% between 2023 and 2024, from 79,939 homes in 2023 to 52,399 homes in 2024. Finally, cancellations improved, with a 22.0% decline between 2023 and 2024.

The take-up rate⁽¹⁾ (12 months) fell from 21.6 months at the end of 2023 to 20.6 months at the end of 2024.



(1) Calculated on commercial inventory, i.e. the outstanding amount of new housing available for sale to individuals divided by the number of new housing ordered for sale by individuals during the year (gross data excluding cancellation and excluding existing buildings) divided by 12 months.

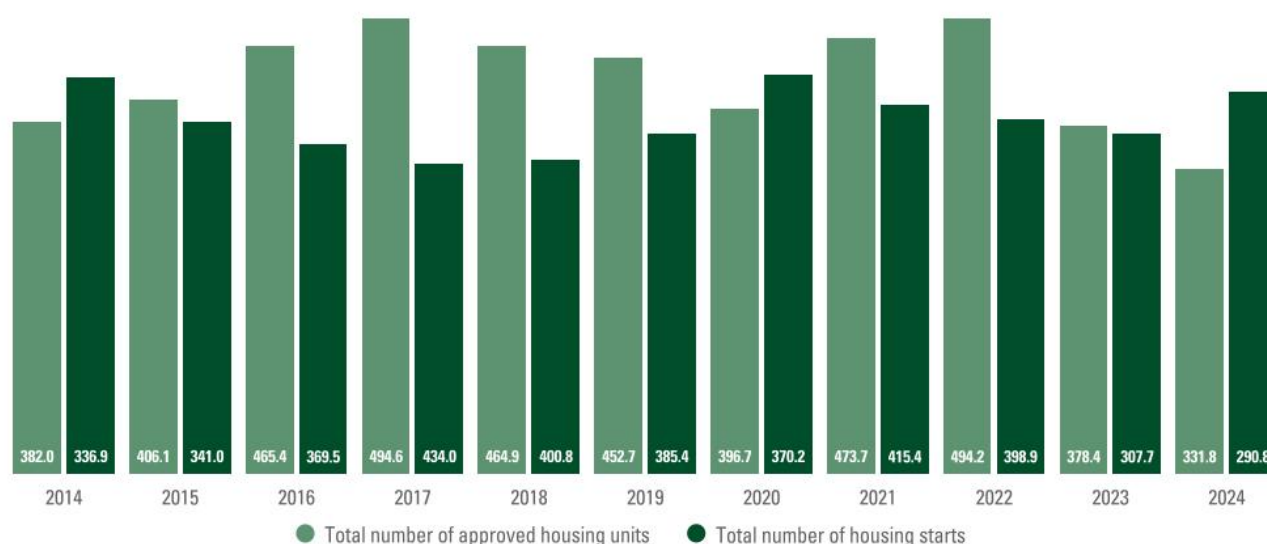
A. Regional housing markets in France (individual and collective)

Orders	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Île-de-France	21,550	24,598	33,623	35,421	38,937	40,631	27,695	28,311	24,237	17,404	17,280
Auvergne Rhône Alpes	13,473	16,165	19,532	19,590	17,856	18,352	14,527	17,855	16,917	10,394	9,725
Occitanie	9,479	11,549	13,900	15,582	15,832	15,474	11,944	13,823	11,269	6,196	6,334
Provence-Alpes-Côte-d'Azur	10,313	11,767	14,165	13,490	12,973	12,540	10,500	13,209	10,774	6,506	5,059
Nouvelle Aquitaine	6,487	7,383	9,823	10,149	8,172	8,113	7,354	8,148	6,619	4,137	3,676
Grand-Est	4,574	6,200	7,887	7,322	7,641	8,021	6,346	8,500	6,680	4,133	3,476
Brittany	3,012	3,983	5,384	5,966	6,163	5,883	4,880	5,734	4,793	3,058	3,325
Pays-de-la-Loire	4,435	6,036	7,198	7,462	6,404	6,061	4,981	6,562	4,900	3,198	3,312
Hauts-de-France	3,692	4,909	5,875	5,864	5,845	6,262	4,631	6,499	6,236	3,816	3,145
Normandy	1,905	2,501	3,458	3,354	3,590	3,689	3,363	3,922	4,234	3,011	2,508
Centre Val de Loire	1,421	1,774	2,226	2,702	2,551	2,481	2,432	3,187	3,365	1,597	1,366
Bourgogne-Franche-Comté	1,429	1,783	2,089	1,913	1,849	1,865	1,769	1,890	1,959	1,057	1,001
Corsica	1,062	1,236	1,743	1,547	1,386	1,717	1,162	1,644	1,216	579	542
TOTAL FRANCE	82,832	99,884	126,903	130,362	129,199	131,089	101,584	119,284	103,199	65,086	60,749

Source: French Ministry "Ministère de la transition écologique et de la cohésion des territoires", new housing unit sales study (ECLN) - Dido - Sales to Individuals (excl. block sales and existing construction sales) (in regional data).

TREND IN THE NUMBER OF HOUSING UNITS UNDER CONSTRUCTION IN FRANCE ⁽¹⁾

(In thousands of units)



(a) On a gross basis: Pure individual, grouped individual, collective, residences (new buildings and buildings on existing buildings).

Source: French Ministry "Ministère de la transition écologique et de la cohésion des territoires", Dido - from 2018 to 2024, the number of housing units authorized and started up was recalculated by the Ministry.

As of 31 December 2024, 331,831 units had been approved compared to 378,383 units in 2023, a decrease of 12.3%. They can be broken down into pure individual housing units (75,361), single-family homes (43,314), collective housing units (165,687) and residences (47,469). As of December 31, 2024, 290,814 housing units had been started compared to 307,735 housing units started in 2023, a decrease of 5.5%. They can be broken down into pure individual housing units (69,287), single-family homes (37,385), collective housing units (146,582) and residences (37,560).

These particularly low levels of new housing production correspond to those of the beginning of the decade 2000, more than twenty years ago. They remain very insufficient to meet the still high demand for housing in France.

The new housing market in which Kaufman & Broad operates corresponds to that of single-family homes in communities, multi-occupancy homes and residences excluding those under construction on existing buildings (included in the data by type of housing described above).

Group presentation and strategy

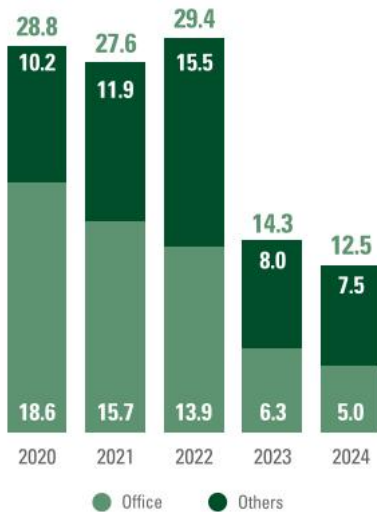
The market environment

1.2.1.2.3. Commercial real estate market

Changes in commercial property indicators

AMOUNTS INVESTED IN COMMERCIAL PROPERTY IN FRANCE: "OFFICES" VS. "OTHER"

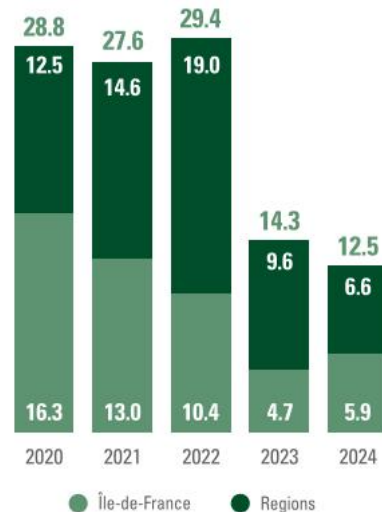
(In billions of euros)



Source: BNP Paribas Real Estate/Knight Frank/CBRE (- Market research)

AMOUNTS INVESTED IN COMMERCIAL PROPERTY IN FRANCE: "ÎLE-DE-FRANCE" VS. "REGIONS"

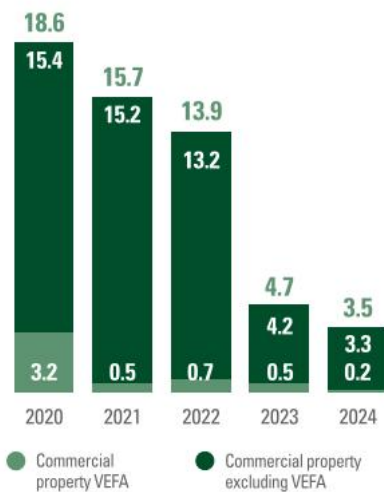
(In billions of euros)



Source: BNP Real Estate/Knight Frank/CBRE (- Market research)

COMMERCIAL PROPERTY IN ÎLE-DE-FRANCE

(In billions of euros)



Source: BNP Real Estate/Knight Frank/CBRE (- Market research)

In the commercial property market, €12.5 billion was invested in 2024 (down nearly 13% compared to 2023). The breakdown of investments in 2024 shows the sharp decline in offices since the Covid-19 crisis, with €5 billion invested in 2024, compared to more than €18 billion (a fall of nearly three quarters), and now accounts for 40% of total amounts invested in France in 2024 (down nearly 21% compared to 2023). With €2.8 billion, the amounts invested in Retail Property remained stable compared to 2023 (at €2.9 billion). The Logistics and Business Space sector represented €3.9 billion in 2024 compared to €3.0 billion in 2023.

1.2.2. The competitive environment

1.2.2.1. Key market players

In addition to competition from regional developers with a good geographical presence, Kaufman & Broad is faced with large national operators operating in the group's markets.

The following table shows the number of housing orders by the main players in the new housing market in France:

Market operators	2024	2023	2022
Nexity ^(a)	13,387	14,602	18,015
Cogedim ^(b)	7,601	8,004	10,017
Bouygues Immobilier ^(c)	6,998	5,867	7,884
Bassac ^(d)	5,723	4,272	5,205
Kaufman & Broad	5,543	5,332	6,214
ICADE ^(e)	5,300	5,256	6,014
Vinci ^(f)	4,816	4,214	6,059
Eiffage ^(g)	2,154	1,941	2,481

Sources:

(a) Nexity: Press release 2024 results of February 27, 2025;

(b) Cogedim: Press release 2024 results of February 25, 2025;

(c) Bouygues Immobilier: "2024 Universal Registration Document" (March 25, 2025) including international orders - French portion not published.

(d) Bassac (formerly Les Nouveaux Constructeurs): Press release 2024 Activity Report of February 6, 2025 - (Pro forma Maisons Baijot, as if the Company had been consolidated over 12 months as of January 1, 2022 - Pro forma Marignan indicators, as if the Company had been fully consolidated as of January 1, 2021);

(e) ICADE: Press release 2024 results of February 18, 2025;

(f) Vinci: Press release 2024 results of February 7, 2025;

(g) Eiffage: Press release 2024 results of February 26, 2025.

1.2.2.2. The group's market shares

The group's estimated market shares, in terms of orders for each of its business segments, were as follows:

Market share	2024	2023
Individual and collective housing^(a)		
Île-de-France	6.9%	6.0%
Occitanie	17.8%	18.3%
Nouvelle-Aquitaine	18.5%	17.0%
Provence-Alpes-Côte-d'Azur	10.3%	5.6%
Normandy	15.0%	4.9%
Auvergne-Rhône-Alpes	3.8%	1.2%
Pays-de-la-Loire	11.2%	6.1%
Hauts-de-France	11.3%	14.0%
Grand-Est	9.2%	15.7%
Brittany	3.4%	1.8%
Bourgogne-Franche-Comté	5.9%	3.5%
Centre Val de Loire	3.4%	21.2%
TOTAL MARKET LOCATIONS KAUFMAN & BROAD	9.2%	8.3%
Corsica		
TOTAL HOUSING FRANCE	9.1%	8.2%

Source: Kaufman & Broad and French Ministry "Ministère de la transition écologique et de la cohésion des territoires", survey on the marketing of new housing (excluding block sales and existing construction).

(a) Represents the group's collective housing business, including service and hotel properties.

Group presentation and strategy

The market environment

1.2.3. Customers

The group's policy is to develop, in cities with a proven market depth, a range of housing (multi-occupancy housing, single-family homes in communities, serviced housing, etc.) that meets the requirements and changes of a large customer base. It is made up of private individuals (first time home buyers in primary and secondary residences or investors) and private, social or institutional investors.

This diversified customer base allows the group to adapt quickly to changes in the market.

Purchaser type	Share of orders in number		Share of revenue booked (including tax)	
	2024	2023	2024	2023
Investor ^(a)	12%	13%	13%	13%
Block	73%	78%	65%	72%
First-time buyers	12%	7%	17%	11%
Second-time buyers	3%	2%	6%	4%
TOTAL	100%	100%	100%	100%
(a) Of which "Pinel"	7%	4%	7%	4%

Buyers of primary residences

First time buyers are couples between the ages of 25 and 35, without or with children, with a monthly household income of approximately €3,000 to €4,000. To finance the purchase of their home, first-time buyers can possibly benefit from the "Zero Plus Loan Rate" for multi-occupancy housing, and the 1% patronal loan.

Second time buyers who already own and resell their main residence are couples aged 35 to 60 and over, with one or more children. Their monthly family income is generally between €4,500 and €9,000.

Individual investors

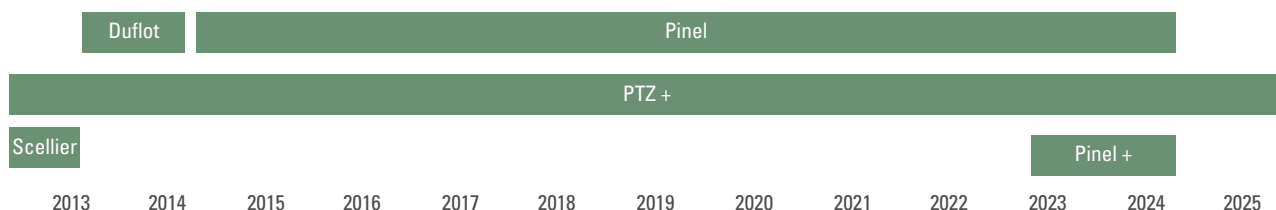
The group designs programs that meet the quality and profitability requirements of individual investors, regardless of whether they are seeking to tax out or build up assets.

Institutional investors and Public housing operator

Kaufman & Broad has for several years been developing a strong partnership with the main French and foreign institutional investors (insurance companies, pension funds, real estate companies and social operators) and enjoys a great reputation in this environment.

1.2.4. Tax incentives

In addition, in the current economic context, Kaufman & Broad relies on attractive tax incentive schemes, enhancing its ability to attract potential customers. Indeed, for more than twenty years, housing construction has been the subject of various tax incentives, as the State has set up housing finance schemes summarized in the diagram below:



The group considers that these tax incentive schemes already have, and should continue to have, a favorable influence on the new housing market, but it is not possible to quantify exactly their effects (see details in section 4.2.5.2 "Risks related to tax schemes that may affect the new housing market and changes in tax regulations").

- **The Pinel rental investment scheme**

Introduced by the French Finance Act for 2013, the "Duflo" system, renamed "Pinel" in 2015, allows individuals who acquire new or VEFA housing to benefit from an income tax reduction, provided that they undertake, over a certain period, to rent it unfurnished and for use as a tenant's primary residence. The monthly rent as well as the tenant's resources must not exceed certain ceilings. This system was successively renewed until December 31, 2024, when it ended.

- **The Pinel + system from January 1, 2023**

The Pinel system was renewed for 2023 and 2024, with tax reduction rates decreasing. These rates are maintained at their previous level for operations involving either housing located in a priority area of the city's policy or housing that respects a high level of quality in terms of energy performance, use and comfort. This is the "Pinel +" system. This system ended on December 31, 2024.

- **The "Zero Plus Loan" ("PTZ +")**

The "PTZ +" is granted to eligible taxpayers for the purpose of financing the purchase (it finances up to 50% of the transaction), refurbishment or construction of their primary residence as first time homeowners. The income cap varies according to the geographical area where the housing is located and the number of occupants. Loan repayment can be deferred by 5, 10 or 15 years depending on income, and households can rent their homes after six years, without having repaid the loan in full. This program is in force until December 31, 2027. The 2025 Finance Act approved the extension of the PTZ to the entire French territory (thus including the areas held) and to all new housing units (multi-occupancy housing buildings and single-family homes). It will be effective on April 1, 2025. On the other hand, the allocation of the PTZ for old dwellings is not modified by the new text. Only purchases of old housing units (completed for more than 5 years) that are in a municipality located in zone B2 or C and that are the subject of improvement or energy saving work are eligible for the program.

- **Changes in VAT rates in housing**

Certain categories of new housing disposals benefit from reduced VAT rates. This is particularly the case for social housing ownership since the 2006 ENL (*Engagement National pour le Logement*) Act. This system has been renewed successively with numerous modifications. Currently, deliveries of housing that are made within or near priority districts of the city (known as QPV) benefit from a reduced VAT rate of 5.5% under certain conditions (home ownership for the use of primary residence, buyer's resources, selling price, etc.). The QPV has gradually replaced the ANRU (*Agence Nationale de Rénovation Urbaine*) zones since the Urban Planning and Urban Cohesion Act of 2014.

- **Exemption from the municipal share of the property tax** when it has been voted by the town in which the building is constructed, as when buying a new home (apartment or single-family home for sale before completion), purchasers can be exempted from property tax for two years from January 1 of the year following that of completion of the construction.

- **Notary fees (or registration fees)**, range from 2 to 3% of the purchase price of a new housing (compared to 7 to 8% in the case of an old property).

These fees cover both the remuneration of the notary and the taxes collected on behalf of the department, the municipality and the State.

For old housing, the 2025 Finance Act allows departments, on the one hand, to temporarily increase the standard sales right rate they receive (maximum rate of 4.5%) and, on the other hand, to reduce this right (in whole or in part) for first time buyers⁽¹⁾. Thus, for past acts and agreements concluded between April 1, 2025 and March 31, 2028, departmental councils may increase the rate of departmental rate by up to 5%. However, this enhancement is not applicable to first time buyers who are destined for the property as their primary residence.

The departments may also vote for a reduction in the standard tax rate for departmental law or an exemption from this tax for first time buyers. The benefit of the incentive measure is conditional on the purchaser undertaking to allocate the property exclusively and continuously for the use of his principal residence for a minimum period of five years from its acquisition. In certain cases that will be determined by decree, compliance with this undertaking will not be required.

(1) *First time buyers within the meaning of Article L 31-10-3, I of the French Construction and Housing Code: "Housing": Individuals who have not owned their main residence or who have not acquired the real estate rights of their main residence under a Real Solidarity Property Lease during the last two years preceding the issue of the loan offer.*

1.3. The group's strategy to create financial and extra financial value

1.3.1. The observation

Kaufman's strategy is based on a triple observation from the market analysis described above in section 1.2:

- Long term demand for new housing units, which is still supported by demographic trends (population growth, longer life expectancy) and sociological trends (increasing trends towards living apart, willingness to leave large urban centers for medium-sized cities);
- At the same time, a constrained offer in particular by a still insufficient level in the allocation of building permits and starts. While the total population in France increased by nearly 2.5 million people between 2014 and 2024 (or 3.7% over the period), the number of housing starts has fallen steadily since 2017 until today, except for 2021 related to the

catching up of municipal elections and the health pandemic of 2020. Over the last decade, the number of housing starts has increased from 336,896 (at the end of 2014) to 290,814 homes per year, a decrease of 13.7%. This is the lowest level in almost 25 years. Since 2000, the level of housing starts has never fallen below the threshold of 300,000 housing units per year. An insufficient level to maintain the stable housing stock, compared to the 500,000 housing units that should be built each year, and whose deficit increases by almost 120,000 housing units each year;

- Finally, increasing environmental constraints that create new opportunities.

1.3.2. Strategy

Fort of this observation, Kaufman & Broad's financial and extra financial value creation strategy is to capture new areas of profitable and sustainable growth. Its growth model, generating profitability and cash flow, allows it to preserve short term financial balances while maintaining the momentum to prepare for the future.

Building on employee commitment

The group is convinced that everyone's talent makes a difference. It has implemented a social model aimed at attracting and retaining talent. Please refer to section 5.3.1.1.1. "Building with employees: group human resources policy" for more details.

Developing the territorial coverage

Kaufman & Broad's policy is to deploy its business in geographical sectors with medium and long term potential for economic and demographic development. This objective led the group to focus its activity in the most dynamic regions in order to increase its market share. In 2024, revenue from the Housing business was 33% in the Paris region and 67% in the other regions.

Kaufman & Broad currently has 21 agency management, which enjoy great autonomy in land search, developing sales strategies, conducting land development and construction operations and controlling costs. The management teams of each of these agencies have extensive experience in their markets. Each operational agency has an operations development and assembly department, a technical department, a sales department and a Showroom (or "*Espace Déco*") where appropriate. In addition, the agency management benefit from the support of shared regional resources (legal, management control, technical purchasing, sales administration) but also from the group's central resources, namely the functional departments, which are in particular the Finance, Audit, It, Legal, Tax, Marketing/Digital and Communication, Human Resources, Architecture and Quality, CSR and Innovation Departments.

Kaufman & Broad opens up local branches in smaller agglomerations. These agencies, whose workforce is reduced to the development, structuring and monitoring of programs, and marketing functions where appropriate, benefit from the resources made available by the agencies on which they depend to develop their real estate operations.

The group believes that the positioning of its various achievements across the country is in line with the customer base identified. As such, Kaufman & Broad has been operating in more than twenty new cities since 2015. For further details, please refer to section 1.1.1.

Giving priority to the redevelopment of industrial and commercial sites

Kaufman & Broad currently has a reservoir under study of 600,000 sq.m planned for redevelopment over the medium term, on which many projects are already launched. The redevelopment of industrial and commercial sites creates value:

- Economic value (preserving the value of agricultural production, avoiding using up farmland as structures built on recycled land are denser than those built via urban sprawl, rise in market value of property assets in close proximity to the program by the elimination of wasteland, higher real estate transfer taxes, etc.);
- Environmental value via soil de-sealing (protection against the risk of flooding, rewilding of the site, creation of cool spots), the positive impact on biodiversity (pollination thanks to the presence of natural habitat), the "carbon sink" effect (biomass reserves, fewer car journeys vs. urban sprawl), reduced soil pollution and lower water treatment costs;
- Social value (better use of transportation, more balanced mix of populations, employment/housing/services balance).

Increasingly factoring environmental and social impact into projects

The group strives to ensure that its projects respect the environment. It works simultaneously in several directions to optimize the overall environmental impact of its projects, notably through:

- Improving walkability/cyclability with projects close to main services and shops,
- A low carbon approach with the application of core principles applied to energy consumption and construction see section 5.1.2.2. "Consideration of sustainability issues in the group's strategy and business model"),
- Reducing the impact on resources by favoring the reuse of materials (see section 5.2.5. "Use of resources and circular economy"),
- Soil conservation and consideration of biodiversity (see section 5.2.4. "Biodiversity and ecosystems"),
- Gender equality (see section 5.3.3. "Communities, local residents and affected communities").

The inclusion of environmental and social impact in the group's projects is also reflected in the strengthening of its CSR system (see section 5.1.2.), an alignment of Management's remuneration parameters (see section 5.3.1.1.3.) and the deployment of non-financial performance indicators linked to the group's objectives and/or commitments (see section 5.1.2.1.2.).

ESG assessments accompany Kaufman & Broad's CSR approach (see section 5.1.2.1.3.).

1.4. Intellectual property

1.4.1. Kaufman & Broad brand

The group markets its single-family homes and apartments under the "Kaufman & Broad" brand, and, as the case may be, under the brands of its portfolio resulting from acquisitions and which benefit from a strong reputation on local markets. The Kaufman & Broad group has owned the Kaufman & Broad brands and logos for the European Economic Area, the United Kingdom and Switzerland since 2007. To this end, Kaufman & Broad SA acquired stock in Kaufman & Broad Europe Sprl (a Belgian Company to which KB Home had previously transferred the brands and logos, which has since become Kaufman & Broad Europe SAS, governed by French law). Licensing agreements were signed, firstly, between Kaufman & Broad Europe SAS and Kaufman & Broad SA and, secondly, between Kaufman & Broad Europe SAS and the main operational subsidiaries of Kaufman & Broad SA. Under these agreements, Kaufman & Broad Europe SAS granted to Kaufman & Broad SA and its subsidiaries an operating license for its Kaufman & Broad brands, logos and domain names in France for an indefinite duration unless terminated by any of the parties pursuant to a notice period of three (3) months. The license is granted free of charge by Kaufman & Broad Europe SAS to Kaufman & Broad SA in return for a 0.7% license fee (excluding VAT) on the annual amount, excluding tax, of notarized sales made by subsidiaries of Kaufman & Broad SA, payable quarterly (see section 3.5.2. "Information on transactions with members of the administrative and management bodies").

1.4.2. Other brands

The group owns other brands that it may use in the course of its operations, in particular Bréguet, SMCI, Park, Frank Arthur, Kalilog, etc.

The group also acquired equity interests in the following companies: Serge Mas Promotion (since December 2015) which develops operations under its brand name; Cosy Diem which builds and operates senior residences (see section 1.1.2.3.1.4. "managed residence"). In December 2021, Kaufman and Broad acquired a majority stake in Neoresid Holding.

Diversifying business with the creation of a portfolio of managed residence as a developer-investor-operator

In 2020, the group moved ahead with its plan to develop a Developer-Investor-Operator business in the field of managed residence. The objective is to offer a new class of institutional investors, both private and public, portfolios of managed residence (for seniors and students) offering regular returns with a risk in terms of capital deemed to be low over 10 to 20 years. This activity benefits from favorable demographic trends in the student and senior population over the next two decades. Kaufman & Broad aims to build a portfolio of more than twenty students and senior managed residence projects by 2030 in operation. To date, around ten projects are under development, construction or study.

Consider converting offices into housing

The rise in interest rates in recent months has revealed the loss of economic value of low occupancy real estate assets; this, combined with housing shortages, low housing starts, scarcity of land and the very high price of sq.m. in city centers and/or large agglomerations (main poles of attraction), now makes it possible to envisage the transformation of offices into housing in an economically realistic way. At present, Kaufman & Broad estimates that it has a potential of around 2,000 housing units in its projects under consideration, concerning office space that could be transformed into housing.

- In 2025, Kaufman & Broad ranked No. 1 in the Capital magazine's "Best Brands" ranking. A major award that rewards three consecutive years on the podium of French preferred real estate developers (2023, 2024 and 2025). According to this study, Kaufman & Broad won its place on the promoters' podium with an average score of 7.20 out of 10 for its service quality. This very good score rewards the Company's constant commitment to providing quality support and expertise recognized by its customers, thereby consolidating its leading position in the industry. The questionnaire focused on three areas: Employees' attention to customers, their level of expertise and the desire to recommend the brand to friends and family members.

According to a BVA XSight study based on interviews with key account investors, Kaufman & Broad is perceived as "a trusted brand". The group's key account customers assign satisfaction ratings between 7.8 and 8.4, reflecting the commitment and quality of Kaufman & Broad's services. This rating is based on the following criteria: A good financial base, a quality image and a good reputation, a "strike force" in land exploration, an image of seriousness and professionalism and reactive interlocutors and proposition forces.

1.5. Financing and investment policy

1.5.1. Research and development

Since its inception, Kaufman & Broad has been driving many innovations in favor of comfort and conviviality. The group has:

- An integrated architects' service, dedicated to the systematic optimization of its housing plans and the development of new products (in particular single-family homes, eco-designed buildings, ranges of more affordable housing units, etc.);
- A team of engineers to innovate in all aspects of housing (customization and adaptability of private areas, enjoyment and pooling of common areas, digitalization, home automation and service applications) and improve the quality of construction (sound insulation, thermal insulation - RE202 label, PassivHaus, sealing). Thus, the group was the first in France to offer houses with a kitchen that opens up onto the living room, master bedroom suites and cathedral living rooms, etc.

The group also periodically conducts surveys of consumers, their home buying selection criteria and the products offered by its competitors in order to adapt the products it sells.

Kaufman & Broad's innovation strategy is under the responsibility of the Innovation and CSR Department, in conjunction with the Management Committee (see details in section 5.1.2.1. "Consideration of CSR and innovation in group governance").

No material research and development costs are currently pending. The group's development costs are detailed in note 5.2. "Other intangible assets" in the consolidated financial statements.

1.5.2. Main investments

In the course of its real estate development operations, Kaufman & Broad makes a large amount of purchases to build up its inventory and stock supplies for the work in progress related to its programs. Land purchased by the group in the last three fiscal years (including land purchased by the companies acquired in the fiscal year in which their acquisition took place) represented a total investment of €128.0 million compared to €325.8 million for the fiscal year 2023, including the acquisition of land from the Austerlitz station renovation operation and €209.2 million for the fiscal year 2022. Please refer to Notes 3.2 "Revenue and gross margin" and 3.4. "Inventories" of the consolidated financial statements for further details. Setting aside these investments relating to the operating cycle, investments can be divided into three categories:

- Investments required for the group's ongoing operations: IT investments (software and hardware), fixtures and fittings in its administrative buildings, purchases of furniture and office equipment, etc.). Please refer to note 5.5 "Property, plant and equipment" et seq. of the consolidated financial statements.

- Investments in acquisitions to expand the group's business activities. These investments are made either through the acquisition of companies or real estate programs or through equity investments;
- Financial investments made by acquiring minority holdings (investments in jointly developed programs). These transactions are treated as financial fixed assets and recognized as "Equity affiliates and joint ventures" in the group's balance sheet. The book value of equity affiliates and joint ventures corresponds to the share of net equity held. For the development business, this item includes capital and similar investments, i.e. the current account advances made by the group in order to finance programs. Kaufman & Broad regularly purchases equity interests in programs developed jointly when the opportunity arises and if the program is of financial interest to the group (see section 7.1.5. note 2.1.2. "Equity accounting of joint ventures and equity affiliates" et seq. of the notes to the consolidated financial statements).

1.5.3. Current and future main investments

From 2020, the group also decided to extend its scope of operations by including an investor operator business in managed residence, particularly for students and seniors, to that of developer builder. For more information, please refer to section 1.1.2.3.3.2. "managed residence portfolio: Developer-investor-operator.

These student and senior managed residence project operations represented a total of €0.7 million in 2024 (partially accounted for as acquisitions of property, plant and equipment and intangible assets, with the

rest taken to equity affiliates and joint ventures). Kaufman & Broad's share of funds invested (in equity and borrowings) amounted to nearly €32 million.

Apart from the investments and equity investments mentioned above, the group did not make any major investments in 2024.

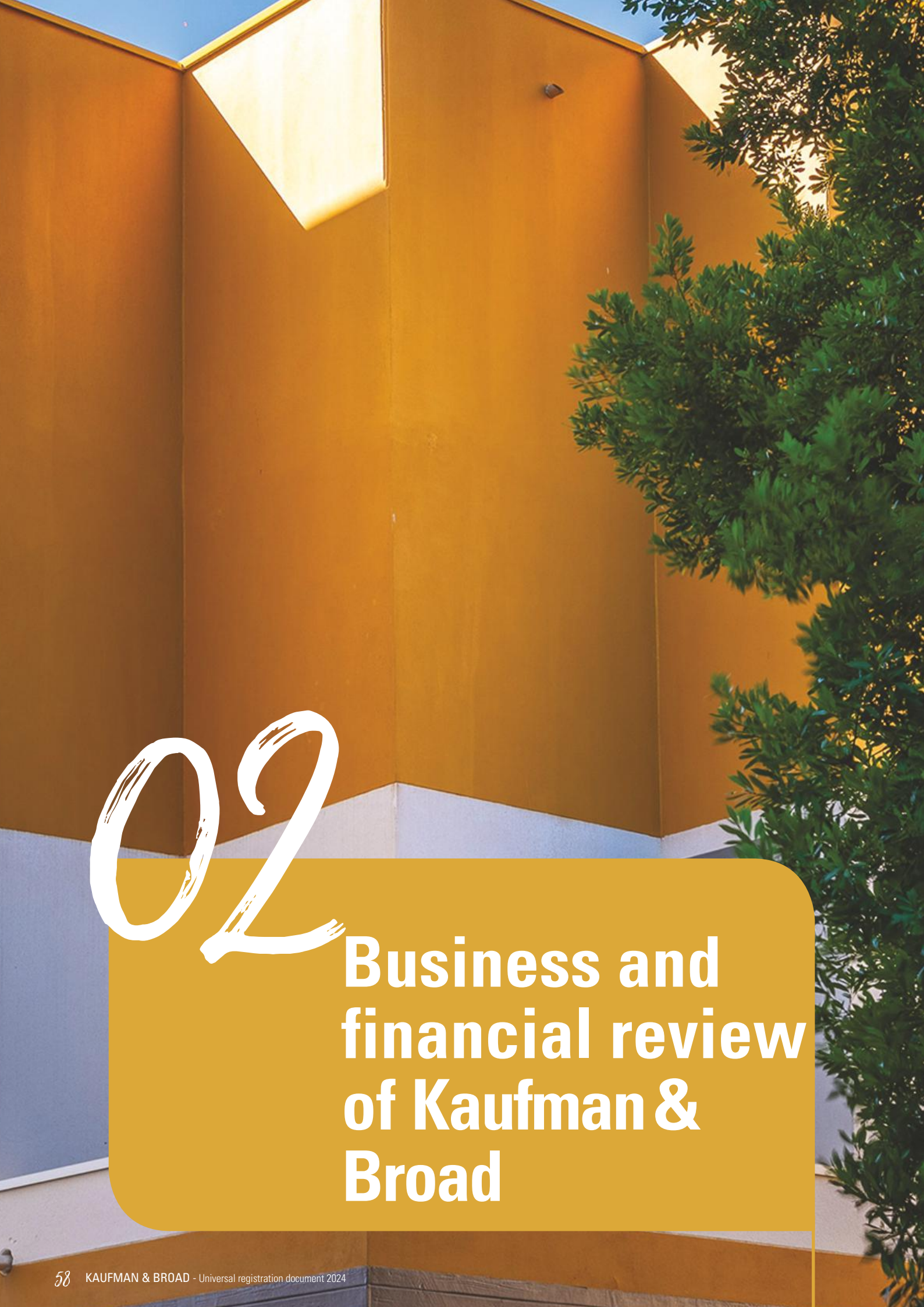
The group does not rule out the possibility that it might pursue its external growth policy provided that such acquisitions meet its financial criteria and are consistent with its general strategy.

1.5.4. Possible restrictions on the use of capital

For more information, please refer to section 4.2.5.4 "Risks related to off balance sheet commitments" of this document.

1.5.5. Expected sources of financing for future investments

The Company's principal investments are financed from equity or through the use of debt. The expected sources of financing for the group's future investments are described in section 7.1.5. "Notes to the Financial Statements".



02

Business and financial review of Kaufman & Broad

2.1	Business evolution analysis	60
2.1.1	Operational indicators used by the group	60
2.2	Analysis of group results	68
2.2.1	Key figures	68
2.2.2	Analysis of other items in the statement of consolidated comprehensive income	71
2.3	Analysis of the group's financial position	73
2.3.1	Simplified consolidated balance sheet	73
2.3.2	Debt Position	73
2.4	Liquidity and capital resources	77
2.4.1	Cash flows	77
2.5	Events after the closing date	78
2.6	Recent developments and outlook	78
2.7	Other information	79
2.7.1	Group organization chart	79
2.7.2	Injunctions or financial penalties for anti-competitive practices	80
2.7.3	Reinstatement of overheads following tax adjustment	80
2.7.4	Information on loans granted by the group to micro enterprises, SMEs or ISEs	80
2.7.5	Existing branches	80

2.1. Business evolution analysis

Growth in the euro area, and particularly in France in 2024, continued to slow. The unprecedented crisis in the real estate sector is rooted in the continued decline in the allocation of building permits since 2018, which has led to a scarcity of housing supply, in addition to the level of interest rates that weighs unfavorably on investment, regulatory inflation and excessive taxation. However, demographic and sociological factors continue to support sustained and unmet housing demand. For more information on the market, please refer to section 1.2.1 of this document.

Kaufman & Broad's 2024 results are in line with the guidance announced at the beginning of the fiscal year and demonstrate the strength of its business model and its ability to generate cash.

For the whole of 2024, Kaufman & Broad's housing orders in value rose by 7.8%. The increase was 4.0% in volume, compared to a decline of nearly 7%⁽¹⁾ across the housing market. Orders continued to be supported by buyer occupants, whose share grew by 6 points year-on-year in

orders volume and 7 points in orders value. This trend thus confirms the priority given for several years by Kaufman & Broad to housing that prioritizes, in addition to quality, the consideration of their purchasing power. The 3.0 month take-up rate for Kaufman & Broad programs remains significantly lower than those in the market, estimated at more than 21 months. Maintaining a high sales rate demonstrates the adaptation of our supply to demand. However, the continued weakness of building permit allocations limits Kaufman & Broad's ability to meet housing demand supported by a structurally loss making market.

Finally, Kaufman & Broad's financial structure remains extremely strong. At the end of November 2024, gross cash amounted to €502.9 million and net cash (excl. IFRS 16 and minority put options) amounted to €397.6 million. The financial capacity amounted to €702.9 million. The group is thus in a position to take full advantage of the recovery in a healthy market.

2.1.1. Operational indicators used by the group

2.1.1.1. Definition of the main operational indicators

The group's key operational indicators are (i) order volume, (ii) number of EHUs (Equivalent Housing Units) delivered and (iii) order backlog.

Orders in volume and value reflect the group's sales activity and provide a measure of its performance. Orders volume are expressed in units.

EHUs directly reflect business activity. The number of EHUs is obtained by multiplying (i) the number of dwellings for a given program for which a notarized deed of sale has been signed by (ii) the ratio between the land purchase and construction costs incurred to date by the group for the program and the program's total budgeted costs. Thus, one dwelling sold under a program for which 30% of total costs have been incurred would result in 0.3 EHUs.

Backlog is a summary at a given time that makes it possible to estimate the revenue remaining to be recognized in the coming months and thus to support the group's forecasts, it being specified that there is an uncertain portion of the transformation of the *backlog* into revenue. Backlog includes, for sales before completion (VEFA), undelivered ordered dwellings for which a notarized deed of sale has not yet been signed, and the incomplete portion, not yet recognized in revenue, of undelivered dwellings for which a notarized deed of sale has been signed.

For more information on the definitions of the group's main operating indicators, please refer to section 8.7 of this document.

2.1.1.2. Monitoring of the main operational indicators

The following tables show the evolution in the main operational indicators for Single-family homes in communities, Multi-occupancy housing and Commercial property over the fourth quarters of 2023 and 2024.

(1) Source: SDES - ECLN - "Marketing of new homes - Sale to individuals in the fourth quarter of 2024" - Survey on the marketing of new homes (ECLN) - Gross data on new buildings and non-existing buildings - French Ministry "Ministère de la transition écologique et de la cohésion des territoires".

Housing:

Housing	Number of Net Orders ^(a)	Orders by value (in € thousands, incl. VAT)	Deliveries (in EHUs) ^(b)	Backlog (in EHUs)	Book by value (€ thousands, excl. VAT)	Backlog by months of business activity ^(c)
Single-family homes in communities						
First quarter	167	44,240	54	1,209	230,638	37.1
Second quarter	-57	654	63	1,165	224,357	35.7
Third quarter	130	25,500	54	1,241	231,694	37.3
Fourth quarter	97	24,702	113	1,185	218,946	33.8
YEAR ENDED NOVEMBER 30, 2024	337	95,095	284			-
First quarter	94	29,082	54	1,176	224,839	35.1
Second quarter	127	20,087	53	1,250	225,506	34.6
Third quarter	131	32,055	53	1,203	219,773	30.4
Fourth quarter	143	34,774	94	1,197	218,861	31.4
YEAR ENDED NOVEMBER 30, 2023	495	115,998	254			
Multi-occupancy housing						
First quarter	956	208,422	897	10,449	1,762,707	24.9
Second quarter	1,334	307,886	942	10,837	1,865,612	27.6
Third quarter	903	191,205	1,001	10,590	1,818,265	26.7
Fourth quarter	2,013	360,696	1,483	10,684	1,768,840	25.6
YEAR ENDED NOVEMBER 30, 2024	5,206	1,068,209	4,323			-
First quarter	927	205,001	1,010	10,908	1,964,370	24.9
Second quarter	1,090	249,050	1,030	10,838	1,923,385	22.5
Third quarter	876	184,857	883	10,442	1,828,754	22.1
Fourth quarter	1,944	324,524	1,435	10,757	1,834,498	22.2
YEAR ENDED NOVEMBER 30, 2023	4,837	963,432	4,358			

(a) The net number of orders recorded during the relevant period, i.e. number of orders signed by customers during this period, less the number of orders canceled at the end of the period.

(b) The number of Equivalent Housing Units (EHUs) delivered, is calculated by program see section 2.1.1.1. "Definition of the main operational indicators" in the paragraph "EHUs".

(c) The backlog (or order book) in months of activity is the product of (i) the ratio between the value of the backlog at the end of month "m" and the sum of the revenue (excl. VAT) for the previous 12 months, multiplied by (ii) 12 (i.e. the previous 12 months of business).

Commercial Property:

Commercial Property	Sq.m ordered	Orders by value (in € thousands, incl. VAT)	Backlog by value (€ thousands, excl. VAT)
Year ended November 30, 2024			
First quarter		1,578	592,759
Second quarter	12,852	20,148	583,416
Third quarter	-	-736	552,526
Fourth quarter	3,722	20,840	509,152
TOTAL	16,574	41,830	
Year ended November 30, 2023			
First quarter	10,932	24,489	691,671
Second quarter		-	665,093
Third quarter		-	641,877
Fourth quarter		9,231	622,646
TOTAL	10,932	33,720	

2.1.1.2.1. Orders

Housing

In fiscal year 2024, 5,543 net housing unit orders were recorded, versus 5,332 in 2023, an improvement of 4.0%. In value terms, orders increased by 7.8% to €1,163.3 million (incl. VAT) compared to €1,079.4 million (incl. VAT) in 2023. The take-up rate for housing was 26.4% in 2024, compared with 20.5% in 2023. The housing segment accounted for 96.5% of all group orders in value terms, versus 97.0% in 2023.

The following table shows the number and percentage share of housing unit types ordered in Île-de-France and the Regions in fiscal years 2024 and 2023 (from December 1 to November 30).

	Number of Single-family homes in communities ordered				Number of Multi-occupancy housing units ordered			
	2024	%	2023	%	2024	%	2023	%
Île-de-France	87	26%	128	26%	1,037	20%	828	17%
Other Regions	250	74%	367	74%	4,169	80%	4,009	83%
TOTAL	337	100%	495	100%	5,206	100%	4,837	100%

Multi-occupancy housing

In fiscal year 2024 as a whole, 5,206 Multi-occupancy housing units were ordered versus 4,837 in 2023, a 7.6% increase. Multi-occupancy housing orders totaled to €1,068.2 million (incl. VAT), versus €963.4 million (incl. VAT) in 2023, a 10.9% increase (+ €104.8 million). This increase is the result of 8.5% increase in value of orders made in Île-de-France, representing an increase of €22.0 million, as well as Regions, with an increase in value of €82.8 million (+11.7%).

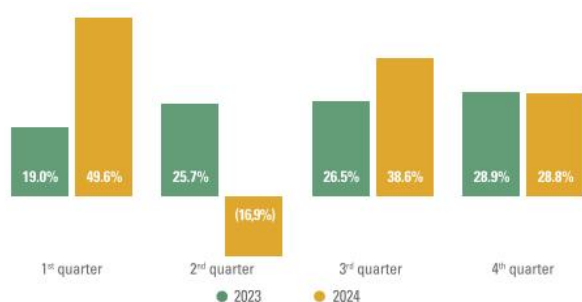
In 2024, Multi-occupancy housing orders in Île-de-France accounted for 19.9% of orders in volume and 26.3% in value, compared with 17.1% and 26.8% respectively in 2023. The percentage of Multi-occupancy housing remains the largest in the group's orders, representing 88.6% in value and 93.9% in volume of the total orders, compared with 86.6% and 90.8% respectively in 2023.

Single-family homes in communities

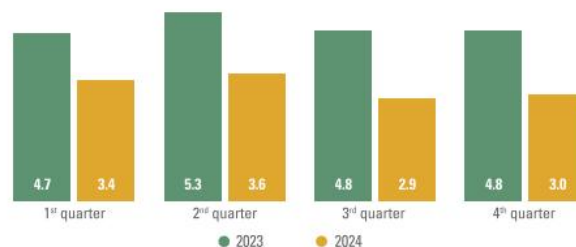
There were 337 orders for Single-family homes in communities amounting to €95.1 million, versus 495 orders amounting to €116.0 million in 2023. The number of orders on Single-family homes in communities declined by 31.9% in Île-de-France and the Regions. Île-de-France accounted for 25.8% of the volume and 27.9% of the value of these orders versus, respectively, 25.9% and 33.1% in 2023. The Regions accounted for 74.2% of orders by volume and 72.1% by value of these orders versus, respectively, 74.1% and 66.9% in 2023.

Cycles and seasonality of housing orders by product type (in volume)

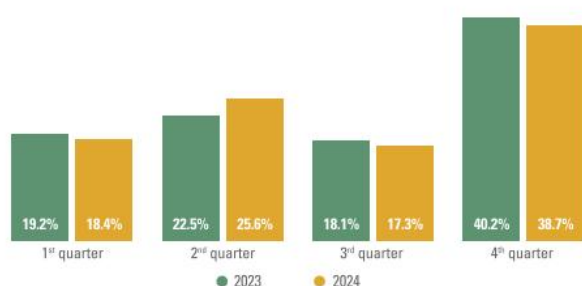
SINGLE-FAMILY HOMES IN COMMUNITIES



TAKE-UP RATE



MULTI-OCCUPANCY HOUSING



Customer type

Typology of orders in value :

- Blocks: 65% in 2024 vs. 72% in 2023,
- Home buyers: 22% (17% first timebuyers and 6% second timebuyers) in 2024, versus 15% in 2023 (11% first timebuyers and 4% second timebuyers),
- Investors: 13% in 2024, unchanged from 2023, mainly due to the increase in investors linked to the Pinel scheme, from 4% in 2023 to 7% in 2024 of total orders in value.

Purchaser type	Share of orders in volume		Share of revenue booked (incl. VAT)	
	2024	2023	2024	2023
Investor ^(a)	12%	13%	13%	13%
Block	73%	78%	65%	72%
First timebuyers	12%	7%	17%	11%
Second-timebuyers	3%	2%	6%	4%
TOTAL	100%	100%	100%	100%
(a) Of which Pinel	7%	4%	7%	4%

Commercial Property

In fiscal year 2024, commercial property orders reached €41.8 million (incl. VAT) compared to €33.7 million (incl. VAT) in 2023, an increase of 24.1%. Kaufman & Broad currently has 58,800 sq.m of office space and approximately 122,100 sq.m of logistics space on the market. The group has 18,200 sq.m of office space and approximately 61,800 sq.m of logistics space under study. In addition, 123,800 sq.m of office space and nearly 13,000 sq.m of logistics are currently under construction. Finally, the company has nearly 13,500 sq.m of office space to be completed in DPM (Delegated project management) to be signed.

Orders by operating segment

Fiscal year ended November 30	2024			2023		
	Net number of orders	Book by value (in € thousands, incl. VAT)	Average price (in € thousands, incl. VAT)	Net number of orders	Orders by value (in € thousands, incl. VAT)	Average price (in € thousands, incl. VAT)
Île-de-France	1,124	327,459	291	956	296,285	310
Housing	1,124	307,095	273	956	296,285	310
Commercial Property	-	19,800	-	-	-	-
Other	-	564	-	-	-	-
West	2,023	402,966	199	1,959	368,685	188
Housing	2,023	407,134	201	1,959	368,685	188
Commercial Property	-	-4,168	-	-	-	-
Other	-	-	-	-	-	-
East	1,360	292,367	215	1,406	237,955	169
Housing	1,360	292,367	215	1,406	237,955	169
Commercial Property	-	-	-	-	-	-
Other	-	-	-	-	-	-
National Agencies	1,036	151,114	146	1,011	164,480	163
Housing	1,036	151,114	146	1,011	164,480	163
Commercial Property	-	-	-	-	-	-
Other	-	-	-	-	-	-
Commercial property and logistics ^(b)	-	26,198	-	3	34,381	-
Housing	-	-	-	-	661	-
Commercial Property	-	26,198	-	3	33,720	-
Other	-	-	-	-	-	-
Other	-	5,594	-	-	11,364	-
Housing	-	5,594	-	-	11,364	-
Commercial Property	-	-	-	-	-	-
Other	-	-	-	-	-	-
GROUP TOTAL	5,543	1,205,699	218	5,329	1,113,151	209
Housing	5,543	1,163,304	210	5,332	1,079,431	202
Commercial Property ^(c)	-	41,830	-	3	33,720	-
Other ^(a)	-	564	-	-	-	-

(a) Land, building lots.

(b) See paragraph above "Commercial Property".

(c) Offices, retail areas, business premises, logistics warehouses, etc.

* 2023 data Proforma the Montpellier agency and the Perpignan branch having been transferred from the East region to the West region.

Backlog (order book)

At November 30, 2024, the total backlog amounted to €2,497.0 million (excl. VAT), versus €2,676.0 million (excl. VAT) at November 30, 2023, representing a decrease of 6.7%.

The following table shows the number and share of backlog by type of housing units ordered in Île-de-France and in the Regions in fiscal years 2024 and 2023 (from December 1 to November 30) :

	Backlog in number of Single-family homes in communities				Backlog in number of Multi-occupancy housing			
	2024	%	2023	%	2024	%	2023	%
Île-de-France	90	8%	178	15%	1,864	17%	2,498	23%
Other Regions	1,095	92%	1,019	85%	8,819	83%	8,259	77%
TOTAL	1,185	100%	1,197	100%	10,684	100%	10,757	100%

The housing backlog totaled to 11,869 units, compared with 11,954 units at November 30, 2023, a slight decrease of 0.7%. In value terms, it decreased by 3.2% compared to the end of 2023 to reach €1,987.8 million (excl. VAT), compared to €2,053.4 million (excl. VAT) at the end of 2023.

Multi-occupancy housing

The Multi-occupancy housing backlog was €1,768.8 million (excl. VAT), down 3.6% compared with the end of 2023, when it totaled €1,834.5 million. In volume, it amounted to 10,684 units, compared to 10,757 units in 2023, a slight decrease of 0.7%. In the Île-de-France, the Multi-occupancy housing backlog decreased by 25.4% in volume and value. The Multi-occupancy housing backlog recorded an increase in the Regions, down 6.8% and 5.4% in volume and value terms, respectively.

Single-family homes in communities

The backlog for Single-family homes in communities was €218.9 million and remains unchanged compared to 2023 in value. In volume, it totaled 1,185 units compared with 1,197 units at November 30, 2023.

This decline is concentrated in Île-de-France, where total value has gone up by 49.4% reduction in volume and a backlog that reached 90 units for €24.6 million compared to 178 units for €53.1 million in 2023. This decrease was partially offset by a 7.5% increase in the backlog in volume in the Regions compared to 2023, which reached 1,095 units for €194.3 million in 2024, compared to 1,019 units for €165.8 million in 2023.

Backlog by operating segment

Fiscal year ended November 30	2024			2023		
	Backlog by number	Backlog by value (in € thousands, excl. VAT)	Average price (in € thousands, excl. VAT)	Backlog by number	Backlog by value (€ thousands, excl. VAT)	Average price (in € thousands, excl. VAT)
Île-de-France	1,844	409,993	222.3	2,542	551,084	216.8
Housing	1,844	393,396	213.3	2,542	551,084	216.8
Commercial Property	-	16,500	-	-	-	-
Other	-	97	-	-	-	-
West	4,646	750,077	161.5	4,648	736,532	158.5
Housing	4,646	750,077	161.5	4,648	728,899	156.8
Commercial Property	-	0	-	-	7,632	-
Other	-	0	-	-	0	-
East	2,371	414,243	174.7	2,570	444,188	172.8
Housing	2,371	414,243	174.7	2,570	444,188	172.8
Commercial Property	-	-	-	-	-	-
Other	-	-	-	-	-	-
National Agencies	2,898	398,212	137.4	2,060	290,362	141.0
Housing	2,898	398,212	137.4	2,060	290,362	141.0
Commercial Property	-	-	-	-	-	-
Other	-	-	-	-	-	-
Commercial property and logistics ^(b)	110	524,513	4,768.3	134	653,842	4,879.4
Housing	110	31,861	289.6	134	38,828	289.8
Commercial Property	-	492,652	-	-	615,014	-
Other	-	-	-	-	-	-
Other	0	3	13.1	0	3	13.1
Housing	0	3	13.1	0	3	13.1
Commercial Property	-	-	-	-	-	-
Other	-	-	-	-	-	-
GROUP TOTAL	11,869	2,497,035	210.4	11,954	2,676,006	223.9
Housing	11,869	1,987,786	167.5	11,954	2,053,359	171.8
Commercial Property ^(c)	-	509,152	-	-	622,646	-
Other ^(a)	-	96	-	-	0	-

(a) Land, building lots.

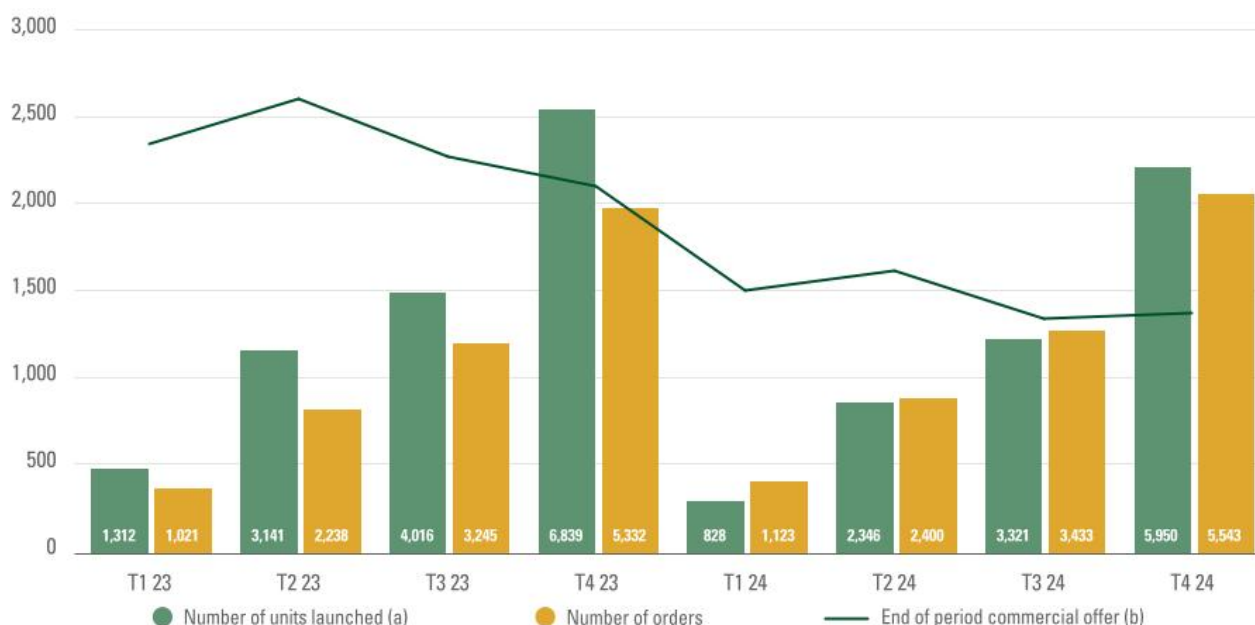
(b) See paragraph above "Commercial Property".

(c) Offices, retail areas, business premises, logistics warehouses, etc.

* 2023 data Proforma the Montpellier agency and the Perpignan branch having been transferred from the East region to that of the West.

2.1.1.3. Other operational indicators

The following table shows the group's expansion in terms of commercial offer, cumulative housing units offered for sale and cumulative orders over the last two fiscal years.



(a) The number of units launched: This is the number of units offered for sale at the end of the period.

(b) End of period commercial offer: Represents the sum of the stock of available for sale housing as at November 30, of the year, i.e. all the unordered housing units at the end of the fiscal year.

Land reserve

The table below shows the group's total land reserve, including land to be developed and land under consideration.

Lots available for development by 2026 (at November 30, 2024)		
	In units	Estimated sq.m
Land reserve ^(a)		
Housing units ^(b)	30,272	1,760,085
Commercial property	-	536,815
Other ^(c)	-	-
Land to be developed	30,272	2,296,900

(a) Land for which a deed or promise of sale has been signed (Land reserve).

(b) Accommodation: Apartments, managed residences and Single-family homes

(c) Land, building lots, etc.

2.2. Analysis of the group's results

The presentation and comments on the consolidated income statement for the years 2024 and 2023 are broken down into two levels of analysis for revenue and gross margin: One for the group and a second for the operating segments (Île-de-France, West, East, Commercial Property and Logistics and Others). Other items in the consolidated income statement are analyzed on an aggregate basis.

Refer to Note 2.1.1. "Significant events of the period" to the consolidated financial statements for details of the significant events of the period.

2.2.1. Key figures

The following table presents the significant items in the group's Consolidated Income Statement for the last two fiscal years.

Fiscal year ended November 30 <i>(in € thousands)</i>	2024	2023
Revenue	1,076,762	1,409,055
Gross margin	208,024	257,232
Gross margin ratio (%)	19.3%	18.3%
Current operating income (or EBIT)	80,768	109,332
Operating income	84,180	109,332
Income (loss) of the consolidated group	57,818	76,476
Attributable net income	44,969	60,154
Net earnings per share ^(a)	€2.26	€3.03

(a) Based on the number of shares making up the share capital at the end of the period end, i.e. 19,862,022 at November 30, 2024, and 2023.

Refer to the consolidated financial statements for further details on the accounting principles, estimates and assumptions used in the preparation of the consolidated financial statements, in particular the recognition of revenue and gross margin.

2.2.1.1. Analysis of revenue and gross margin

Group consolidated revenue for fiscal year 2024 was €1,076.8 million, down 23.6% versus €1,409.1 million in 2023.

2.2.1.1.1. Breakdown by operating segment

The following table shows a breakdown of the revenue and gross margin by operating segment for fiscal year 2024 and 2023:

Fiscal year ended November 30 (in € thousands)	2024			2023		
	Deliveries (EHUs) (in units)	Revenue	Gross margin	Deliveries (EHUs) (in units)	Revenue	Gross margin
Île-de-France	1,511	356,249	65,717	1,686	397,162	79,685
Housing	1,511	351,976	64,749	1,686	394,455	79,090
Commercial Property	-	-	0	-	-	-
Other ^(a)	-	4,272	967	-	2,706	595
West	1,422	256,949	36,116	1,495	292,846	48,545
Housing	1,422	250,843	35,128	1,495	275,954	45,746
Commercial Property	-	4,878	776	-	15,530	2,475
Other ^(a)	-	1,228	212	-	1,362	324
East	1,479	272,446	46,996	1,289	247,858	46,786
Housing	1,479	270,588	46,587	1,289	245,796	46,295
Commercial Property	-	-	0	-	-	38
Other ^(a)	-	1,857	409	-	2,063	454
Commercial Property and logistics^(b)	24	155,034	52,558	76	441,818	75,313
Housing	24	6,967	1,579	76	19,690	2,578
Commercial Property	-	146,706	49,619	-	421,927	72,535
Other ^(a)	-	1,360	1,360	-	200	200
Other	172	36,085	6,637	66	29,371	6,903
Housing	172	27,600	3,667	66	21,900	3,503
Commercial Property	-	-	-	-	-	-
Other ^(a)	-	179	1 79	-	54	54
Operation of residences business	-	8,307	2,791	-	7,417	3,346
Total	4,607	1,076,762	208,024	4,612	1,409,055	257,232
Housing	4,607	907,974	151,711	4,612	957,796	177,212
Commercial Property	-	151,585	50,395	-	437,457	75,048
Other ^(a)	-	8,897	3,127	-	6,385	1,626
Operation of residences business	-	8,307	2,791	-	7,417	3,346

(a) Corresponds to sales of bare lots, external fees and the Showroom business. Offices, retail areas, business premises, logistics warehouses, etc.

* 2023 data Proforma the Montpellier agency and the Perpignan branch having been transferred from the East region to that of the West.

Deliveries (EHUs)

By operating segment, the Île-de-France represented an important part in the group's housing business with 32.8% of housing units delivered in 2024 (i.e. 31.8% for Multi-occupancy housing units and 56.7% for Single-family homes in communities), versus 36.6% in 2023. The group has also been active in the East and West, where 32.1% and 30.9% of housing units were delivered, respectively, compared to 28.0% and 32.4% in 2023.

Housing revenue

Housing revenue totaled €908.0 million in 2024 versus €957.8 in 2023, down 5.2%. Île-de-France contributed 38.8% versus 41.2% in 2023.

After Île-de-France, the East and West were the two biggest contributors, accounting for 29.8% and 27.6% of housing business revenue respectively. Lastly, other (mainly Kalilog) and Commercial Property accounted for 3.8% of 2024 revenue.

The €49.8 million decline in housing revenue compared to 2023 derived from the decline in housing sales in Île-de-France and across all categories.

Housing gross margin

The housing gross margin at November 30, 2024, was €151.7 million versus €177.2 million in 2023, a decrease of 14.4% year-on-year. The gross margin rate declined from 18.5% in 2023 to 16.7% in 2024.

Île-de-France contributed 42.7% of the housing gross margin achieved by the group in 2024 (44.6% in 2023). The East was the second-largest contributor with 30.7%, while the West accounted for 23.2% of the gross margin of the Housing segment.

The €25.5 million decrease in housing segment gross margin between 2023 and 2024 derived from the decrease in gross margin of €14.3 million in Île-de-France and of €11.2 million in the Region.

2.2.1.1.5. Breakdown by product line

For details of the profit by operating segments, please refer to Note 3.1.1 of the consolidated financial statements. The following table shows a breakdown of revenue and gross margin by product line for fiscal year 2024 and 2023:

Fiscal year ended November 30 (in € thousands)	2024			2023		
	Deliveries (EHUs) (in units)	Revenue	Gross margin	Deliveries (EHUs) (units)	Revenue	Gross margin
Multi-occupancy housing	4,323	830,132	139,619	4,358	883,008	163,141
Single-family homes in communities	284	77,842	12,092	254	74,788	14,071
TOTAL HOUSING	4,607	907,974	151,711	4,612	957,796	177,212
Commercial Property	-	151,585	50,395	-	437,457	75,048
Other ^(a)	-	8,897	3,127	-	6,385	1,626
Student residences operations	-	8,307	2,791	-	7,417	3,346
GRAND TOTAL	4,607	1,076,762	208,024	4,612	1,409,055	257,232

(a) Corresponds mainly to the showroom activity, sales of bare lots and external fees (Delegated Project Management).

Deliveries (EHUs)

The number of Equivalent Housing Units (EHUs) delivered decreased slightly between 2023 and 2024, from 4,612 units delivered to 4,607 units delivered in 2024. Multi-occupancy housing deliveries fell slightly from 4,358 in 2023 to 4,323 units delivered in 2024, while Single-family home deliveries rose slightly from 254 to 284 units delivered.

Revenue

Compared to 2023, total group revenue (excl. VAT) was down 23.6% to €1,076.8 million versus €1,409.1 million in 2023. This change is primarily due to the 65.3% decline in Commercial Property segment.

Multi-occupancy housing

Revenue from the Multi-occupancy housing segment decreased by 6.0% from €883.0 million to €830.1 million in 2024. Of this revenue, 37.3% was generated in Île-de-France versus 41.2% in 2023. The Regions accounted for 62.7% in 2024, compared to 58.8% in 2023. Multi-occupancy housing accounted for 77.1% of total revenue, versus 62.7% in 2023.

Single-family homes in communities

Revenue from the Single-family homes increased by 4.1% from €74.8 million in 2023 to €77.8 million in 2024. This segment accounted for 7.2% of total revenue, compared to 5.3% in 2023. Île-de-France accounted for 63.9% of Single-family home revenue while the other Regions accounted for 36.1%.

Commercial Property

Revenue for the commercial property segment fell €285.9 million to €151.6 million in 2024, versus €437.5 million in 2023. This can largely be accounted by the base effect, which generated exceptional contribution from the major Austerlitz Station project in fiscal year 2023.

Other activities and student residences

Revenues from other activities amounted to €8.9 million in 2024, compared to €6.4 million in 2023.

Revenue from the student residences operation business amounted to €8.3 million in 2024 compared to €7.4 million in 2023.

Gross Margin

The group's gross margin totaled €208.0 million, compared with €257.2 million in 2023, a decrease of 19.1% (-€49.2 million). This change is primarily due to the 32.8% decline in the gross margin from the Commercial Property (€50.4 million). The gross margin rate was 19.3% versus 18.3% in 2023.

Multi-occupancy housing

The gross margin for the Multi-occupancy housing segment was €139.6 million compared to €163.1 million in 2023 (a fall of 14.4%). Its gross margin rate declined from 18.5% in 2023 to 16.8% in 2024. The €23.5 million decrease in gross margin stemmed from a decrease of €13.4 million in the Île-de-France and €10.2 million in the Regions. In Île-de-France, the gross margin rate was 18.9%, versus 19.8% in 2023. In the Regions, it was 15.6% compared with 17.6% in 2023.

Single-family homes in communities

The gross margin for Single-family homes in communities fell relative to 2023 (down 14.1%). It amounted to €12.1 million versus €14.1 million for fiscal year 2023. This decline derived from business in Île-de-France, which fell by €2.0 million.

Commercial and other activities

The gross margin from commercial property and other activities segment was €56.3 million versus 80.0 million in 2023. The commercial property segment alone accounted for €50.4 million of this amount, it was down €24.7 million compared to 2023.

2.2.1.2. Analysis of current operating income - Operating margin

Group current operating income (EBIT) fell 26.1% from €109.3 million in 2023 to €80.8 million in 2024. The current operating margin was 7.5% versus 7.8% in 2023. This decrease of 0.3 points was mainly due to the decrease in revenue and gross margin. These effects were partially offset by lower operating expenses, particularly selling expenses for €3.0 million, administrative expenses for €7.8 million, technical and customer service expenses for €3.6 million and development and program expenses for €6.2 million, compared with 2023.

2.2.1.3. Analysis of Income (loss) of the consolidated group and attributable net income

Consolidated net income for fiscal year 2024 was down 24.4% relative to 2023. It amounted to €57.8 million versus €76.5 million in 2023.

The amount attributable to minority interest (non-controlling interests) was down €3.5 million, from €16.3 million in 2023 to €12.8 million in 2024. Attributable net income for the fiscal year 2024 was down 25.2% relative to 2023. It amounted €45.0 million versus 15.2 million in 2023.

The net margin (net income as a percentage of revenue) was 4.2% in 2024, down 0.1 percentage points versus 2023 (4.3%).

2.2.2. Analysis of other items in the statement of consolidated comprehensive income

2.2.2.1. Operating expenses

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Marketing expenses	17,829	20,875
Administrative expenses	56,956	64,780
Technical and customer service expenses	18,438	22,021
Development and program expenses	34,033	40,224
OPERATING EXPENSES TOTAL	127,255	147,900

At November 30, 2024, operating expenses amounted to €127.3 million, compared with €147.9 million in 2023. Operating expenses as a percentage of revenue increased from 10.5% in 2023 to 11.8% in 2024.

The change in operating expenses was mainly due to the following items :

Marketing expenses

Selling expenses totaled €17.8 million versus €20.9 million in 2023, a decrease of 14.6% largely attributable to the €0.6 million drop recorded in "salaries and payroll taxes" and the €2.3 million decrease in "advertising expenses".

Advertising

Kaufman & Broad in principle devotes between 2% and 2.5% of its annual revenue to advertising, in connection with the launches of real estate programs (Single-family homes in communities and Multi-occupancy housing units) and through national advertising campaigns to promote the group's image and products (excl. social sales and Blocks). Depending on the portion of the business carried out by specifiers, as well as the weight of the Commercial segment in total revenue, the recorded percentage may be less.

For the 2024 fiscal year, expenses for advertising totaled €7.2 million, were down 24.3% versus 2023, with sales also down 23.6% between the two years. These still represent less than 1% of Kaufman & Broad's consolidated sales, due to the product mix and customer mix. In 2024, this rate of 0.67% of revenue was similar to the previous year, it was mainly due to large number of block sales.

Administrative expenses

Administrative expenses were €57.0 million in 2024 versus €64.8 million in 2023, i.e. a decrease of 12.1% predominantly attributable to decreases in "salaries and payroll taxes" (€2.8 million), "fees" (€1.0 million), "taxes" (€0.8 million), "rental expenses" (€0.4 million), and "IT subcontracting" (€0.5 million).

Technical and customer service expenses

Technical and customer service expenses totaled €18.4 million at November 30, 2024, versus €22.0 million in 2023, the decrease deriving essentially from the "salaries and payroll taxes" (€3 million), "Fees" (€0.3 million) and "travel" (€0.2 million).

Development and program expenses

Development and program expenses totaled to €34.0 million at November 30, 2024, versus €40.2 million in 2023 (-15.4%). The overall decrease was made up of a €1.2 million decrease in "project abandonment net of provision reversals", a €7.0 million decrease in estimated expenses including a decrease in net additions to provisions for impairment of new projects and inventories in progress for €5.6 million and a decrease in other estimated expenses for €1.4 million.

2.2.2.2. Other non-recurring income and expenses

At November 30, 2024, the amount of non-recurring income and expenses amounted to €3.4 million. Mainly due to the income from the disposal of managed residence and the revaluation of these assets. Accordingly operating income was €84.2 million versus €109.3 million at November 30, 2023, down 23%.

2.2.2.3. Net financial income

Net financial income improved by €2.6 million from - €13.8 million in 2023 to - €11.2 million in 2024. The increase in net financial income in 2024 was mainly due to investment income (€6.4 million), offset by €4.4 million in charges net of reversals on financial expenses and a €0.9 million decrease in interest on borrowing costs.

Interest charges on syndicated lines of credit and the bond were due to the use of these same credit lines. For fiscal year 2024, the bond issue was used for €100 million and the credit lines were used for an average of 125 million.

The total effective rate payable on the debt, taking into account the overall amortization of issuance expenses, was 3.89% versus 3.88% in 2023, excluding the amortization of swaps, the cost of credit facilities issuance, IFRS16 liability, discounting of the liability and interest from interest bearing funds on certain block sales (see section 7.1.5. note 6.3. "Net financial income").

2.2.2.4. Net income tax liability

The income tax charge was €14.9 million, based on the group's net profit for at November 30, 2024, compared to €19.8 million for fiscal year 2023 (see Chapter 7 on the consolidated financial statements for the year ended November 30, 2024 - Section 7.1.5. "Notes to the financial statements" in Note 9.1. "Income tax" et seq. to the consolidated financial statements).

2.3. Analysis of the group's financial position

2.3.1. Simplified consolidated balance sheet

Fiscal year ended November 30 (in € thousands)	2024	2023
Asset		
Non-current assets	279,864	265,447
Current assets	1,493,324	1,444,162
TOTAL ASSETS	1,773,188	1,709,609
Liabilities		
Shareholders' equity	235,693	234,463
Non-current liabilities	136,449	233,854
Current liabilities	1,401,045	1,241,292
TOTAL LIABILITIES	1,773,188	1,709,609

At November 30, 2024, Kaufman & Broad's balance sheet total was €1,773.2 million, versus €1,709.6 million at November 30, 2023. Shareholders' equity was to €235.7 million at the end of 2024, an increase of €1.2 million versus 2023, which is mainly explained by the dividend paid from 2023 net income for €46.8 million, as well as the net reduction resulting from transactions in the company's own shares (share buybacks, bonus shares, etc.) for €2.0 million offset by the net income recorded in 2024 for €57.8 million less the distribution to minority interests.

2.3.2. Debt Position

2.3.2.1. Gross financial debt

Gross financial debt consists of long term and short term financial liabilities, financial hedging instruments related to liabilities and accrued interest on balance sheet items.

It breaks down as follows :

(in € thousands)	November 30, 2024	November 30, 2023
Syndicated credit lines – Senior facility	-	-
Bond issue	100,000	150,000
Accrued interest	1,602	2,322
Other borrowings	902	13,213
Credit facilities used	3,947	4,203
Lease liabilities (IFRS 16)	50,311	39,070
Lease liabilities (IFRS 16) – Accrued interest	302	174
Loan issuance costs	-1,188	-198
Minority interests put debt	3,777	3,667
Fair value of derivatives	-	-
GROSS FINANCIAL DEBT	159,653	212,451
• o/w non-current	44,158	147,922
• o/w current	115,494	64,529

At November 30, 2024, the group's gross financial debt amounted to €159.7 million, o/w €44.2 million of non-current debt consisting mainly €100 million of bonds and €3.8 million in Neoresid Put debt, as well as over €50.3 million in IFRS 16 liability.

Current liabilities mainly relate to €100 million in bonds and €1.6 million in accrued interest, €3.9 million in credit facilities used and €1.3 million in Neoresid Put debt, as well as over €8.6 million in liability.

Gross debt stood at €212.4 million at November 30, 2023 with maturity of 1.6 year compared with 0.5 year and 3.9 years on the authorizations, at the end of November 2024.

On March 30, 2020, in accordance with the clause provided in the loan agreement signed on January 30, 2019, Kaufman & Broad requested a one-year extension to the final repayment date of the loan from January 30, 2024, as originally provided, to January 30, 2025. All the lenders under the syndicated loan agreement of January 30, 2019, accepted the request. On July 10, 2024, Kaufman & Broad set up a new €200 million syndicated loan agreement. With initial maturity of 5 years, this loan replaces the €250 million "RCF 2019" syndicated loan agreement maturing in January 2025.

The implementation of this Corporate line will allow the company to extend the maturity of its resources, while giving it flexibility of use according to needs and opportunities, in addition to its available cash.

At the end of November 2020, the group had bond borrowings of one tranche of €100 million (maturing May 2025), and a revolving credit facility for €200 million (not drawn down at November 30, 2024; maturing January 2029).

Calculation of financial ratios at date:

As detailed in section 4.2.3.3. "Risks related to restrictive clauses in financing contracts", the group is subject to compliance with the following two ratios :

Ratio at November 30, 2024	Threshold ^(a)	Current ratio
Leverage ratio	≤ 3.0	-4.98
Net Gearing ratio (bond issue)	≤ 2.5	N/A (*)
Net Gearing ratio (syndicated loan agreement)	≤ 2.0	-1.62

(a) Threshold to be respected in connection with the bond issue and the syndicated loan agreement. For more details on the financial ratios and their calculation methods, please refer to Chapter 4.

* In accordance with the provisions of the bond issue documentation dated May 30, 2017, the calculation of the covenants ratios may be suspended as follows: "These ratios will cease to apply from the date the Company obtains a rating of at least BBB- by Standard & Poor's and/or Baa3 by Moody's and/or BBB- by Fitch". In fiscal year 2022, the international rating agency Fitch assigned Kaufman & Broad S.A. an "Investment grade" rating - "BBB -" rating with stable outlook. This rating was confirmed for 2023 and 2024. For Fitch Ratings, the confirmation of the rating reflects Kaufman & Broad's strong business and financial profile, which proves resilient during periods of weak demand. Kaufman & Broad is currently the only pure European developer with an Investment Grade rating. Fitch's confirmation of this rating in a challenging environment highlights the strength of the group's financial structure and its ability to structurally generate substantial cash flows.

The group's main debt facilities

(in € thousands)	Debt Capacity	Utilization at November 30, 2024	Maturity	Type	Rate ^(a)
Syndicated Credit Agreement July 10, 2024					
RCF ^(b)	200,000	-	January 2029	Variable	E ^(c) +195 to 271 BPS *
Bond issue May 18, 2017					
7-year bond issue	-	-	May 2024	Fixed	2.88%
8-year bond issue	100,000	100,000	May 2025	Fixed	3.20%
Total Bonds	100,000	100,000			
TOTAL	300,000	100,000	-	-	-

(a) E = Euribor, which is, for a given maturity, the fixed average rate at which a panel of fifty major banks in Europe offer to make unsecured loans to other major banks, calculated every business day.

RCF : Revolving Credit Facility.

The applicable margin depends on the level of the leverage ratio achieved as well as on the levels of the CSR Criteria defined in the banking documentation.

(b) Revolving credit facility.

* Margin applicable from the fiscal year ended November 30, 2024; then from E ^(c) +195 to 271 BPS from the fiscal year ended November 30, 2025.

Main changes in gross financial debt

(in € thousands)	November 30, 2024	November 30, 2023
Gross financial debt at November 30, 2023	212,451	214,293
Bond issue	-50,000	-
Lease liabilities (IFRS 16)	11,241	-2,695
Financial liabilities on minority interests put	110	107
Loan issuance cost	-990	384
Change in other borrowings and financial leases	-13,031	53
Lease liabilities (IFRS 16) – Accrued interest	128	5
Change in credit facilities	-256	314
Gross financial debt at November 30, 2024	159,652	212,451
Change in gross financial debt In 2024	-52,799	-1,842

The group's gross financial debt was down -€52.8 million between November 30, 2023, and November 30, 2024, mainly as a result of the change in the bond issue for -€50 million, the change in other borrowings and financial leases for -€13.0 million, partially offset by the change in the IFRS 16 lease liability of +€11.2 million.

The following table reflects the group's financial structure over the last two years and changes in the maturity of its debt :

Fiscal year ended November 30 (in € thousands)	2024	2023
Shareholders' equity	235,693	234,463
Financial debt	159,653	212,451
o/w financial debt < 1 year (excl. IFRS 16)	105,278	56,359
o/w financial debt > 1 year (excl. IFRS 16)	-15	113,181
o/w IFRS 16 lease liabilities and Neoresid Put liabilities	54,390	42,911
Maturity financial debt	0.5 years *	1.6 year
• o/w (excl. IFRS 16 and Neoresid Put debt):		
Loan issuance costs	-1,188	-198
Bilateral lines of credits/hedging instruments/other	6,391	7,182
Bond issue	100,000	150,000
Other borrowings	60	12,556
CASH AND CASH EQUIVALENTS	502,866	350,043
FINANCIAL CAPACITY	702,866	600,043

* 3.9 years calculated on the basis of financial capacity including the €200M of the undrawn 2024 syndicated credit line at November 30, 2024.

2.3.2.2. Change in net financial debt

Net financial debt (€ millions)

(incl. IFRS 16 lease liabilities and Neoresid Put debt)

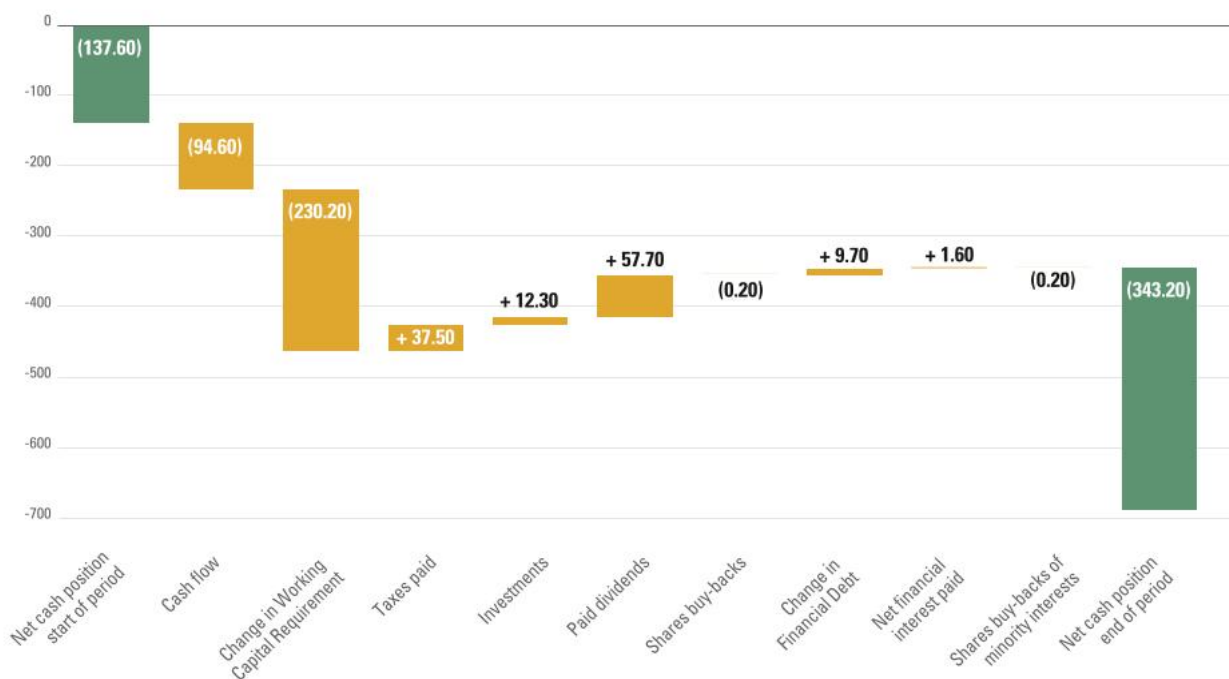
Gearing



Net financial debt means gross financial debt less cash and cash equivalents. At November 30, 2024, net debt amounted to €343.2 million, down €205.6 million versus €137.5 million at November 30, 2023.

Gearing (the ratio of net financial debt to consolidated shareholders' equity) was -145.6% at November 30, 2024, versus -58.7% at November 30, 2023.

Change in net financial debt (net financial cash) between November 30, 2023 and November 30, 2024 (in € millions)



This increase was mainly due to a €152.8 million increase in the group's cash position. Excluding IFRS 16 lease liabilities and Neoresid Put debt, it therefore shows a net financial cash position of €343.2 million (incl. €11.2 million in IFRS 16 lease liabilities and €12.5 million other borrowings and financial debt) compared to a net financial debt of €180.5 million, with a cash position of €249.0 million at November 30, 2023.

2.4. Liquidity and capital resources

2.4.1. Cash flows

The group's net cash totaled €502.9 million at November 30, 2024, up €152.8 million versus €350.0 million at November 30, 2023. The change is analyzed as follows:

Year ended November 30, (in € thousands)	2024	2023
Cash flow from operations after cost of financial debt and taxes	94,639	124,822
Taxes paid	-37,460	4,632
Change in Working Capital Requirement	230,205	245,298
CASH FLOW FROM OPERATING ACTIVITIES	287,384	374,752
CASH FLOW FROM (USED IN) INVESTING ACTIVITIES	-12,266	-11,083
CASH FLOW FROM (USED IN) FINANCING ACTIVITIES	-122,296	-114,623
Increase (decrease) in cash	152,822	249,046
Cash at start of period	350,044	100,999
Cash at end of period	502,866	350,044

Cash flow from (used in) operating activities

Cash flows generated by operating activities totaled €287.4 million, versus €374.7 million at November 30, 2023, a decrease of €87.4 million. The change in cash generated from operating activities was primarily due to:

- A €30.2 million decrease in cash flow, which fell from €124.8 million to €94.6 million ;
- A €42.1 million decrease in tax paid, including a €37.5 million disbursement in 2024, versus a €4.6 million refund at the end of November 2023 ;
- A decrease in working capital requirement (WCR) change (excl. current taxes) from €245.3 million at November 30, 2023, to €230.2 million at November 30, 2024.

Operating WCR (excl. current taxes) totaled -€230.2 million at the end of November 2024, compared with -€62.0 million at the end of November 2023, a decrease of €168.2 million, (see Note 3.6 "Breakdown of changes in working capital" in the Consolidated Financial Statements). The change in operating WCR items can be attributed to a €46.0 million decrease in inventories, a €62.7 million decrease in trade receivables, as well as a €124.6 million decrease in other operating assets and liabilities, partially offset by a €3.1 million decrease in trade payables and a €37.5 million increase in current tax. WCR (incl. current taxes) expressed as a percentage of revenue was equal to -26.9% at November 30, 2024, compared to -5.7% for the same period in 2023.

Cash flows from (used in) investing activities

Cash flows used in investing activities was €12.3 million, versus €11.1 million in 2023. It primarily consists of the following:

- €5.1 million for acquisitions of property, plant and equipment and intangible assets (o/w €3.3 million dedicated to the acquisition of licenses) ;
- €2.4 million related to changes in financial assets (loans) granted as part of real estate projects ;
- €4.5 million from investments in equity-accounted companies.

Cash flows from (used in) financing activities

Cash flows used in financing activities was €122.3 million versus €114.6 million in 2023. They primarily consist of the following:

- -€46.8 million in dividends paid to shareholders ;
- -€11.0 million in distributions to Minority interests and -€2.0 million in purchases of shares from Minority interests ;
- -€0.2 million in purchases of treasury shares ;
- -€11.5 million related to the repayment of IFRS 16 rights-of-use liabilities ;
- -€1.6 million in net interest paid.
- -€51.0 million relating in particular to the repayment of the 7 years bond issued in May 2017.

2.5. Events after the closing date

The Board of Directors held on January 29, 2025, taking note of the 2024 results, the financial structure of Kaufman & Broad and the high level of its equity, decided to propose to the next General Shareholders' Meeting to be held on May 6, 2025, a dividend of €2.20 per share for 2024.

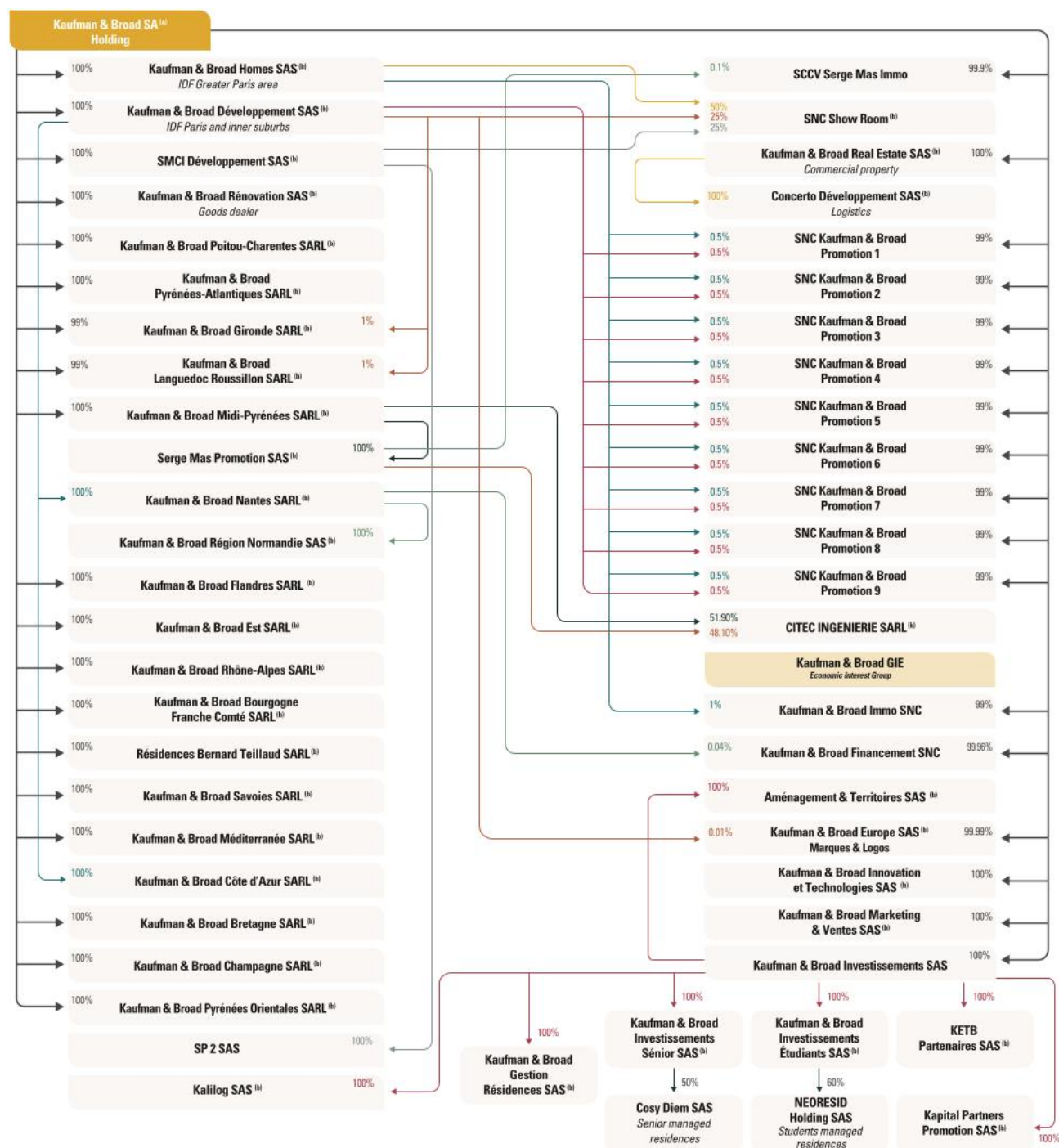
There have been no other significant events since the end of 2024.

2.6. Recent developments and outlook

For the full fiscal year 2025, revenue is projected to increase by at least 5%. The EBIT margin is expected to be between 7.5% and 8.0%. The group is expected to remain in a positive net cash position (excl. IFRS 16 lease liabilities and Neoresid Put debt) after taking into account the payment of a dividend of €43.1 million for the 2024 fiscal year, or €2.20 per share, submitted for approval to the General Shareholders' Meeting of May 6.

2.7. Other information

2.7.1. Group organization chart



(a) All of the subsidiaries of the Kaufman & Broad Group are located in France.

(b) Group operating companies that are members IEG Economic Interest Group – (GIE).

2.7.2. Injunctions or financial penalties for anti-competitive practices

None

2.7.3. Reinstatement of overheads following tax adjustment

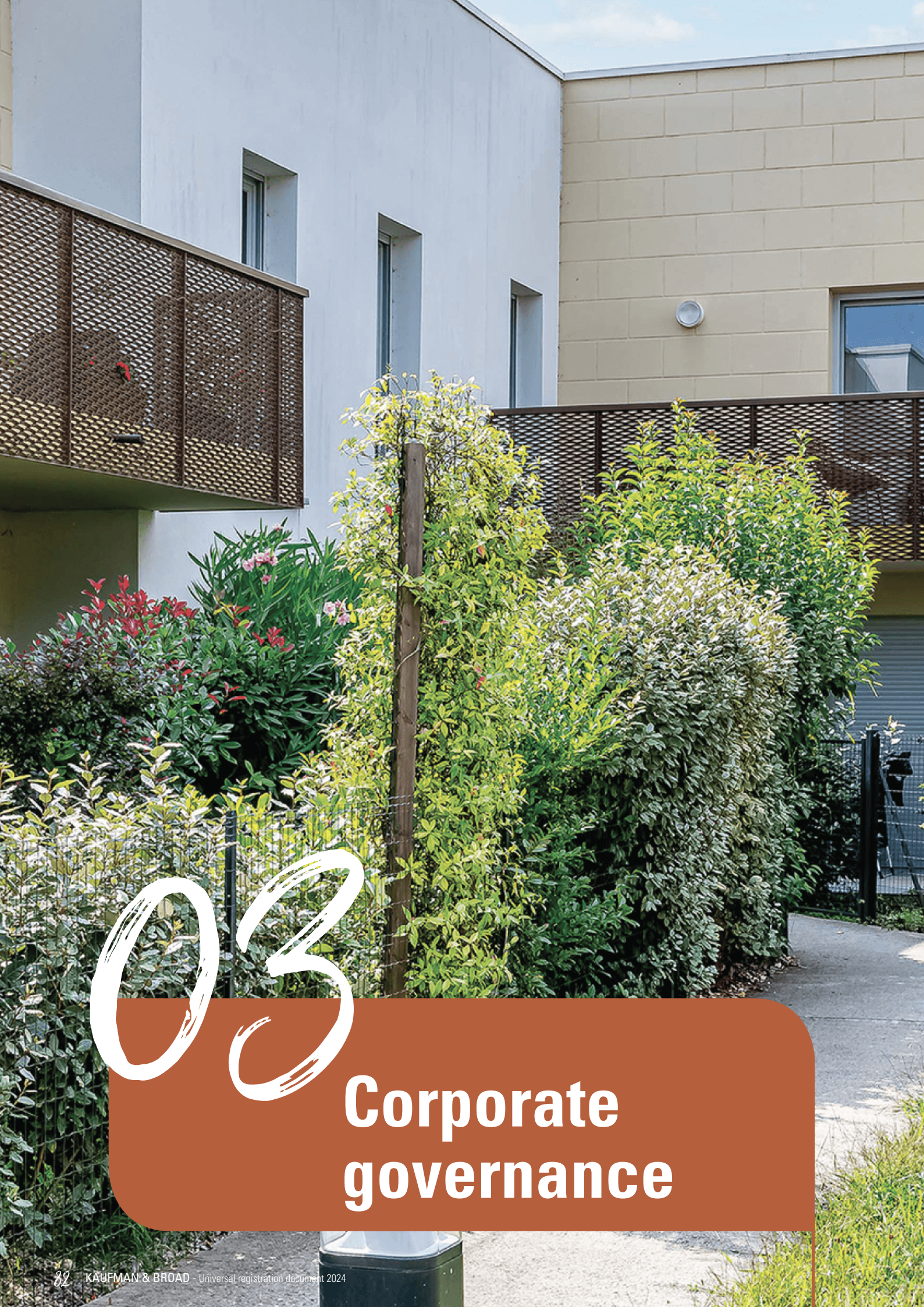
None.

2.7.4. Information on loans granted by the group to micro enterprises, SMEs or ISEs

None.

2.7.5. Existing branches

The group leases offices in Annecy, Bayonne, Bordeaux, Caen, Courbevoie, Dijon, La Rochelle, Lyon, Marcq en Baroeul, Marseille, Montpellier, Nantes, Nice, Rennes, Rouen, Strasbourg and Toulouse from external lessors for the conduct of its business. These offices are occupied under commercial leases, usually for a period of nine years. Showrooms are also present in large urban areas where Kaufman & Broad has agencies, as well as a shared showroom between the Marseille and Nice agencies in Fréjus.

A photograph of a modern building with a white facade and a balcony featuring a brown metal lattice railing. In the foreground, there is a large, dense green bush with yellow variegated leaves and a smaller bush with red flowers. A concrete path leads towards the building. The overall scene is bright and sunny.

03

Corporate governance



3.1	Organization and operation of governance	84
3.1.1	Board of Directors	84
3.1.2	Specialized Committees of the Board of Directors	103
3.1.3	Senior executives	111
3.1.4	Special procedures for shareholder participation in the Shareholders' Meeting	111
3.2	Group compensation policy	112
3.2.1	Compensation policy for the executive corporate officer	113
3.2.2	Compensation paid to the Chairman and Chief Executive Officer during the fiscal year ended November 30, 2024 or granted for the same fiscal year	118
3.2.3	Compensation of non-executive corporate officers	126
3.2.4	Compensation of Executive Committee members	128
3.3	Incentives and profit-sharing programs	128
3.4	Report on options and bonus shares	129
3.4.1	Share option or share subscription options plans – Awards of bonus shares – Awards of share subscription options	129
3.4.2	Share options	130
3.4.3	Award of bonus shares	131
3.5	Other information	134
3.5.1	Total number of share options awarded by the group	134
3.5.2	Information on transactions concluded with members of the Company's administrative and management bodies	134
3.5.3	Loans and guarantees to members of the Company's administrative and management bodies	134
3.5.4	Factors likely to have an impact in the event of a public offer	134
3.5.5	Equity ratio within the meaning of Article L. 22-10-9 of the French Commercial Code	134
3.5.6	Summary table of currently valid authorizations concerning capital increases	135
3.5.7	Related party agreements - current - commitments - Related party transactions	136
3.5.8	Reminder of applicable regulations	136
3.5.9	Practice of agreements within the group	137
3.6	Statutory Auditors' special report on related party agreements	139

The Company refers to the Corporate Governance Code for Listed Companies published by the French Association of Private Enterprises (AFEP) and the French Business Movement (MEDEF) (the AFEP MEDEF Code). In accordance with the AFEP MEDEF Code, and in accordance with Article L. 225-37 of the French Commercial Code, it is specified here that the Company complies with all the recommendations of the AFEP MEDEF Code in its version dated December 20, 2022, which can be consulted at the following address: www.afep.com.

In accordance with Article L. 22-10-10 of the French Commercial Code, the main features of the internal control and risk management systems are described in Chapter 4 of this document.

3.1. Organization and operation of governance

3.1.1. Board of Directors

3.1.1.1. General principles governing the composition of the Board

The Company is managed by a Board of Directors composed of at least three members and no more than eighteen members, appointed by the Ordinary Shareholders' Meeting for a term of three years. Outgoing Directors may be re-elected.

The Company's bylaws provide that the number of Directors aged 70 or over who are individuals or permanent representatives of legal entities may not exceed three Directors at the end of each annual Ordinary Shareholders' Meeting convened to approve the parent company financial statements, and that no Director may hold such office after reaching the age of 75. The Company's bylaws also provide that the Chairman of the Board of Directors must be an individual under the age of 70 and that no person may hold the office of Chief Executive Officer or Deputy CEO over the age of 70.

The Board's Internal Rules, detailed below, stipulate that the proportion of Independent Directors must be at least one third of the membership of the Board of Directors.

From among its members, the Board of Directors appoints a Chairman who must be an individual. The Chairman organizes and directs the work of the Board of Directors and reports about it to the Shareholders' Meeting. The Chairman ensures that the Company's Corporate Governance structures operate effectively and that Directors are in a position to properly perform their duties.

Article 16 of the Company's bylaws provides that the Board of Directors may appoint Non Voting Directors. They attend and take part in the deliberations of the Board of Directors in an advisory capacity. They perform the duties assigned to them in accordance with the bylaws.

3.1.1.1.1. Composition of the Board of Directors

A. Members of the Board of Directors

As of the date of this Registration Document, the Board of Directors of Kaufman & Broad SA is composed of ten Directors who bring different and complementary experiences to it due to their diverse backgrounds :

Name	Age	Gender	Nationality	Number of directorships in listed companies	Compensation and Appointment Committee	Audit Committee	CSR Committee	Board of Directors	Years of service on the Board	Date of first appointment	End of term ^(a)	Number of shares held in the Company	Percentage of direct and indirect holding in the Company
Chairman and Chief Executive Officer													
Nordine Hachemi	64	M	FR	1				✓	12	25/06/2013	2027 ASM	113,661 ^(b)	1.81%
Independent directors^(c)													
Sylvie Charles	65	F	FR	1		✓	✓	✓	13	16/02/2012	2027 ASM	264	
Jean- Louis Chaussade	73	M	FR	1	✓		✓	✓	8	21/01/2017	2025 ASM	678	
Isabelle Bordry	55	F	FR	1				✓	1	06/05/2024	2025 ASM	250	
Yves Perrier	70	M	FR	0	✓			✓	1	06/05/2024	2027 ASM	1,000	
Michel Sirat	63	M	FR	2		✓		✓	0	27/09/2024	2027 ASM	300	
Annalisa Loustau Elia	59	F	IT	1			✓	✓	3	06/05/2021	2027 ASM	250	
Michel Paris	67	M	FR	0	✓			✓	10	07/07/2015	2025 ASM	1,289	
Lucile Ribot	58	F	FR	1		✓	✓	✓	7	03/05/2018	2027 ASM	270	
Director representing shareholders													
Aline Stickel	61	F	FR	0				✓	3	05/05/2022	2025 ASM	3,339 ^(d)	0.02%

(a) Please refer to the paragraph "Expiry of Directors' terms of office" in this section for further details on proposed renewals of terms of office that have expired.

(b) Mr Nordine Hachemi holds 113,661 shares in Kaufman & Broad SA. In addition, he holds 27.37% of the share capital of Artimus Participations directly and indirectly through RKCI, in which he holds 100% of the share capital. Which itself held 4.51% of the Company's share capital at February 28, 2025, i.e. 245,304 shares in Kaufman & Broad S.A.

(c) See section 3.1.1.1.4. "Review of the independence of Directors".

(d) Ms Aline Stickel holds 3,339 Kaufman & Broad SA shares directly. In addition, she holds nearly 0.02% of the share capital of Artimus Participations, which itself held 5.24% of the share capital of the Company at February 28, 2025, i.e. 4,102 shares of Kaufman & Broad SA.

B. Directorships⁽¹⁾ and positions held by members of the Board of Directors at November 30, 2024

Chairman and Chief Executive Officer



*Nordine
Hachemi*

17, quai du Président Paul Doumer
CS 90001 - 92672 Courbevoie cedex

Chairman and Chief Executive Officer

Directorships and positions held at the date of the document

- Chairman and Chief Executive Officer of Kaufman & Broad SA *.
- Director of Kaufman & Broad GIE.
- Chairman of SP 2.
- Chairman of RKCI.
- Managing Partner SCI MD Raphael.
- Chairman of Artimus Participations SAS.

Directorships and positions held during the last five years and no longer held

- None.

Other information

- **Nordine Hachemi**, a graduate of the Institut de Physique du globe de Strasbourg, École Nationale Supérieure du pétrole et des moteurs and an MBA from INSEAD, began his career at Pompes Guinard in 1986.
- Then he joined Transroute (Caisse des Dépôts et Consignations Group) in 1988, where he held sales and development positions in Asia. In 1992, he continued his career at Bouygues Construction, where he led major international infrastructure projects. He joined Saur Group in 2001, France's third largest water and cleaning operator, where he became Chairman. In 2008, he became Chairman and Chief Executive Officer of Sechilienne Sidec, a group specializing in the production of energy and renewable energy, until 2011. He was also a member of the Supervisory Board of Citizen Capital until 2015.
- Co opted as a Director by the Board of Directors on June 25, 2013, he joined Kaufman & Broad on July 1, 2013 as Chief Executive Officer and Vice Chairman of the Board of Directors.
- He was appointed Chairman and Chief Executive Officer of Kaufman & Broad SA by the Board of Directors on January 24, 2014.

* Listed company.

(1) As of the date of this universal registration document, with the exception of Mr Nordine Hachemi, no member of the Board of Directors holds any other directorships within a group company.

Independent Directors



*Isabelle
Bordry*

34, rue de Cléry
75002 Paris

Directorships and positions held at the date of the document

- Independent Director of Kaufman & Broad SA *.
- Independent Director, Chairwoman of the Compensation and Appointment Committee and member of the Strategy Committee of Groupama Mutuelle Assurances.
- Manager of SARL ABCD XYZ.
- Member of the Supervisory Board of Retency.

Directorships and positions held during the last five years and no longer held

- Independent Director and Chairwoman of the Audit Committee of Netgem *.
- Member of the Board of Directors of the Public Establishment of the Reunion of National Museums and the Grand Palais.

Other information

- **Isabelle Bordry** holds a Master's degree in Management from Université Paris Dauphine. She began her career with the Hachette Filipacchi group. From the 1990's. She is one of the pioneers in the digital domain. She joins Yahoo! France in 1997. She successively held the position of Chief Executive Officer, which she assumed from 2001, then Chief Operating Officer for Yahoo! Europe.
- Isabelle Bordry is also a member of the college of the Autorité Nationale des Jeux (ANJ) and of the Foresight Committee of the Commission Nationale de l'Informatique et des Libertés (CNIL).
- She works to create a digital framework that respects the fundamental rights and privacy of citizens.
- In addition, she is co founder of Retency, which specializes in *privacy tech*, and more specifically in designing and developing personal data protection software.

* Listed company.



*Sylvie
Charles*

17, quai du Président Paul Doumer
CS 90001 - 92672 Courbevoie cedex

Chairwoman of the Audit Committee

Directorships and positions held at the date of the document

- Independent Director of Kaufman & Broad SA *.
- Independent Director of Geodis SA *.
- Independent Director of SANEF.

Directorships and positions held during the last five years and no longer held

- Chief Executive Officer rail and multimodal freight transport of SNCF Logistics.
- Chief Executive Officer of Transilien at SNCF voyageurs.

Other information

- **Sylvie Charles** is a graduate of Institut d'Études Politiques de Paris and an alumna of ENA. In 1993, she was appointed Chief executive officer of the Cariane Group (passenger transport by coach and bus), then in 1999, she became Senior Vice President of the General of Transport and Industry (European leader in passenger transport in delegation of service). Adviser to the Chairman of the Management Board of the STVA Group (automotive logistics) from 2001, she became Chairman of the Management Board in 2004.
- In February 2010, Sylvie Charles took over the responsibility of SNCF Logistics' Enterprise and Railway Service Providers division, which brings together Fret SNCF and all rail freight companies, particularly foreign ones of the SNCF group; allocations that were extended in October 2013 to multimodal entities.
- In March 2020, Sylvie Charles was appointed Chief Executive Officer of Transilien SNCF (all rail passenger transport in the Ile de France), a position she held until August 2023. She is a member of the Supervisory Board of Geodis SA (4th European logistician, one of the top 100 worldwide), an independent director of the SANEF group (motorway concessions).

* Listed company.



*Jean Louis
Chaussade*

3, rue Bixio
75007 Paris

Chairman of the CSR Committee

Directorships and positions held at the date of the document

- Independent Director and Chairman of the CSR Committee of Kaufman & Broad SA *
- Director of Caixa.
- Director of Anand.

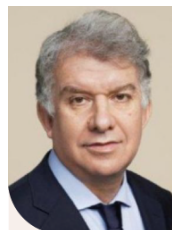
Directorships and positions held during the last five years and no longer held

- Chair of JLCH Conseil
- Special Adviser to the Accuracy Group
- Special Adviser to the Workday Group * in Europe
- Director of Criteria CaixaHolding SAU (Spain)
- Member of the Advisory Board of ANAND New Delhi Group, India
- Chair of the Board of Directors of the Université de Technologie de Compiègne. Director of the Institute of Responsible Capitalism
- Vice-Chairman of the SIBAC.

Other information

- **Jean-Louis Chaussade** started his career at Degrémont in 1978 and was then appointed Chief Operating Officer of Degrémont Spain in Bilbao in 1989. During this time, he served on the Board of Directors of Aguas de Barcelona. Jean Louis Chaussade then became Chief Executive Officer of Dumez Copisa Spain in 1992. In 1997, he was appointed Chief Operating Officer of Lyonnaise des Eaux in South America and Chief Operating Officer of Engie for South America.
- He became Chief Executive Officer of Degrémont in 2000 and, in 2004, Deputy CEO of Engie and CEO of Suez group. Jean Louis Chaussade occupied the roles of CEO and Director at Suez. Jean Louis Chaussade is Co-Chair of the France China Committee and Chair of the France Algeria Board of Directors within MEDEF International. He also chairs the "circular economy" group within AFEP.
- In 2020, Jean Louis Chaussade submitted to the French government his report on the assessment of French waste treatment capacity by 2040. Jean Louis Chaussade is an ESTP engineer and holds a master's degree in economics. He is also a graduate of the Institut d'Études Politiques de Paris and the AMP of Harvard Business School.
- On May 14, 2019, he was appointed Chairman of the Board of Directors of the Suez Group.
- Jean Louis Chaussade served as Director and Chairman of the Board of Directors of SUEZ until the close of the Ordinary and Extraordinary Shareholders' Meeting of May 12, 2020.
- Chair of JLCH Conseil. Jean Louis Chaussade has been awarded the rank of Officer in the French National Order of the Legion of Honor.

* Listed company.



*Yves
Perrier*

47, rue du Faubourg Saint- Honoré
75008 Paris

Directorships and positions held at the date of the document

- Independent director of Kaufman & Broad SA *
- Chairman of the Board of Directors of Edmond de Rothschild.
- Chairman of YP Conseil.
- Director of Fimalac.
- Director of Humensis.
- Chairman of NextStage Evergreen.

Directorships and positions held during the last five years and no longer held

- Chief Executive Officer of Amundi *.
- Chairman of the Board of Directors of Amundi.

Other information

- **Yves Perrier** graduated from ESSEC and Chartered Accountant.
- Yves Perrier began his career in auditing and consulting. He joined Société Générale in 1987, where he was Chief Financial Officer (1995-1999), then Crédit Lyonnais in 1999 as a member of the Executive Committee, in charge of Finance, Risk Management and General Inspection (1999-2003). In 2003 he led the creation of CALYON (now CACIB) by merging Indosuez and the CIB of Crédit Lyonnais. He will be Deputy Chief Executive Officer until 2007.
- From 2007 to 2023, he led Crédit Agricole Group's Asset Management activities. In 2009, he was the architect of the creation of Amundi, formed by the merger of Crédit Agricole Asset Management and Société Générale Asset Management. He was appointed Chief Executive Officer until 2021 and then Chairman of the Board of Directors from 2021 to May 2023, when he was appointed Honorary Chairman. Under his leadership, Amundi achieved remarkable growth, both through organic growth and through successful external growth operations, including the acquisition of Pioneer in 2017 and Lyxor in February 2021.
- In 2015, Amundi was listed on the Paris Stock Exchange, which was the largest stock market listing on the French market since the 2009 crisis.
- Yves Perrier has also been a member of the Executive Committee of Crédit Agricole S.A. since 2003, in addition to his responsibilities at the head of Amundi, and Deputy General Manager of Crédit Agricole S.A. since 2015. In this capacity, he supervised the Savings and Real Estate division and the steering of Crédit Agricole Group's societal project.

* Listed company.



Lucile
Ribot

17, quai du Président Paul Doumer
CS 90001 92672 - Courbevoie cedex

Directorships and positions held at the date of the document

- Independent Director of Kaufman & Broad SA *.
- Director, Chairwoman of the Audit Committee of Imerys France *.
- Director, member of the Audit Committee of Hsbc Continental Europe.

Directorships and positions held during the last five years and no longer held

- Director of Solocal Group *.
- Member of the Supervisory Committee of Acropole Holding SAS, Siaci Saint Honorary.

Other information

- **Lucile Ribot** graduated from HEC in 1989. She began her career at Arthur Andersen where she conducted audit and financial advisory assignments with major international groups.
- She joined the Fives Industrial Engineering Group in 1995, where she became Chief Financial Officer in 1998, member of the Management Board in 2002, and supported its growth and strategic development until 2017. She has been an independent director since then.

* Listed company.



Michel
Paris

17, quai du Président Paul Doumer
CS 90001 92672 - Courbevoie cedex

**Lead Independent Director
Chairman of the Compensation and
Appointment Committee**

Directorships and positions held at the date of the document

- Lead Director of Kaufman & Broad SA *.
- Senior Adviser of 65 Equity Partners.
- Manager of Carolles Participations SC, Granville Holdco SC and M2P Conseil.
- Director of Apave SA.

Directorships and positions held during the last five years and no longer held

- Member of the Supervisory Board of Lilas France SAS (Labeyrie).
- Managing Partner of PAI Partners.
- Director of Euro Média Group (EM6).

Other information

- **Michel Paris** graduated from École Centrale de Lyon (1980) and École Supérieure de Commerce de Reims (1982).
- In 1984, he joined Paribas Affaires Industrielles, which became PAI Partners in 2001. He is a member of the Investment Committee and the Retail, Industrial Goods and Services Sector Teams.
- Michel Paris has over 35 years of investment experience with PAI. He has participated in numerous transactions, including those involving Sogeres, Bouygues Telecom, Atos, Equant, Elior, Frans Bonhomme, Elis, Vivarte, Saur, Coin, Kwik Fit, Cortefield, Monier, Xella and EMG.
- Before this, he spent two years working with Valeo.

* Listed company.



Michel Sirat

17, quai du Président Paul Doumer CS 90001
92672 Courbevoie cedex

Directorships and positions held at the date of the document

- Independent director of Kaufman & Broad SA *.
- Independent Director and member of the Audit Committee of CMA CGM *.
- Independent Director and Chairman of the Audit Committee of Maisons du Monde SA *.

Directorships and positions held during the last five years and no longer held

- Independent director of Eutelsat *.
- Independent director and member of the Audit Committee of Futuren.

Other information

- **Michel Sirat** is a graduate of École Centrale de Paris, Institut d'Études Politiques de Paris and École Nationale d'Administration.
- He is the founder and chairman of Tesuji Conseil. He is also Senior Adviser to Greenhill & co Bank and to BCG. He was previously Chief Financial Officer of CMA CGM Group for 12 years. As such, he managed the financial turnaround of this group in 2011-2013, and then the execution and financing of the diversification strategy to form a group with a strong presence simultaneously in maritime transport, freight forwarding, land logistics, terminals and air transport.
- Formerly, he held various managerial positions within the Engie Group for 11 years, successively in finance and operational management positions in France, the United States and Belgium.
- Michel SIRAT began his career at the Treasury Department (Ministry of Finance - Paris) where he spent 11 years.

* Listed company.



Annalisa Loustau Elia

17, quai du Président Paul Doumer
CS 90001 92672 - Courbevoie cedex

Directorships and positions held at the date of the document

- Independent Director of Kaufman & Broad SA *.
- Director of Swarovski.
- Member of the Supervisory Board of Roche Bobois.*
- Member of the Supervisory Board of William Grant & Sons.

Directorships and positions held during the last five years and no longer held

- Director of Legrand *, Ferragamo * and Campari *.

Other information

- **Annalisa Loustau Elia**, an Italian citizen, is a graduate of La Sapienza in Rome.
- Annalisa Loustau Elia began her career at Procter & Gamble in 1989, first at the Group's subsidiaries in Rome and Paris, then at the Geneva International Headquarters until 2001. She then led global marketing for Pampers, Procter & Gamble's first brand. She then joined the L'Oréal Group as Chief Executive Officer of several brands.
- In 2004, Annalisa Loustau Elia joined Cartier, where she served for 4 years on the Global Executive Committee as Chief Executive Officer in charge of, among other things, product development and marketing.
- From 2008 to January 2021, she was omnichannel Marketing Director and a member of the Executive Committee of the Printemps Group. As part of her duties, she worked particularly on a digital transformation and the customer experience.
- Annalisa Loustau Elia has been a Director of Legrand since 2013, Kaufman & Broad, Ferragamo and Swarovski since 2021. She has also been a member of the Supervisory Board of Roche Bobois since 2018 and a member of the Supervisory Board of William Grant & Sons since 2022.

* Listed company.

Director representing employee shareholders



Aline
Stickel

17, quai du Président Paul Doumer
CS 90001 - 92672 Courbevoie cedex

**Director representing
employee shareholders**

Directorships and positions held at the date of the document

- Kaufman & Broad SA Group Director of Legal Affairs*.
- Member of the Supervisory Board of "FCPE KB Actions."

Directorships and positions held during the last five years and no longer held

- None.

Other information

- Holder of a DEA in Private Law and CAPA (Certificate of Aptitude for the Profession of Lawyer), **Aline Stickel** joined the group in 2000 as a lawyer in charge of litigation and took over the management of the operational legal teams in 2001 as well as the corporate legal team from 2011.
- She was also in charge of group insurance from 2001 to 2011.
- She taught construction insurance at ICH (Institut de la Construction et de l'Habitation - CNAM) from 2007 to 2019.
- Previously, Aline Stickel worked as a lawyer with Maravelli Joubert from 1992 to 1998 with a dominant activity in construction insurance and builder liability at Roubache-Moiron Braud from 1998 to 2000.
- Aline Stickel has been a member of the Supervisory Board of FCPE KB Actions since 2018.

* Listed company.

C. Changes in the composition of the Board of Directors and its specialized Committees during the year

	Departures	Appointments	Renewals
Board of Directors	Michel Giannuzzi (06/05/2024) Yves Gabriel (06/05/2024) Sophie Lombard (27/09/2024)	Yves Perrier (06/05/2024) Isabelle Bordry (06/05/2024) Michel Sirat (27/09/2024)	Nordine Hachemi (06/05/2024) Sylvie Charles (06/05/2024) Sophie Lombard (06/05/2024) Lucile Ribot (06/05/2024) Annalisa Loustau Elia (06/05/2024)
Audit Committee	Sophie Lombard (27/09/2024)	Michel Sirat (27/09/2024)	Sylvie Charles (06/05/2024) Lucile Ribot (06/05/2024)
Compensation and Appointment Committee	Michel Giannuzzi (06/05/2024)	Yves Perrier (06/05/2024) Michel Paris (06/05/2024)	
CSR Committee	Sophie Lombard (06/05/2024) Michel Paris (06/05/2024)	Lucile Ribot (06/05/2024) Annalisa Loustau Elia (06/05/2024) Sylvie Charles (06/05/2024)	

D. Expiry of Directors' terms of office

For further details on the expiry of Directors' terms of office, please refer to section 3.1.1.1.1 "Composition of the Board of Directors."

Motion to reappoint the Company's Directors

The terms of office of Mr. Michel Paris and Jean-Louis Chaussade expiring at the close of the Shareholders' Meeting of May 6, 2025, the Board of Directors' meeting of February 21, 2025, on the recommendation of the Compensation and Appointment Committee, proposed to renew Mr. Michel Paris for a further 3 years.

M. Jean-Louis Chaussade having expressed the wish to leave the Board at the end of the next Shareholders' Meeting, the Board of Directors' meeting of February 21, 2025 decided not to appoint a new Director to replace him.

The Board of Directors' meeting of May 6, 2024 co opted Isabelle Bordry as a new independent director to replace Mr. Yves Gabriel resigned for the remainder of his term of office, i.e. until the end of the Shareholders' Meeting of May 6, 2025, the Board of Directors of February 21, 2025, on the recommendation of the Compensation and Appointment Committee, proposed to submit to the Shareholders' Meeting of May 6, 2025 the ratification of this provisional appointment and to renew the term of office of Mrs. Isabelle Bordry for a period of 3 years.

The Board of Directors of September 27, 2024 co opted Mr. Michel Sirat as a new Independent Director to replace Ms. Sophie Lombard, who resigned, for the remainder of her term of office, the Board of Directors of February 21, 2025, on the recommendation of the Compensation and Appointment Committee, proposed to submit to the Shareholders' Meeting of May 6, 2025 the provisional ratification of this appointment.

As the term of office of Aline Stickel as director representing employee shareholders expires at the close of the Shareholders' Meeting of May 6, 2025, the Board of Directors of February 21, 2025 proposes to renew Aline Stickel as director representing employee shareholders for a period of 3 years.

3.1.1.1.2. Diversity policy

The Board of Directors has adopted a diversity policy aimed at ensuring a balanced and fair mix in terms of experience, qualifications, age, nationality and seniority, in line with the needs and business of the Company.

Based on recommendations from the Compensation and Appointment Committee, Directors are appointed according to their qualifications, professional skills and independence of mind at Shareholders' Meetings or via co-opting.

The composition of the Board of Directors therefore reflects the diversity and complementarity of its members' experience and skills.

The presentation of each Director as given in the present report (for further details, please refer to section 3.1.1.1.1) and the Competency Matrix below gives insight into the diversity and complementarity of their experience.

This search for diversity leads to a balanced composition of the Board of Directors, taking into account the following elements: (I) the desirable balance of the composition of the Board, (II) professional qualifications and skills (III) the number of independent members and (IV) the proportion of men and women required.

Criteria	Policy and objectives	Implementation and results
Size of the Board of Directors	In accordance with Article 10 of the bylaws, the Board of Directors is composed of at least 3 members and at most 18 members.	The Board of Directors has 10 members.
Age and seniority of members	In accordance with Article 10 of the bylaws, the number of Directors who are individuals or permanent representatives of legal entities over the age of 70 may not exceed three Directors.	The Directors in office are between 55 and 73 years old. 1 Director out of 10 is over 70 years old, representing 10% of the Board's workforce. Their length of service ranged from 0 to 13 years at November 30, 2024.
Gender balance	In accordance with Articles L. 225-18-1 and L. 22-10-3 of the French Commercial Code, the Board of Directors' objective is to maintain a proposal for a Director of each gender at least 40%.	The Board of Directors is made up of 4 women out of 9, excluding the Director representing employee shareholders. The Audit Committee is chaired by a woman and two thirds of its members are women. (2/3 members).
Professional qualifications and experience	The Board of Directors strives to maintain a balanced representation in terms of the qualifications and professional experiences of its members with regard to the activities developed by the group.	The Board of Directors is made up of experienced members responding to the challenges facing the Kaufman & Broad group in the following areas: Construction/Real Estate; Industry; Finance, accounting and legal; IT, Innovation, Digital and Cyber Security; ESG; International.
Independence of members	In accordance with the recommendations of the AFEP MEDEF Code, the Board of Directors aims to maintain 50% of its members as independent directors.	The Board of Directors comprises 8 independent Directors out of 10, corresponding to 80%.

In addition, the Board of Directors has taken note of recent regulatory changes in the area of diversity with regard to disability. The Company will pay particular attention to this aspect related to the diversity policy in the future composition of the Board of Directors.

Skills represented on the Board of Directors

	Industrial Expertise	Finance/ accounting/ legal	IT/Digital Innovation/ cybersecurity	Construction/ Real estate	Environment Social and Governance	International Experience
Nordine Hachemi <i>Chairman and Chief Executive Officer</i>	✓	✓		✓	✓	✓
Michel Paris <i>Lead Independent Director</i>	✓	✓		✓	✓	✓
Sylvie Charles <i>Independent Director</i>	✓	✓		✓	✓	✓
Annalisa Loustau Elia <i>Independent Director</i>	✓	✓	✓		✓	✓
Lucile Ribot <i>Independent Director</i>	✓	✓	✓	✓	✓	✓
Jean - Louis Chaussade <i>Independent director</i>	✓	✓		✓	✓	✓
Yves Perrier <i>Independent director</i>	✓	✓	✓	✓	✓	✓
Isabelle Bordry <i>Independent Director</i>	✓	✓	✓	✓	✓	
Michel Sirat <i>Independent Director</i>	✓	✓	✓		✓	✓
Aline Stickel <i>Director Employee shareholder representative</i>		✓		✓	✓	

3.1.1.1.3. Information on the fair representation of men and women on the Board of Directors

The Board of Directors places particular emphasis on promoting gender equality within it. With this in mind, the Compensation and Appointment Committee intervenes when selecting or renewing members of the Board of Directors and in the composition of its committees as well as in the selection of executive corporate officers, taking into account, as far as possible, a balanced representation of women and men. It makes recommendations to the Board of Directors in this regard.

As at the date of this report, the Board of Directors comprises five women out of ten Directors. As the Director representing employees is not included in the percentage of gender diversity pursuant to Article L. 22-10-3 of the French Commercial Code, this percentage amounts to 44% for women and 56% for men.

Ms. Sylvie Charles, Isabelle Bordry, Annalisa Loustau Elia and Lucile Ribot are recognized as independent Directors by the Board of Directors. Ms. Aline Stickel is a Director representing employee shareholders.

Each year, in accordance with the AFEP MEDEF Corporate Governance Code for Listed Companies, the Board of Directors, on the basis of the report of the Compensation and Appointment Committee, devotes one of the items on its agenda to the qualification of its members with regard to the independence criteria set out in Article 10.5 of said Code presented below :

3.1.1.1.4. Review of the independence of Directors

The Board's decision is in line with the recommendations of the AFEP-MEDEF Code, which stipulates that the Board of Directors may decide that a director who does not meet the criteria set forth in the Code is nevertheless independent. The Company's Board of Directors currently comprises eight independent members from a total of ten members. They represent nearly 80% of the Directors appointed by the Shareholders' Meeting. This is Ms. Sylvie Charles, Mr. Jean - Louis Chaussade, Mr. Yves Perrier, M. Michel Sirat, Ms. Isabelle Bordry, Ms. Annalisa Loustau Elia, Mr. Michel Paris and Ms. Lucile Ribot.

At the time of each nomination or reappointment to the Board, the Board examines the applications based on the independence criteria described below. The status of each Director with regard to these criteria is also discussed by the Compensation and Appointment Committee and reviewed annually by the Board of Directors.

Criterion 1 - Employee corporate officer in the previous 5 years	Not to be an employee or executive corporate officer of the Company, or an employee, executive officer or director of a company consolidated within the Company, or an employee, executive officer or director of the company's parent company or a company consolidated within this parent company, and has not been one for the previous five years.
Criterion 2 - Cross directorships	Not to be an executive officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the Company (currently in office or having held such office within the last five years) holds a directorship.
Criterion 3 - Significant business relationships	Not to be (or not to be directly or indirectly related to) a customer, supplier, commercial banker, investment banker or consultant to the Company or its group, or for which the Company or its group represents a significant part of the business.
Criterion 4 - Family tie	Not to be related by close family ties to a corporate officer
Criterion 5 - Statutory Auditor	Not to have been an auditor of the Company within the previous 5 years.
Criterion 6 - Term of office exceeding 12 years	Not to have been a Director of the Company for more than 12 years.
Criterion 7 - Non-executive corporate officer status	A non-executive corporate officer cannot be considered independent if he receives variable compensation in cash or securities or any compensation linked to the performance of the Company or the Group.
Criterion 8 - Status of the Major Shareholder	Directors representing substantial shareholders of the Company or its parent company may be considered independent provided that such shareholders do not participate in the control of the Company. However, beyond a threshold of 10% of the share capital or voting rights, the Board, on the basis of a report by the Appointment, Compensation & Governance Committee, systematically reviews the qualification of independent Directors, taking into account the composition of the Company's share capital and the existence of a potential conflict of interest.

The following table summarizes the situation of each of the Directors with regard to the independence criteria of the AFEP-MEDEF Code as of November 30, 2024:

Criteria	NORDINE HACHEMI	SYLVIE CHARLES	JEAN- LOUIS CHAUSSADE	ISABELLE BORDRY	MICHEL SIRAT	ANNALISA LOUSTAU ELIA	LUCILE RIBOT	YVES PERRIER	MICHEL PARIS	ALINE STICKEL
Criterion 1: Employee or corporate officer in the previous 5 years		✓	✓	✓	✓	✓	✓	✓	✓	
Criterion 2: Cross directorships		✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 3: Significant business relationships	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 4: Family tie	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 5: Statutory Auditor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 6: Term of office exceeding 12 years	✓		✓	✓	✓	✓	✓	✓	✓	✓
Criterion 7: Non executive corporate officer status	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 8: Major shareholder	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director	No	Yes:	Yes:	Yes:	Yes:	Yes:	Yes:	Yes:	Yes:	No

As such, the Board of Directors and the Compensation and Appointment Committee, at its meeting of January 30, 2024, discussed the qualification of Sylvie Charles as independent Director with regard to the independence criteria set out in Article 10 of the AFEP MEDEF Code, noting that:

- Sylvie Charles has been a member of the Company's Board of Directors since February 16, 2012, i.e. for more than 12 years and her term of office as Director was renewed by the Shareholders' Meeting of May 6, 2024 for a period of 3 years. However, the 6th criterion provided for in the AFEP MEDEF Code, makes independent directors dependent on the fact that "they have not been a director of the Company for more than 12 years".
- However, the Compensation and Appointment Committee considered that the aforementioned criterion was not in itself sufficient to lead to the automatic loss of Ms. Sylvie Charles's status as an independent Director, taking into account in particular the objectivity that she has consistently demonstrated during the deliberations and decisions of the Board, her high level of experience acquired in the areas of activity of the group, and her correctness and relevance of analysis expressed in complete freedom to inform the debates of the Board of Directors, as is unanimously recognized by the other members of the Board of Directors and the Chairman.

In addition, the Committee also examined any business relationships that may exist between the Kaufman & Broad group and the entities in which Ms. Sylvie Charles performs her duties. As a result, there was no direct or indirect business relationship between Sylvie Charles and Kaufman & Broad group. If such a matter is to be discussed at a Board meeting, the internal rules of the Board of Directors provide for conflict of interest management rules under which the Director concerned would have a duty to inform the Lead Director of their situation. The Chairman of the Board of Directors may also invite the Director concerned not to attend the meeting.

As a result, the Board unanimously decided, on the recommendation of the Compensation and Appointment Committee and taking into account the above mentioned factors, the current professional situation of Ms. Sylvie Charles and the criteria set out in Article 10 of the AFEP/MEDEF Code as revised in December 2022, to approve Ms. Sylvie Charles as an Independent Director within the meaning of the AFEP MEDEF Code.

3.1.1.1.5. Statements on the situation of members of governance bodies

Absence of conviction or incrimination

As of the date of this Registration Document and to the best of the Company's knowledge, during the last five years, no member of the Board of Directors or executive corporate officer and of the Directors :

- Has been convicted of fraud;
- Has been subject to bankruptcy, sequestration or liquidation;
- Has been incriminated and/or officially sanctioned by statutory or regulatory authorities, including designated professional bodies;
- Have been prevented by a court from acting as a member of a Board of Directors, a Management Board, or a Supervisory Board of an issuing company or from intervening in the management or business of an issuing company.

Service contracts

There is no service agreement between the Directors and the Company or any of its subsidiaries providing for the granting of benefits under such agreement.

Family tie

To the best of the Company's knowledge, as of the date of this Registration Document, there are no family ties, either between the members of the Management Committee and the members of the administrative bodies, or between the members of the Management Committee and the members of the Board of Directors.

Conflicts of interest

Pursuant to Article 18 of the Internal Rules of the Board of Directors, any Director in a situation of conflict of interest, even potential, in particular because of his duties in another company, must inform the Lead Director and must abstain from taking part in the vote on the corresponding deliberation. The role of the Lead Independent Director is to identify any potential conflicts of interest. For further details, refer to the section below (v).

In addition, each year, the Directors are asked to report any actual or potential conflicts of interest via a questionnaire.

To the best of the Company's knowledge and as of the date of this document, there are no potential conflicts of interest between the duties of the Directors or executive directors with respect to Kaufman & Broad and their private interests or other duties.

3.1.1.2. Preparation and organization of the work of the Board of Directors

3.1.1.2.1. Operation of the Board of Directors

(I) Internal rules of the Board of Directors

The Board of Directors adopted and last updated on July 11, 2022, internal rules describing the operating procedures, powers and powers of the Board of Directors and specifying the rules of ethics applicable to members of the Board of Directors. They also include rules that apply to the holding of Board meetings by videoconference or other means of telecommunications, as well as provisions relating to the frequency of meetings, the attendance of Directors, and the Directors' duties of disclosure concerning the number of directorships held, conflicts of interest, related-party agreements and transactions involving Company shares.

The rules stipulate that the Board of Directors may set up committees whose members are responsible for examining questions referred to them by the Board, the Chairman, or the Lead Director. They also stipulate that each Director must own at least 250 shares and must not trade in the Company's shares during (i) the 30 calendar days preceding the publication of the Company's half-year and annual results and (ii) the 15 calendar days preceding the publication of the Company's quarterly results, the day of the publication being included in the aforementioned periods. The Internal Rules also stipulate that Directors must hold their shares held at the beginning of their term of office, or purchased thereafter, in registered form, and must inform the AMF of any transaction executed to subscribe to, purchase or sell, directly or through intermediaries, the Company's shares, or any financial futures contracts on such shares, in compliance with the thresholds in force.

The Internal Rules of the Board of Directors are available on the Kaufman & Broad website (<http://www.kaufmanbroad.fr>).

(II) Governance arrangements

Combined roles of Chairman of the Board of Directors and Chief Executive Officer

The Chairman of the Board of Directors is responsible for the Executive Management of the Company and also holds the position of Chief Executive Officer. The Chairman and Chief Executive Officer is vested with the broadest powers to act in all circumstances on behalf of the Company. Those powers are exercised within the limits of the corporate purpose, subject to the powers which the law expressly attributes to Shareholders' Meetings or which it specifically reserves for the Board of Directors, as well as within the limits of the transactions that are subject to the prior authorization of the Board in accordance with its Internal Rules. The Chairman and Chief Executive Officer represents the Company with respect to third parties.

The offices of Chairman of the Board of Directors and Chief Executive Officer have been combined since 2014. The Board of Directors deems

that, in an environment of heightened competition on the real estate development market and amid uncertain economic conditions, the combination of the offices of Chairman of the Board of Directors and Chief Executive Officer allows for more responsiveness in the administration and management of the group, while strengthening ties to operational realities in the decision-making process.

Furthermore, this organization promotes ongoing, coordinated and well-constructed dialog between Management and the Board of Directors. It also gives broader supervisory power to the Company's shareholders over the Chairman and Chief Executive Officer.

Since 2014, the Board of Directors has observed the effectiveness of this organization, and has always been attentive to maintaining balanced governance in the Company's interests, pursuant to AFEP-MEDEF recommendations and in line with best practices adopted by listed companies where the offices of Chairman of the Board of Directors and Chief Executive Officer are combined, thanks in large part to the presence of eight out of ten independent Directors, and the support of the various Board Committees (Audit Committee, Compensation and Appointment Committee, CSR Committee), all chaired by an independent Director and composed half or two thirds, as the case may be, of independent Directors. In addition, in order to ensure a balance of powers within the Board of Directors and prevent potential conflicts of interest, the Company has decided to appoint a Lead Independent Director. Please refer to section " (v) Lead Independent Director " below.

Term of office of the Chairman and Chief Executive Officer

At its meeting of May 6, 2024, the Board of Directors, based on a motion by the Compensation and Appointment Committee, reappointed Nordine Hachemi as Chairman and Chief Executive Officer for a three-year term. With this re-appointment, the Board once again confirmed the relevance of combining the offices of Chairman of the Board of Directors and Chief Executive Officer.

Deputy Chief Executive Officers

Based on a motion by the Chairman and Chief Executive Officer, the Board of Directors may appoint one or more Deputy Chief Executive Officers, the number of which may not exceed five. They must be individuals. They do not have to be Board members. In agreement with the Chairman and Chief Executive Officer, the Board of Directors determines the scope and term of the powers granted to the Deputy Chief Executive Officers. The Company has no Deputy Chief Executive Officers.

The Chief Executive Officer may be removed by the Board at any time. If such removal is made without cause, it may result in the payment of damages, except when the Chief Executive Officer is also Chairman of the Board of Directors.

(III) Missions of the Board of Directors

The main role of the Board of Directors is to determine the Company's business strategy and oversee its implementation. With the exception of the powers expressly vested in Shareholders' Meetings and subject to the scope of the corporate purpose, the Board is responsible for dealing with all matters concerning the efficient management of the Company and for making all related decisions.

In particular, the following items are subject to the Board's prior authorization or approval:

- any significant change in the business of the Company or any of its subsidiaries;
- acquisition or disposal of an entity with an enterprise value greater than €10 million (excl. the acquisition of an entity the assets of which are land and/or buildings);
- any borrowings, other than credit facilities, bilateral lines of credit and authorized overdrafts;
- annual budget;
- the business plan.

The Internal Rules also specify that, in general, the Board of Directors examines and makes decisions on transactions of genuine strategic importance, possibly after review by an Ad Hoc Committee; in particular, any important transaction that is not part of the strategy announced by the Company is subject to prior approval of the Board. The scope of this prior approval covers not only external acquisitions or disposals, but also all material investments in organic growth and internal Company restructuring.

The Board carries out the controls and verifications that it deems necessary and is responsible for reviewing and approving the annual and half-year (statutory and/or consolidated) financial statements and for reviewing and approving the related reports stipulated by current regulations.

(IV) Meetings and deliberations of the Board of Directors

The Board of Directors meets whenever the Company's interests so require, at least four times a year, either at the registered office or at any other place indicated in the notice of meeting. Board members are invited by the Chairman to meetings of the Board of Directors by any means, including verbally. If the Board has not met for more than two months, one third of the Board members may ask the Chairman to convene a meeting of the Board in order to review a specific agenda. The Chief Executive Officer may also ask the Chairman to convene a meeting of the Board in order to transact specific business, if the Executive Management is not exercised by the Chairman of the Board of Directors.

The Lead Director may also ask the Chairman to convene a Board meeting if there is a specific point whose importance or urgent nature justifies the holding of an extraordinary meeting.

Directors are provided with all the information required to perform their duties and may ask for any document they deem useful.

Board meetings are chaired by the Chairman or, in the Chairman's absence, by the Lead Director, or, in the absence of the latter, a Board member designated for this purpose.

The Board may not validly deliberate unless at least half the Board members are present. Decisions are made by a majority of the votes of Board members present and represented.

Directors who attend the meeting via videoconference or other telecommunications methods, in the manner defined by current regulations, are deemed present for the purposes of calculating the quorum. This provision does not apply to meetings of the Board of Directors where the agenda includes the approval of the annual financial statements, the consolidated financial statements and the management report.

Pursuant to the Internal Rules, the Chairman may ask any Board member with a conflict of interest, even a potential conflict, not to participate in the deliberations.

Decisions relating to the specific powers of the Board of Directors provided for by the regulations may be taken by written consultation with the Board members.

(V) Lead Independent Director

The Board of Directors may appoint, on a motion by the Compensation and Appointment Committee, from among its independent members, a Lead Director, for a term not exceeding that of his/her term of office as a member of the Board.

Information on duties and powers is described in Article 4 of the Board of Directors' Internal Rules.

Report on the activities of the Lead Independent Director

During the past year, Mr. Michel Paris participated in all Board meetings and meetings of committees of which he is a member. In 2024, his principal activities as Lead Independent Director were as follows:

- Contributing actively to the development and monitoring of the succession plan
- Chair, without the Chairman and Chief Executive Officer being present, the Board meeting held each year to discuss the operation of the Board
- Chair the meetings of the Compensation and Appointment Committee; which enables him to play a decisive role in the preparation and implementation of the Chairman and Chief Executive Officer's compensation.

Managing conflicts of interest

Notwithstanding the requirement for each member of the Board of Directors to report conflicts of interest set out in Article 4 of the Internal Rules, the Lead Independent Director shall bring to the attention of the Chairman of the Board of Directors and the Chairman of the Compensation and Appointment Committee, and if the latter deems it necessary, the Board of Directors, any situation of conflict of interest, even potential, that he or she has identified concerning the executive directors and other members of the Board.

In addition, Mr. Michel Paris ensured that there were no conflicts of interest of the members of the Board of Directors during this fiscal year.

3.1.1.2.2. Principles governing the functioning of governance

(I) Annual assessment of the operation of the Board and its committees

In accordance with recommendation 11 of the AFEP MEDEF Code, the Board of Directors must assess its operation annually and carry out a formal assessment at least once every three years. In accordance with the Board's Internal Rules, which can be found on the Company's website, the Board of Directors must dedicate, at least once a year, one agenda item to the assessment of its own operation and those of its special committees, under the oversight of the Lead Independent Director.

A formal assessment is conducted every three years, which may be conducted under the direction of the Lead Director or an Independent Director or independent Board member, with the assistance of an external consultant if applicable. The questionnaire for the assessment of the operation of the Board for fiscal year 2024 was delivered to the Directors in January 2025. The outcome of this assessment will be presented at the next Board meeting on April 10, 2025.

At the Board of Directors' meeting of April 8, 2024, the first part of which was devoted to the operation of the Board, Mr. Michel Paris, Lead Independent Director, presented to the Directors the results of the annual assessment of the Board, its various Committees and the actions of senior management, following the questionnaire sent to them in January 2024 for 2023. All Board members responded to the questionnaire.

The purpose of the questionnaire and the interviews with the members of the Board was to assess the following issues: The composition, role, duties, structure and operation of the Board of Directors and its Committees; the relations between the Board of Directors and senior management; the areas of activity of the committees; the level of satisfaction of the information needed to make decisions at Board meetings; in particular with regard to strategy, activity, significant transactions and the so called regulated agreements concluded during the year; the monitoring of the areas for improvement identified during the previous assessment; the sufficient control of the Board on the financial communication policy and on the communication made to the market; the information necessary for the verification, control and approval of the social and consolidated financial information.

The latest assessment confirmed that the Board continued to improve its operations and its dynamic, based on its diversity and the balance of skills among its members. An analysis of the responses to the questionnaire shows, in summary, the good organization, the quality of the discussions, the contributions resulting from the diversity of skills and the quality of the exchanges throughout the year between the Directors and senior management. With regard to the Board meeting, each year, in the form of a working seminar, dedicated to the group's strategy, in addition to the quality of the presentations made by the various speakers, are particularly appreciated the efforts made by senior management to propose each year to the Directors a new angle of analysis of the strategy of the Kaufman & Broad group.

When assessing the Board's operations in 2024, the following areas of improvement were mentioned :

- Recruitment process for new Directors,
- Organization of site visits, including the Paris Gare d'Austerlitz site, etc.),
- Presentation of major projects, their challenges and identified risks.

(II) Procedure for selecting Directors

The procedure for selecting Directors on the Board of Directors is strictly regulated by the Compensation and Appointment Committee. This procedure is implemented when it is necessary to appoint a new Director in addition to the members in office or to replace an outgoing member. It also applies to any appointment of independent Directors.

After defining the selection criteria and the desired profile, the Compensation and Appointment Committee steers the procedure for seeking candidates, with the help of an external recruitment firm, selected following a demanding call for tenders, usually involving two to three firms. Once the firm is selected, the Compensation and Appointment Committee carefully reviews the profiles of the candidates selected by the firm, and organizes individual interviews with the selected profiles. The Committee then submits its recommendations to the Board of Directors.

The Board of Directors is then responsible for approving the selection proposed by the Committee. This procedure ensures that newly appointed Directors have the necessary skills, experience and integrity to actively contribute to the governance of the Company and the work of the Board.

(III) Succession plan for corporate officers

The succession plan for corporate officers is based on a structured approach, aimed at ensuring the continuity of executive management under optimal conditions. This process is steered by the Compensation and Appointment Committee, in close consultation with the Board of Directors.

The Committee regularly identifies potential internal talents who are suitable for serving as corporate officers and senior executives in the event of a planned or unforeseen departure.

This succession plan is designed to anticipate transitions, ensuring that corporate officers have the skills required to maintain Kaufman & Broad's stability and performance.

3.1.1.2.3. Duties and activities of the Board of Directors

(I) Calendar of meetings of the Board of Directors during the year and terms of attendance of members

The table below gives the attendance rate per Director at the Board of Director meetings :

Members	Presence at meetings	Total number of meetings	Individual attendance rate
Nordine Hachemi <i>(Chairman of the Board of Directors)</i>	7	7	100 % ^(a)
Sylvie Charles	7	7	100 %
Jean-Louis Chaussade	7	7	100 %
Yves Gabriel ^(b)	4	4	100 %
Michel Giannuzzi ^(c)	4	4	100 %
Sophie Lombard ^(d)	5	6	83 %
Annalisa Loustau Elia	7	7	100 %
Michel Paris	7	7	100 %
Lucile Ribot	7	7	100 %
Aline Stickel	6	7	86 %
Michel Sirat ^(d)	1	1	100 %
Isabelle Bordry ^(b)	3	3	100 %
Yves Perrier ^(c)	3	3	100 %

(a) The Board of Directors' meeting of April 8, 2024 was held in 2 parts: The 1st part of the Board was held, under the chairmanship of the Lead Independent Director and at his initiative without Mr. Nordine Hachemi in accordance with the rules of procedure. The 2nd part of the Board was held at the initiative and under the chairmanship of Mr. Nordine Hachemi (see Agenda below).

(b) The Board of Directors' meeting of May 6, 2024 co opted Mrs. Isabelle Bordry as new Director to replace Mr. Yves Gabriel who resigned.

(c) The Shareholders' Meeting of May 6, 2024 appointed Mr. Yves Perrier as new Director to replace Mr. Michel Giannuzzi.

(d) The Board of Directors' meeting of September 27, 2024 co opted Mr. Michel Sirat as new Director to replace Sophie Lombard who resigned.

(II) Activity for the year

The Board of Directors met seven times in fiscal year 2024 (the attendance rate of Directors at Board meetings was 97%) :

On December 11, 2023

the Board of Directors held a meeting attended by ten members. The Board discussed the following agenda:

- Presentation of the 2024 budget proposal;
- Other matters.

On January 29, 2024

On January 29, 2024

the Board of Directors held a meeting attended by nine members. The Board discussed the following agenda:

- Report of the Audit Committee - Minutes of the meeting of January 25, 2024;
- Review of estimated consolidated financial data as of November 30, 2023;
- Approval of the 2024 budget;
- Determination of the amount of the dividend per share to be paid to shareholders at the next Shareholders' Meeting;
- Review and approval of management planning documents and analysis report on these documents;
- Review and approval of the draft release on 2023 annual results;
- Report of the Compensation and Appointment Committee - Minutes of the meeting held on January 15, 2024;
- Compensation of the corporate officer for the 2023 fiscal year;
- Amount of compensation to be paid to Directors: Breakdown for 2023;
- Final award of bonus shares (First Plan 2022);
- Final award of performance shares (Second Plan 2021) ;
- Report of the CSR Committee - Minutes of the meeting of January 18, 2024;
- Employee shareholding - implementation of a leveraged FCPE;
- Other matters.

On February 15, 2024

the Board of Directors held a meeting attended by ten members. The Board discussed the following agenda:

- Report of the Audit Committee - Minutes of the meeting of February 13, 2024 ;
- Review and approval of the parent company financial statements at November 30, 2023 and proposed appropriation of net income for the year;
- Review and approval of the consolidated financial statements for the fiscal year ended November 30, 2023;
- Agreements subject to Article L. 225-38 of the French Commercial Code ;
- Preparation and approval of the Board of Directors' management report;
- Preparation and approval of special reports;
- Review and approval of the corporate governance report;
- Renewal of the authority to make pledges and guarantees;
- Renewal of the share buyback program;
- Review of the social policy on professional and wage equality;
- Report of the Compensation and Appointment Committee - Report of the meeting of January 30, 2024 ;
- Compensation of the corporate officer for the 2024 fiscal year;
- Award of bonus shares;
- Recognition of the termination of Directors' appointments - Proposed appointment of new Directors at the Shareholders' Meeting of May 6, 2024;
- Qualification of Sylvie Charles as an independent Director;
- Convening an Ordinary and Extraordinary Shareholders' Meeting, setting its agenda and the text of the draft resolutions;
- Appointment of the Lead Independent Director as Chairman of the Ordinary and Extraordinary Shareholders' Meeting of May 6, 2024 in the event that the Chairman and Chief Executive Officer is absent or unable to attend;
- Prior approval of the services provided by the auditors;
- Employee shareholding - implementation of a leveraged FCPE;
- Other matters.

On April 8, 2024

the Board of Directors held a meeting attended by ten members. The Board discussed the following agenda:

1st part (at the initiative of the Lead Independent Director and without the Chairman of the Board of Directors being present)

- Functioning of the Board;
- Other matters.
- Other matters.

2nd part (at the initiative and in the presence of the Chairman of the Board of Directors)

- Report of the Audit Committee - Minutes of the meeting of April 4, 2024 ;
- Review of the 1st quarter 2024 financial statements;
- Update II: Presentation of the revised 2024 Plan;
- Other matters.

On May 6, 2024

the Board of Directors held a meeting attended by ten members. The Board discussed the following agenda:

- Re election of Mr. Nordine Hachemi as Chairman of the Board of Directors exercising general management;
- Definitive award of performance shares to the corporate officer (Second Plan 2021);
- Cooptation of a new Director to replace Yves Gabriel who resigned;
- Appointment of new members to the Compensation and Appointment Committee and CSR Committee;
- Implementation of the share buyback program;
- Employee shareholding - implementation of a leveraged FCPE;
- Presentation of major development projects in progress;
- Other matters.

On July 10, 2024

the Board of Directors held a meeting attended by nine members. The Board discussed the following agenda:

- Reports of the Compensation and Appointment Committee: Minutes of the meetings held on June 12 and July 2nd, 2024;
- CSR Committee report: Minutes of the meeting of July 10, 2024 ;
- Report of the Audit Committee: Minutes of the meeting of July 8, 2024 ;
- First half 2024 activity;
- Review and approval of the interim consolidated financial statements at May 31, 2024 ;
- Update III: Presentation of the revised 2024 Plan;
- Renewal of the mandate to purchase shares as part of the implementation of the share buyback program;
- Implementation "IA": Approach and application cases;
- Development of M.O.D.'s business Tertiary: Approach and application cases;
- Other matters.

On July 10, 2024

the Board of Directors held a meeting attended by nine members. The Board discussed the following agenda:

- Reports of the Compensation and Appointment Committee: Minutes of the meetings held on June 12 and July 2nd, 2024;
- CSR Committee report: Minutes of the meeting of July 10, 2024;
- Report of the Audit Committee: Minutes of the meeting of July 8, 2024;
- First half 2024 activity;
- Review and approval of the interim consolidated financial statements at May 31, 2024;
- Update III: Presentation of the revised 2024 Plan;
- Renewal of the mandate to purchase shares as part of the implementation of the share buyback program;
- Implementation "IA": Approach and application cases;
- Development of M.O.D.'s business Tertiary: Approach and application cases;
- Other matters.

On September 27, 2024

the Board of Directors held a meeting attended by ten members. The Board discussed the following agenda:

- Cooptation of a new Director to replace Ms. Sophie Lombard resigned;
- Report of the Audit Committee: Minutes of the meeting of September 25, 2024;
- Presentation of estimated consolidated financial data as of August 31, 2024;
- Update IV: Presentation of the revised 2024 Plan;
- Review and approval of management planning documents and the analysis report of these documents;
- Update on commercial activity:
 - Market presentation and development,
 - Commercial offer,
 - Sales update,
 - Marketing,
- Other matters.

(iii) Post balance sheet activities of the Board:

Since November 30, 2024, the Board of Directors has met twice :

On January 29, 2025

the Board of Directors held a meeting attended by ten members. The Board discussed the following agenda:

- Reading and approval of the minutes of the previous meeting ;
- Report of the Audit Committee - Minutes of the meeting of January 27, 2025;
- Review of estimated consolidated financial data as of November 30, 2024;
- Approval of the 2025 budget;
- Determination of the amount of the dividend per share to be paid to shareholders at the next Shareholders' Meeting;
- Review and approval of management planning documents and analysis report on these documents;
- Review and approval of the draft release on 2024 annual results;
- Report of the Compensation and Appointment Committee - Minutes of the meeting held on January 15, 2025;
- Compensation of the corporate officer for the 2024 fiscal year;
- Amount of compensation to be paid to Directors: Breakdown for 2024;
- Final award of bonus shares (First Plan 2023);
- Final award of bonus shares (Third Plan 2024);
- Final award of performance shares (Second Plan 2022);
- Report of the CSR Committee - Minutes of the meeting of January 15, 2025;
- Adoption of the new Audit Committee Charter.

On February 21, 2025

the Board of Directors held a meeting attended by nine members. The Board discussed the following agenda:

- Report of the Audit Committee - Minutes of the meeting of February 19, 2025;
- Review and approval of the parent company financial statements at November 30, 2024 and proposed appropriation of net income for the year;
- Review and approval of the consolidated financial statements at November 30, 2024 ;
- Agreements governed by Article L. 225-38 of the French Commercial Code ;
- Preparation and approval of the Board of Directors' management report;
- Preparation and approval of special reports;
- Review and approval of the corporate governance report;
- Renewal of authorizations for sureties and guarantees;
- Renewal of the share buyback program;
- Review of the social policy on professional and wage equality;
- Report of the Compensation and Appointment Committee - Minute of the meeting held on January 30, 2025;
- Compensation of the corporate officer for the 2025 fiscal year;
- Award of bonus shares;
- Recognition of the end of Directors' terms of office - Proposed appointment of Directors at the Shareholders' Meeting of May 6, 2025;
- Convening an Ordinary and Extraordinary Shareholders' Meeting, setting its agenda and the text of the draft resolutions;
- Appointment of the Lead Independent Director as Chairman of the Ordinary and Extraordinary Shareholders' Meeting of May 6, 2025 in the event that the Chairman and Chief Executive Officer is absent or unable to attend;
- Prior approval of the services provided by the auditors;
- Adoption of the new Audit Committee Charter;
- Other matters.

3.1.2. Specialized Committees of the Board of Directors

3.1.2.1. Audit Committee

The Audit Committee is a Special Committee of the Board of Directors. Its primary task is to conduct a preliminary review of the financial statements and the risks to the Company in order to deepen the knowledge of, and facilitate the exercise by the Board of Directors of its responsibility to approve the parent company financial statements and consolidated financial statements.

An Audit Committee Charter describes the organization, powers and operation of the Audit Committee. Its most recent update was approved on February 21, 2025 by the Board of Directors, in particular to reflect the transposition into French law of the CSRD Directive.

Composition of the Audit Committee

The Audit Committee is composed of at least three members taken from the members of the Board of Directors, at least two-thirds of whom are Independent Directors, pursuant to the independence criteria adopted by the Company.

The terms of office of members of the Audit Committee coincide with their terms of office as members of the Board of Directors. They may be renewed at the same time as the latter terms of office.

Members of the Audit Committee are selected in view, in particular, of their independence and their financial and/or accounting expertise.

The Audit Committee is composed of three independent members appointed for the duration of their term of office as Directors: Ms. Sylvie Charles, appointed on February 16, 2012 and Chairwoman since September 30, 2014, Mr. Michel Sirat appointed on September 27, 2024, Ms. Lucile Ribot appointed on September 27, 2018.

The fact that the Audit Committee is chaired by an Independent Director (see section 3.1.1.1.1 - B, above) strengthens management oversight and ensures a balance of powers.

Role of the Audit Committee

During the year, the Audit Committee, at its meeting of April 4, 2024, wished to conduct an overall review, in the presence of the CSR Director, on the articulation of the respective roles of the two committees in terms of sustainability, in view of the requirements of the new European regulatory framework (*Corporate Sustainability Reporting Directive "CSRD"*).

At its meeting on February 21, 2025, the Board of Directors amended the Audit Committee's Charter to include its responsibilities in terms of sustainability.

The new Charter of the Company's Audit Committee provides that its members are responsible for conducting a prior review of the Company's financial statements and risks, namely:

5. Monitoring the effectiveness of the internal control and risk management systems, as well as internal audit, with regard to the procedures relating to the preparation and processing of **accounting and financial information**. This includes:
 - Reviewing the scope of consolidation and, if applicable, the reasons why companies would not be included;

- Reviewing the financial statements and the relevance and consistency of the accounting methods used to prepare the parent company financial statements and the consolidated half year and annual financial statements and their scope of application;
 - Reviewing the significant off balance sheet commitments of the Company and its subsidiaries;
 - Reviewing the provisions and their adjustments and any situation that could generate significant risk for the group;
 - Monitoring the Company's financial policy and the related risks;
 - Monitoring the accounting treatment of any significant transactions carried out by the Company;
 - Monitoring internal procedures for collecting and controlling data and the quality and reliability of the Company's financial statements. In this context, the Audit Committee gives its opinion on the organization of the Internal Audit Department and is informed of its work program. It must receive internal audit reports or a periodic summary of these reports;
 - The audit, before their publication, of all accounting and financial information documents, in particular at the time of the approval of the parent company financial statements and the interim and annual consolidated financial statements.
6. Monitoring the effectiveness of internal control and risk management systems, as well as internal audit, with regard to procedures relating to the preparation and processing of **sustainability information** (including in digital form), without prejudice to its independence. This includes:
 - The monitoring of the process implemented to determine the information to be published in accordance with the standards for reporting sustainability information that falls within the remit of the CSR Committee.
 7. The review and advice to the Board of Directors on the selection procedure and the choice of Statutory Auditors, Independent Third Party Bodies (OTI) or, where applicable, an audit firm as well as the monitoring of the rules related to their independence and objectivity. In this context, it also reports to the Board on the results of the audit engagement, the audit engagement on sustainability information and how these audits have contributed to the integrity of financial information and sustainability information. In order to comply with the provisions of the CSRD⁽¹⁾, it will be proposed at the next Shareholders' Meeting to be held in 2025, the appointment of an auditor who will be required to certify the sustainability information.
- The Audit Committee must oversee the procedure for selecting and renewing the Statutory Auditors and sustainability auditors and submit to the Board of Directors a recommendation on the Statutory Auditors and sustainability auditors whose appointment is proposed to the Shareholders' Meeting.
- The Company's statutory audit mission must be exclusive of all other non audit duties. However, after prior approval by the Audit Committee, additional work or work directly complementary to the audit of the financial statements may be performed, such as acquisition or post acquisition audits, but excluding assessment and advisory work.
- The Audit Committee has all the resources it deems necessary to carry out its duties.

(1) Kaufman & Broad is expected to be subject to the provisions of the CSRD from the fiscal year ending November 30, 2025.

Audit Committee Procedures

Meetings of the Audit Committee are validly held if at least half its members are present. Meetings of the Audit Committee are convened by its Chairman or, if applicable, the Chairman of the Board of Directors.

Furthermore, two Committee members may convene a meeting of the Committee if they believe necessary to discuss one or more specific matters.

The Audit Committee's agenda is set by the Chairman of the Audit Committee.

The Committee meets whenever necessary and, in any event, at least four times a year. Meetings are held prior to meetings of the Board of Directors and, as far as possible, at least two days prior to this meeting if the Committee's agenda includes a review of the annual and half-year financial statements prior to their approval by the Board of Directors.

The Audit Committee's review of the annual or half-year financial statements must be accompanied by a presentation by the Statutory Auditors highlighting the key points of the results, and a presentation by the Chief Financial Officer describing the Company's exposure to risks and significant off-balance sheet commitments.

The Audit Committee may also, whatever its meeting agenda, consult with employees of the Company or the Statutory Auditors without the presence of the Company's management, who are informed of this in advance.

Members of the Audit Committee and meeting participants are bound by professional secrecy.

The Committee's Chairman submits a report of its work to the Board of Directors and also prepares a written summary.

The secretary of the Audit Committee is the secretary of the Board of Directors.

The Audit Committee receives important documents within its remit (financial analysts' recommendations, reports from rating agencies, summaries of audit engagements, etc.). It may request additional reports if it wishes.

The Audit Committee makes its decisions by a majority of the members attending the meeting, with each member holding one vote.

Articulation of the duties of the Audit Committee and the CSR Committee

The Audit Committee and the CSR Committee may meet in joint sessions or agree that the Chairman of the CSR Committee should attend a meeting of the Audit Committee (or vice versa) to discuss matters related to the two Committees. The CSR Committee is responsible for monitoring the effectiveness of CSR risk management systems. This monitoring is then integrated into the more global monitoring carried out by the Audit Committee on the effectiveness of the Company's risk management systems.

The review of sustainability information by the Audit Committee and, where applicable, by the CSR Committee must be accompanied by a presentation by the auditors in charge of certifying the sustainability information, highlighting the essential points, as well as a presentation by the CSR Director describing the Company's risk exposure and significant non-financial commitments.

To monitor the effectiveness of the internal control and risk management systems, particularly in the area of business ethics and the fight against corruption, the Audit Committee ensures the deployment and implementation of corrective actions, in the event of significant weaknesses or anomalies identified in these systems. It is also informed of the main findings of the Statutory Auditors and the Internal Audit Department.

The Audit Committee's Charter sets out the rules and procedures relating to the provision by the Statutory Auditors of a service other than the certification of the financial statements. For more information on the Audit Committee Charter, it is available on the Company's website www.corporate.kaufmanbroad.fr/groupe-kaufman-broad/gouvernance/.

Schedule of Audit Committee meetings in fiscal year 2024 and terms of attendance of members

The following table shows the attendance rate per member at Audit Committee meetings :

Members	Attendance at meetings	Total number of meetings	Individual attendance rate
Sylvie Charles	5	5	100%
Sophie Lombard	4	4	80%
Lucile Ribot	5	5	100%

Activity of the Audit Committee for the year

During the fiscal year 2024, the Audit Committee met five times (the attendance rate of Directors at Audit Committee meetings was 93%) :

On January 25, 2024

An Audit Committee was held with three members present. The Committee deliberated on the following agenda:

- Review of estimated consolidated financial data as of November 30, 2023;
- Statutory Auditors' comments on the estimated consolidated financial data as of November 30, 2023;
- Review of the 2024 budget;
- Presentation of the management planning documents for 2024 and the analysis report of these documents;
- Presentation of the group's 2023 major risk map;
- Other matters.

On February 13, 2024

An Audit Committee was held with three members present. The Committee deliberated on the following agenda:

- Review of the parent company financial statements at November 30, 2023 and proposed appropriation of net income for the year;
- Statutory Auditors' comments on the parent company financial statements for the year ended November 30, 2023;
- Review of the notes to the consolidated financial statements at November 30, 2023;
- Review of the Board of Directors' report on corporate governance;
- Internal audit;
- Results of H2 2023 tests on the internal control system and the 2023 annual summary,
- 2024 forward plan for tests on the internal control system,
- Point Sapin II, GDPR.
- Presentation of the draft report of KPMG, an independent third party, on the social, environmental and societal information contained in the management report;
- Prior approval of the services provided by the auditors;
- Other matters.

On April 4, 2024

An Audit Committee was held with three members present. The Committee deliberated on the following agenda:

- Review of the financial statements for Q1 2024;
- Update II: Presentation of the revised 2024 Plan;
- Other matters.

On July 8, 2024

An Audit Committee attended by two members. The Committee deliberated on the following agenda:

- Business review for the first half of 2024;
- Review of estimated financial data for the first half of 2024 and review of the main potential risks identified to date ;
- Statutory Auditors' comments on the estimated consolidated financial data as of May 31, 2024;
- Update III: Presentation of the revised 2024 Plan;
- Internal audit;
- Presentation of test results I.C.S (Internal Control System) at the end of Q1 2024.
- Cybersecurity point;
- Other matters.

On September 25, 2024

An Audit Committee was held with three members present. The Committee deliberated on the following agenda:

- Business review at August 31, 2024;
- Review of the estimated financial data as of August 31, 2024 and review of the main potential risks identified to date;
- Internal audit:
 - *Presentation of test results I.C.S. (Internal Control System) at the end of Q2 2024;*
 - Update on Sapin II, GDPR;
- Update IV: Presentation of the revised 2024 Plan;
- Presentation of the management planning documents for 2024 and the analysis report of these documents;
- Presentation Cabinet Forvis Mazars: Revision of the Universal Registration Document 2024;
- Other matters.

Subsequent activities of the Committee

Since November 30, 2024, the Audit Committee has met twice :

On January 27, 2025

An Audit Committee was held with three members present. The Committee deliberated on the following agenda:

- Reading and approval of the minutes of the previous meeting ;
- Review of estimated consolidated financial data as of November 30, 2024;
- Statutory Auditors' comments on the estimated consolidated financial data as of November 30, 2024;
- Review of the 2025 budget;
- Presentation of the management planning documents for 2025 and the analysis report of these documents;
- Presentation of the group's 2024 major risk map;
- Presentation of the new Audit Committee Charter (including new CSR missions);
- Other matters.

On February 19, 2025

An Audit Committee was held with three members present. The Committee deliberated on the following agenda:

- Review of the parent company financial statements at November 30, 2024 and proposed appropriation of net income for the year;
- Statutory Auditors' comments on the parent company financial statements for the year ended November 30, 2024;
- Review of the notes to the consolidated financial statements at November 30, 2024 ;
- Review of the Board of Directors' report on corporate governance;
- Internal audit:
- Results of H2 2024 tests on the internal control system and the 2024 annual summary;
- 2025 forward plan for tests on the internal control system ;
- Point Sapin II, GDPR;
- Presentation of the draft report of KPMG, an independent third party, on the social, environmental and societal information presented in the management report;
- Prior approval of the services provided by the auditors;
- Presentation of the new Audit Committee Charter (including new CSR missions);
- Other matters.

The Statutory Auditors attended all meetings of the Audit Committee; they were invited to make any comments they deemed useful to bring to the attention of the members of this Committee.

3.1.2.2. Compensation and Appointment Committee

Membership and duties

The Board's Internal Rules provide that the Compensation and Appointment Committee be composed of at least three Directors, at least half of whom must be independent. It is chaired by an Independent Director. To date, it comprises Mr. Michel Paris, Chairman, appointed at the Board of Directors' meeting of May 6, 2024 to replace Ms. Sophie Lombard who resigned, Mr. Jean-Louis Chaussade, Independent Director, appointed on January 29, 2019 and of Mr. Yves Perrier, Independent Director, appointed at the Board of Directors' meeting of May 6, 2024 to replace Mr. Michel Giannuzzi.

Furthermore, the Compensation and Appointment Committee, chaired by the Lead Independent Director Michel Paris, does not include the Director representing employee shareholders. In light of the specific skills and experience of its members, including those of the Lead Independent Director, the Company considers that the current membership of the Compensation and Appointment Committee is adequate. The discussions and recommendations made by the Committee are the subject of particularly detailed reports throughout the year, which are communicated and commented on by the Chairman of the Compensation and Appointment Committee to the Board of Directors. All Directors, including the Director representing employee shareholders, thus have the opportunity of 's' to express their views on all matters discussed by the Committee (*compensation of the corporate officer, compensation of Directors, appointment of Directors, succession plan...*).

The duties of the Compensation and Appointment Committee include assisting the Board of Directors in determining the compensation of corporate officers and other executives of the Company. To this end, the Committee takes into consideration the criteria (particularly CSR) set out in section 3.2.1 (ii) of this Chapter. It proposes to the Board of Directors a breakdown of the compensation and the individual amounts of the payments to be made in this respect to the Directors, taking into account in particular their attendance at the Board and at the Committees that make up it.

The Committee also provides the Board of Directors with advice on the general policy for the award of share subscription options and/or share options and bonus shares, and on the share option plans prepared by the group's Executive Management. The Committee also submits recommendations to the Board on awards of share options or share subscription options or awards of bonus shares.

Lastly, it formulates proposals to the Board of Directors in respect of the appointment and/or reappointment of corporate officers, the Directors and the members of the Committees, taking account of the balanced representation of men and women and in accordance with a policy of non-discrimination.

It does not make decisions. Its role is to prepare information to be used by the Board of Directors during its meetings when it considers matters within the Committee's remit.

Meetings may take place via videoconference or by conference call.

Schedule of meetings of the Compensation and Appointment Committee in fiscal year 2024 and arrangements for attendance of members

The following table shows the attendance rate per member at Compensation and Appointment Committee meetings :

Members	Attendance at meetings	Total number of meetings	Individual attendance rate
Sophie Lombard ^(a)	2	2	100%
Jean- Louis Chaussade	4	4	100%
Michel Giannuzzi ^(a)	2	2	100%
Yves Perrier ^(a)	2	2	100%
Michel Paris ^(a)	2	2	100%

(a) On May 6, 2024, the Board of Directors appointed:

M. Yves Perrier as new member of the Compensation and Appointment Committee in replacement of Mr. Michel Giannuzzi;

M. Michel Paris as new member and Chairman of the Compensation and Appointment Committee in replacement of Ms. Sophie Lombard who resigned.

Activity of the Compensation and Appointment Committee for the year

During the Year 2024, the Compensation and Appointment Committee met four times (the Directors' attendance rate at the Compensation and Appointment Committee meetings was 100%) :

On January 15, 2024

Compensation and Appointment Committee held a meeting attended by three members. The Committee discussed the following agenda:

- 2023 salary policy: analysis of compensation and budget oversight;
- Variable compensation granted to corporate officers for 2023;
- Final award of performance shares (2nd 2021 Plan);
- Preparation update: compensation of corporate officers for 2024,
- Amount of directors' compensation (formerly directors' fees) – proposed allocation for fiscal year 2023;
- Other matters.

On January 30, 2024

Compensation and Appointment Committee held a meeting attended by three members. The Committee discussed the following agenda:

- Compensation granted to the corporate officer for 2024 - long term compensation of the corporate officer - commitments in favor of the corporate officer;
- Proposed appointment of a new Director at the next Annual Shareholders' Meeting to replace Mr. Michel Giannuzzi;
- Motion to renew the terms of office of Lucile Ribot, Annalisa Loustau Elia, Sylvie Charles and Sophie Lombard at the next Shareholders' Meeting;
- Motion to reappoint Mr. Nordine Hachemi as Chairman of the Board of Directors exercising the general management of the Company;
- Independent Directors of Sylvie Charles and Sophie Lombard;
- Award of Bonus shares;
- Proposed new Plans pursuant to the authorization granted by the Shareholders' Meeting of May 4, 2023,
- Motion to grant new authority by the 2024 Shareholders' Meeting,
- Other matters.

On June 12, 2024

Compensation and Appointment Committee held a meeting attended by three members. The Committee discussed the following agenda:

- Succession plan;
- Other matters.

On July 2, 2024

Compensation and Appointment Committee held a meeting attended by three members. The Committee discussed the following agenda:

- Succession plan - analysis of a proposal for assistance;
- Other matters.

Subsequent activities of the Committee

Since November 30, 2024, the Compensation and Appointment Committee has held two meetings :

On January 15, 2025

Compensation and Appointment Committee held a meeting attended by three members. The Committee discussed the following agenda:

- Salary policy 2024: analysis of compensation and budget oversight;
- Variable compensation granted to corporate officers for 2024;
- Final award of performance shares (Second Plan 2022) ;
- Preparation update: Compensation of the corporate officer for 2025;
- Amount of directors' compensation (formerly directors' fees) - proposed allocation for 2024;
- Other matters.

On January 30, 2025

Compensation and Appointment Committee held a meeting attended by three members. The Committee discussed the following agenda:

- Compensation granted to corporate officer for 2025 - long term compensation of the corporate officer - commitments in favor of the corporate officer;
- Motion to reappoint Isabelle Bordry, Aline Stickel, Michel Paris and Jean-Louis Chaussade as Directors at the next Shareholders' Meeting;
- Award of Bonus shares;
- Proposed new Plans pursuant to the authorization granted by the Shareholders' Meeting of May 4, 2024,
- Motion to grant new authority by the 2025 Shareholders' Meeting,
- Other matters.

3.1.2.3. CSR Committee

Composition and mission

The Board's Internal Rules stipulate that the CSR Committee shall be composed of at least three members taken from the members of the Board, all of whom are independent Directors in light of the independence criteria adopted by the Company. It is chaired by an Independent Director. To date, it comprises four independent Directors: Sylvie Charles, Lucile Ribot, Annalisa Loustau Elia appointed at the Board of Directors' meeting of May 6, 2024 and Mr. Jean-Louis Chaussade appointed Chairman of the CSR Committee at the Board of Directors' meeting of 26 February 2021.

The members of the CSR Committee are chosen on the basis of their independence, expertise and knowledge in the area of sustainable development, as well as their specific expertise in financial, accounting and statutory auditing matters. As such, at least one independent member of the Committee has specific sustainable development skills acquired through his or her career.

Jean-Louis Chaussade, appointed as Chairman of the CSR Committee, meets this criterion, thanks in particular to his experience in his duties within the Suez Group and his contribution to the preparation of the report "Assessment of French waste treatment capacities by 2040" submitted in 2020 to the French Ministry for the Ecological and Solidarity Transition. "

The presence of members on both bodies, on the CSR Committee and on the Audit Committee (namely Sylvie Charles and Lucile Ribot), enables a

better understanding of the CSR issues that fall within the remit of each of the two committees.

The CSR Committee meets at least once a year and as often as necessary depending on the development of the Company's activities and in particular changes in sustainable development issues specific to its activities. Meetings may take place via videoconference or by conference call.

The Committee's tasks include

- Ensuring that issues relating to social and environmental responsibility are taken into account in the group's strategy and its implementation (in particular, issues relating to the environmental impact and the societal challenges of the group's activities, including Human Resources, particularly healthcare matters, professional training, compensation policy, gender equality, employment and integration of people with disabilities, the fight against discrimination and the promotion of diversity);
- Examining the report on sustainable development provided for in Article L. 22-10-36 of the French Commercial Code;
- Examining the group's commitments in terms of sustainable development, in light of the challenges specific to its business and its objectives.

Schedule of meetings of the CSR Committee in fiscal year 2024 and terms of attendance of members

During the fiscal year 2024, the CSR Committee met twice (the Directors' attendance rate at CSR Committee meetings was 100%).

The table below gives the attendance rate per member at CSR Committee meetings :

Members	Presence at meetings	Total number of meetings	Individual attendance rate
Sophie Lombard ^(a)	1	1	100%
Jean- Louis Chaussade	2	2	100%
Michel Paris ^(a)	1	1	100%
Lucile Ribot ^(a)	1	1	100%
Annalisa Loustau Elia ^(a)	1	1	100%
Sylvie Charles ^(a)	1	1	100%

(a) On May 6, 2024, the Board of Directors appointed:

- Ms. Annalisa Loustau Elia as a new member of the CSR Committee to replace Mr. Michel Paris who resigned;
- Lucile Ribot as new member of the CSR Committee to replace Sophie Lombard who resigned;
- Sylvie Charles as new member of the CSR Committee.

Activity of the CSR Committee for the year

On January 18, 2024

the CSR Committee held a meeting attended by three members. The Committee discussed the following agenda:

- Update of CSR risks and challenges 2023 and monitoring of related indicators;
- Focus on the K&B 2023 GHG inventory;
- European taxonomy 2023: Projected alignment;
- CSRD: Outlines and challenges identified for K&B;
- AMF recommendations on the DPEF.

On July 10, 2024

the CSR Committee held a meeting attended by four members. The Committee discussed the following agenda:

- Board of Directors CSR Committee review;
- ESG ratings;
- Sustainable RCF CSR indicators 2024 - 2029;
- "Nature" issues in projects (adaptation, water, biodiversity);
- National Technical Committee;
- Eco Index Showroom: Responsible purchasing policy and value chain.
- CSRD: Issues considered as material

Subsequent activities of the Committee

Since November 30, 2024, the Committee has met once :

On January 15, 2025

the CSR Committee held a meeting attended by four members. The Committee discussed the following agenda:

- Ratings and developments
- Review of K&B CSR issues by the CSRD (impacts, risks, opportunities, policies, actions and targets):
 - Climate change mitigation,
 - Pollution,
 - Water,
 - Biodiversity,
- Circular economy,
- Human resources,
- Workforce in the value chain,
- Affected communities and authorities,
- Customers and users,
- Governance.

3.1.3. Senior executives

Management of the group is organized under the leadership of the Chairman and Chief Executive Officer, Nordine Hachemi, as well as other senior executives of the group.

Since January 1, 2016, the management bodies have changed and are now primarily made up of an Executive Committee, a Management Committee, and an Extended Management Committee, which also consists of Regional Vice-Presidents and Agency Vice-presidents.

Executive Committee

Kaufman & Broad's Executive Committee has seven members :

Nordine Hachemi	Chairman and Chief Executive Officer
Bruno Coche	Chief Financial Officer
Sylvere Hamel	Chief Executive Officer Region (East, Occitanie Nouvelle Aquitaine, Residences managed and Kalilog)
David Laurent	Chief Executive Officer, Corporate Real Estate, Logistics and Aménagement et Territoires - Île de France Region
Yannick Le Bihan	Chief Executive Officer North West Region
William Truchy	Chief Commercial Officer, Marketing Communication and Digital
Sophie Letiers	Chief Executive Officer, Human Resources - Operational Excellence

The Executive Committee implements the group's strategy and monitors its deployment, in particular through the Annual Plan for each business activity. Lastly, it defines any organizational adjustments that may be required based on the strategic decisions taken by the Board of Directors and ensures they are implemented.

For more information on the presentation of Executive Committee members, please visit our website <https://corporate.kaufmanbroad.fr/Groupe-kaufman-broad/gouvernance/>.

3.1.3.1.2. Nordine Hachemi, Chair and Chief Executive Officer

The biography of Mr. Nordine Hachemi is presented in section 3.1.1.1.1 - B "Directorships and positions held by members of the Board of Directors at November 30, 2024" of this document.

3.1.3.1.3. Management Committee

The Kaufman & Broad Management Committee has 11 members: The members of the Executive Committee and: Mr. Frédéric Bourg, Senior Executive Vice President, Quality, Architecture and Customer Experience ; Bertrand Eyraud, CSR and Innovation Director; Mr. Georges Lopez, Regional Director New Aquitaine; Mr. Marc Vetraino, Deputy CEO Grand Paris.

The Management Committee monitors implementation of the plan by each business activity. It proposes improvement initiatives and sets the objectives to be deployed in the agencies and departments. It helps to define and implement the group's projects.

3.1.4. Special procedures for shareholder participation in the Shareholders' Meeting

Shareholder decisions are made at Shareholders' Meetings. Ordinary Shareholders' Meetings cover all matters that do not require amendments to the bylaws (unless otherwise stipulated by law).

Extraordinary Shareholders' Meetings may be convened to amend the bylaws (unless otherwise stipulated by law).

Shareholders' Meetings are held at the registered office or in any other location indicated in the notice of meeting.

They are convened by the Board of Directors, in the manner and within the time limit set by law. All shareholders are entitled to attend Shareholders' Meetings, either in person or by proxy, provided that they submit proof of their identity and of ownership of at least one share, in the form and at the place specified in the notice of meeting. All shareholders are entitled to be represented at Shareholders' Meetings in the manner stipulated by law.

Shareholders may also cast postal votes in the manner stipulated by law. Shareholders who attend a meeting via video conference or other telecommunication technology that enables them to be identified, the type and use of which are defined by law, are deemed in attendance for the purpose of calculating a quorum and voting majorities. These provisions are contained in Article 18 of the Company's bylaws.

All shareholders may be represented by their spouse, by another shareholder or by any individual or legal entity of their choice, at all Shareholders' Meetings. Shareholders may also cast postal votes in the manner stipulated by law.

Shareholders' Meetings are chaired by the Chairman of the Board of Directors or, in the Chairman's absence, by the Deputy Chairman or, in the Deputy Chairman's absence, by a director designated by the Board. The two shareholders in attendance holding the largest number of votes in their own names and/or as proxies shall, if they agree, act as the tellers. The officers appoint the meeting secretary, who does not have to be a shareholder.

3.2. Group compensation policy

The group's compensation policy has always consisted of closely linking economic results with individual performance, measured on the basis of objective and quantifiable criteria.

The Company has implemented a "group compensation policy", also applicable to Corporate Officers that compensates all employees with (i) a base salary, as compensation for the employee's work, and which is aimed at attracting and retaining talent, and (ii) a variable portion, which compensates individual and collective performance according to the attainment of ambitious, fixed objectives, which is nonetheless limited to a maximum level to avoid excessive risk taking and in accordance with the Company's interests. This variable component is based on annual or even biennial criteria, which avoids limiting performance assessment to a strictly short-term review. In addition, this variable portion is supplemented by a universal award of bonus shares, which links all group employees to value creation over the medium and long-term to support the group's commercial strategy and continuity. The Chairman and Chief Executive Officer, as well as the members of the Executive Committee and the Regional Vice-Presidents and Agency Vice-presidents are also awarded bonus shares, in addition to their variable compensation, the final vesting of which is subject to performance conditions, in accordance with the principles of good governance. It is based on compensation principles applicable to both employees and management teams, offering an attractive basic salary to attract and retain talent and a variable component that rewards individual and collective performance.

Against this backdrop, at the time of the Company's free float increase (re-IPO) in May 2016, the senior executives (including the Chairman and Chief Executive Officer) and some of the group's employees tendered their shares from the 2014 and 2016 bonus share plans to Artimus Participations, a management investment structure within the Company, set up during this transaction. Through this company comprising executives and employees of the Company, the group Employee Savings Plan and individuals, on November 30, 2024 the group's employees held about 10.17% of the share capital of the Company, becoming its leading shareholders. This configuration guarantees an alignment of long-term interest with the shareholders and the management of the Company, with the Chairman and CEO owning, directly or indirectly, approximately 1.81% of the capital of Kaufman & Broad SA at the date of this report.

The aim of this policy is to:

- adapt compensation to the group's collective performance, while being a source of motivation and individual effectiveness;
- involve all employees directly in results over several years;
- To achieve these objectives, several resources have been put in place:
- the annual compensation of employees and management teams includes a significant variable component, regardless of the function performed, conditional upon the achievement of targets that are ambitious, but limited to a maximum level to avoid excessive risk-taking, and established on annual or even two-yearly criteria, to avoid restriction to a short-term point of view only.

In 2024, approximately 22.09% of the annual compensation paid to employees was made up of a variable component, determined on the basis of the Company's performance and annual individual targets. This component represented 40.61% of the total compensation for the members of the Executive Committee, 30.67% for the members of the Extended Management Committee and nearly 56.36% for the Chairman and Chief Executive Officer;

Share ownership opportunities in the Company in order to involve employees and managers in value creation over the medium/long term, through:

- a) the implementation each year of universal bonus shares ("AGA"), for all employees, with a four-year availability horizon. The granting of these to the Chairman and Chief Executive Officer and members of the Executive Committee, the Management Committee and the Extended Management Committee, subject to stringent, long-term performance conditions.
- b) company savings plans (PEE)/company mutual funds (FCPE) open to all employees, about 75% having subscribed to these vehicles with a five-year availability horizons;
- c) The creation of an investment vehicle (Artimus Participations SAS), to which the main managers (including the Chairman and Chief Executive Officer) and certain group employees) who contributed more than €21 million to its creation, either in cash or in the form of KBSA shares, during the May 2016 public float extension (re IPO), for a 8 year period, which was extended on 5 July 2023 for a further 7-year period. Following the opening of the monthly stock exchange in October 2024, some 40 group employees acquired a stake in Artimus Participations.

3.2.1. Compensation policy for the executive corporate officer

The following developments constitute the compensation policy for the Company's executive directors, particularly for 2025. They describe in particular the components of fixed and variable compensation and explain the decision making process followed for its determination, revision and implementation.

In accordance with the provisions of Article L. 22-10-8 -II of the French Commercial Code, the compensation policy presented below is subject

to the approval of the Combined Shareholders' Meeting of May 6, 2025. It is recalled that the last annual approval of the compensation policy for the executive directors of Kaufman & Broad SA took place at the Combined Shareholders' Meeting on May 6, 2024 and adopted by a large majority.

(I) Principles and decision making processes followed for the determination and implementation of the compensation policy for executive corporate officers

The compensation policy of the Executive Director, Nordine Hachemi, in his capacity as Chairman and Chief Executive Officer of the Company as of the date of this report, was approved by the Board of Directors after review and issue of an opinion by the Compensation and Appointment Committee. The Board of Directors applies the recommendations of the AFEF-MEDEF Code, amended in January 2020 and December 2022, relating to the compensation of Executive Directors of listed companies. In this context, the Board of Directors sets the principles for determining the compensation of the Chairman and Chief Executive Officer, with particular attention to compliance with the following principles:

- Principle of balance and moderation: it is ensured that each element of the compensation of the Chairman and Chief Executive Officer is clearly justified and that none is disproportionate.
- Principle of competitiveness: it is ensured that the compensation of the Chairman and Chief Executive Officer is competitive in comparison with compensation surveys for the sector.
- Principle of alignment of interests: the compensation policy is a management tool intended to attract, motivate and retain talent necessary to the Company. At the same time it addresses the expectations of shareholders and other stakeholders of the Company, in particular in relation to performance.
- Performance principle: the compensation of the Chairman and Chief Executive Officer is closely linked to the performance of the Company, in particular through variable compensation assessed each year. Payment of this variable portion is subject to achieving objectives rewarding immediate performance that lays the groundwork for the future and ensures the sustainability of the group, and whose impact can be measured over a period (i) of one year (changes in income, EBITDA, Attributable Net Income, WCR) and (ii) of two years (number of orders and number of lots approved by the Commitment Committees).

The compensation of the Chairman and Chief Executive Officer includes a fixed and a variable portion based on a number of objectives determined on an annual basis. At the end of each fiscal year, the Board of Directors, acting on the recommendation of the Compensation and Appointment Committee, sets the amount of his gross annual fixed compensation for the following year as well as the ceiling of his annual variable compensation for that year, and quantitative criteria on the basis of which this will be calculated. At the beginning of each fiscal year, the Board of Directors, acting on the proposal of the Compensation and Appointment Committee, determines the amount of his annual variable compensation due for the previous fiscal year based on that year's results and the achievement of his quantitative and qualitative objectives, and sets objectives for the qualitative part of his annual variable compensation for the current fiscal year.

In order to link the Chairman and Chief Executive Officer with long-term performance, part of his compensation consists of performance shares. This component of compensation is directly related to the group's performance since the number of shares definitively granted to the Chairman and Chief Executive Officer at the end of the vesting period depends on the group's performance, according to certain criteria (see section (ii) - a) below).

On February 21, 2025, the Board of Directors approved two sets of rules governing plans that set out the terms and conditions of bonus share awards, i.e.:

- a first set of rules applicable to senior executives and employees of the group ("1st 2025 Plan"),

Excerpt from the Rules of the 1st 2025 Plan (Article 5 - Conditions governing the availability of shares):

.../...

"If at any time during the Vesting period, there occurs...

For senior executives, in the event of the termination of their duties under their corporate office (resignation or dismissal) binding them to Kaufman & Broad SA, or to one of the companies or entities controlled by Kaufman & Broad SA within the meaning of Article L. 233-3 of the French Commercial Code, or the Kaufman & Broad economic interest group, the Beneficiaries will no longer be eligible to receive Bonus Shares, and will lose all entitlements awarded under the plan, as from the date of notification of their resignation, or the date of the Board of Directors' meeting on which their dismissal was decided, depending on the case. This condition includes the case in which their employer ceases to be a Subsidiary of Kaufman & Broad SA.

In the event of the Beneficiaries' death during the Vesting Period, the heir(s) of their estate may request the Award of Shares within a period of 6 months from the date of death.

In the event of the Beneficiaries' invalidity during the Vesting Period, entitlement to Bonus Shares will take effect immediately and the Bonus Shares will automatically be delivered to the relevant person, within a brief period as from the date of termination of the employment contract due to said invalidity.

In the event of the Beneficiaries' retirement during the Vesting Period, they will remain eligible to receive the Bonus Shares and will maintain all entitlements awarded under the plan. The rules of operation of these Rules will continue to apply.

- a second plan ("2nd 2025 Plan") applicable solely to the Chairman and Chief Executive Officer ("the Beneficiary"),

Excerpt from the Rules of 2nd 2025 Plan (Article 5 - Conditions governing the availability of shares):

.../...

"at any time during the Vesting Period, the executive corporate officer ceases to exercise his corporate office (resignation or dismissal), the Beneficiary will no longer be eligible to receive the Bonus Shares, and will lose all entitlements awarded under the Plan.

.../...

The Board of Directors may, at its discretion, resolve to waive the presence condition of the Beneficiary before the end of the vesting period.

In the event of the Beneficiary's death during the Vesting Period, the heir(s) of his estate may request the Award of Shares within a period of 6 months from the date of death.

In the event of the Beneficiary's invalidity during the Vesting Period, entitlement to Bonus Shares will take effect immediately and the Bonus Shares will automatically be delivered to the relevant person, within a brief period as from the date of termination of the employment contract due to said invalidity.

In the event of the Beneficiary's retirement during the Vesting Period, they will remain eligible to receive the Bonus Shares and will maintain all entitlements awarded under the Plan. The rules of operation of these Rules will continue to apply."

For the fiscal year ended November 30, 2025, the Compensation and Appointment Committee filed a motion with the Board of Directors at its meeting of February 21, 2024 to leave the different components of the compensation policy unchanged relative to the policy approved at a rate of more than 90% by the Shareholders' Meeting on May 6, 2024.

(II) Components of the Chairman and Chief Executive Officer's compensation

The compensation of the Chairman and Chief Executive Officer includes fixed annual compensation and variable compensation in cash and performance shares, plus long term compensation.

In his capacity as Chairman and Chief Executive Officer of the Company, Mr. Nordine Hachemi are determined in accordance with the principles set out below. These principles were reviewed by the Compensation and Appointment Committee on January 30, 2025 and decided by the Board of Directors on February 21, 2025.

Fixed compensation

The Board of Directors, acting on the proposal of the Compensation and Appointment Committee, determines the fixed annual compensation of the Chairman and Chief Executive Officer in view of a detailed study of the fixed and variable compensation of senior executives of comparable companies by an independent firm contracted by the Company.

The gross annual fixed portion of the Chairman and Chief Executive Officer's compensation was set by the Board of Directors on February 21, 2025 at €650,000 gross for 2025.

Variable compensation

The variable compensation of the executive corporate officer includes (i) a target and maximum annual variable portion, paid in cash, and (ii) an annual deferred payment part in the form of awards of bonus shares with performance conditions attached.

a) Target annual variable portion and maximum variable portion in cash

The Board of Directors, acting on the proposal of the Compensation and Appointment Committee, determines the variable annual compensation of the Chairman and Chief Executive Officer on the basis of quantitative and qualitative criteria. For 2025, at its meeting of February 21, 2025, the Board of Directors maintained the gross maximum annual variable portion of the Chairman and Chief Executive Officer's compensation for 2024 at €700,000 (unchanged from 2024, i.e. 107% of his fixed annual compensation), provided the objectives are 100% achieved and, in the event of outperformance, up to 130% of the sum referred to above, i.e. a gross maximum amount of €910,000 (approximately 140% of his fixed annual compensation), subject to his continued presence in January 2026.

The Board of Directors, at the recommendation of the Compensation and Appointment Committee, considered it appropriate to maintain the principle of rewarding the corporate officer's outperformance in a still challenging environment at 130% of the annual variable compensation.

A total of 70% of the variable portion of this compensation will be calculated from quantitative elements and 30% from qualitative elements, each of which has an assigned weighting.

In accordance with the provisions of Article L. 22-10-34 of the French Commercial Code, this variable compensation is subject to an affirmative vote by the Ordinary Shareholders' Meeting that will vote in 2025 on the financial statements for the fiscal year ending November 30, 2024.

• Quantitative criteria:

They are based on indicators that the Board of Directors, on the proposal of the Compensation and Appointment Committee, deemed the most relevant for assessing the financial performance of the group. For 2025, the quantitative criteria represent 70% of variable compensation, of which 15% is linked to revenues, 15% to EBITDA, 15% to Attributable Net Income, 5% to WCR, 10% to the volume of annual housing orders and 10% to the Number of lots approved by the Commitment Committees for 2025 (the latter two indicators reflect the group's medium-term business outlook).

It should be noted that in order to further emphasize the link between the compensation of the Chairman and Chief Executive Officer and the interests of the shareholders, the Board of Directors proposes the renewal for 2025 of the long-term plan implemented in 2018 and approved by the last Shareholders' Meeting of May 6, 2024 by a very large majority.

• Qualitative criteria :

As regards the non-financial criteria, which make up 30% of variable compensation for 2025, they are now based on the following qualitative targets adopted by the Board of Directors to set the 2024 compensation of the corporate officer, i.e.: management of group teams and quality of the Company's working environment; the continued implementation of the CSR policy (particularly with regard to the group's CSR commitments and objectives described in Chapter 5 "Non-Financial Performance Statement") of the group as well as sound risk management.

b) Deferred payment of the annual variable portion in the form of performance shares

The 19th resolution of the Shareholders' Meeting of May 6, 2024, authorized the Board of Directors to grant, on one or more occasions, awards of bonus shares to the members of Company staff or executive officers up to a total of 250,000 shares, including 50,000 shares to the executive corporate officer.

After taking into account the awards made during the fiscal year 2024, 250,000 shares may be awarded under the aforementioned 19th resolution, including a maximum of 50,000 shares to the executive corporate officer.

At its meeting of February 21, 2025, the Board of Directors made use of the authorization conferred by this resolution, awarding 15,000 performance shares to the Chairman and Chief Executive Officer for 2025, provided that he is still in office when they are fully vested in 2027 ("1st 2025 Plan").

On the basis of valuation work carried out by an independent actuary at the request of the Company and using the Company's share price on February 21, 2025, the benefit corresponding to the 15,000 performance shares whose allocation to the Chairman and Chief Executive Officer is being considered in respect of his annual variable compensation with deferred payment is estimated at approximately €400,843.

Final award of these performance shares to the Chairman and Chief Executive Officer would be subject to the same performance conditions as those provided for in the annual variable compensation in cash described above.

In the event that these performance conditions are met, the Chairman and Chief Executive Officer would be entitled to an award of performance shares in respect of the deferred annual variable compensation, at the same ratio and in the same proportions as for the annual variable compensation in cash. In the event of 100% achievement of the performance conditions, the maximum number of attributable performance shares, i.e. 15,000 shares, would be awarded to the Chairman and Chief Executive Officer. No additional performance shares would be awarded in the event of outperformance above 100%.

It should be noted that, in accordance with the provisions of Article L. 22-10-34 II of the French Commercial Code, the final awarding of these performance shares in respect of the deferred variable compensation for fiscal year 2025 will be subject to an affirmative vote at the Annual Shareholders' Meeting to be held in 2026 to approve the financial statements for the fiscal year ending November 30, 2025.

Long-term compensation

It should be noted that, since 2018 the Board of Directors introduced a long-term compensation plan for the Chairman and Chief Executive Officer based on the award of 10,000 performance shares to the latter, with a vesting period of three years and a lock-in period of one year and performance conditions assessed over said periods:

- in 2022 by the Board of Directors, with the award of 10,000 performance shares to the Chairman and Chief Executive Officer, subject to performance conditions assessed over the 2022-2024 period,
- in 2023 by the Board of Directors, with the award of 10,000 performance shares to the Chairman and Chief Executive Officer, subject to performance conditions assessed over the 2023-2025 period,
- In 2024 by the Board of Directors, with the award of 10,000 performance shares to the Chairman and Chief Executive Officer, subject to performance conditions assessed over the 2024-2026 period.

The Board of Directors' meeting of February 21, 2025 awarded 10,000 performance shares to the Chairman and Chief Executive Officer under the 19th resolution of the Combined Shareholders' Meeting of May 6, 2024.

Vesting of these shares is subject to the following conditions:

- The shares will only be fully vested after a period of three years, i.e. in 2028, and must then be held for a period of one year by the Chairman and Chief Executive Officer ;
- Long-term performance conditions assessed over the period 2025-2027 (three fiscal years), including CSR performance, Quality of Property and Service, the level of employee shareholding in the Company's share capital and the TSR (*Total shareholder return*). The relative weight of the four conditions is 25% for CSR performance, 25% for Quality of Goods and Services, 20% for employee shareholding and 30% for TSR.

In addition, on the proposal of the Compensation and Appointment Committee, the Board of Directors' meeting of February 21, 2025 modified the performance calculation methodology by introducing a stricter rule for achieving the objectives recorded annually (instead of an assessment at the end of the 3-year period for certain criteria). These changes relate to indicators (I) CSR and (II) Quality of Goods and Services as follows:

(I) Regarding the CSR Indicator:

The Board of Directors decided to retain the two evaluation criteria, assessed annually for 50% each, i.e.:

- A general ESG criterion: By using the Ethifinance ESG Ratings Index⁽¹⁾, with the aim of maintaining, for each fiscal year, among the top 50 companies in the national ranking of the aforementioned index (out of 230 companies in the Gaïa 2020 assessment);
- A specific environmental criterion: By retaining the CDP Climate Change⁽²⁾ and A- criteria for each fiscal year;

(II) With respect to the Quality of Goods & Services Indicator⁽³⁾:

Given the diversity of acquirers, the Board of Directors has adopted the following two criteria, assessed annually for 50% each :

- A criterion linked to the results of the satisfaction survey carried out by BVA among individual customers with the aim of obtaining a gradual rating per year as follows:
 - 69/100 in 2025;
 - 70/100 in 2026;
 - 70/100 in 2027.
- A criterion linked to the results of the satisfaction survey carried out by BVA among institutional customers with an average rating of 8.

At the end of each of these three years, it will be established whether the target is achieved at 100%, in which case 1/6 of the 25% of the performance shares attributable will be vested. If not, no award will be made.

The following conditions have not been modified by the Board of Directors:

- The condition related to the level of employee shareholding is as follows :

Maintain, each year, employee shareholding (through Artimus Participations, the PEE and individually) at least 10% of the Company's share capital (*excluding specific financial transactions*).

- The TSR condition is met in stages, at the following levels and thresholds :

Target for achieving, annually, a TSR of between 10% and 15% over the three-year period, of:

- 0 if the TSR is less than 10 %,
- 0% to 100%, by linear interpolation, if the TSR is between 10 % and 15% after 3 years,
- 100% if the TSR is equal to or greater than 15%.

Based on valuation work carried out by an independent actuary at the Company's request, in particular on the basis of the Company's share price as of February 21, 2025, the benefit corresponding to the 10,000 performance shares to be granted to the Chairman and Chief Executive Officer in respect of his 2025-2027 long term compensation is estimated at around €221,658.

(1) Formerly known as Gaïa Research, Ethifinance Ratings is a rating agency of the Ethifinance Group specialized in the rating of ESG performance of listed intermediate sized French and European companies. Created in 2004, Ethifinance is an innovative European rating, research and advisory group serving sustainable finance.

(2) The CDP (Carbon Disclosure Project) is an international non-profit organization dedicated to studying the impact of major publicly traded global companies on climate change. The rating is granted each year on the basis of demanding criteria, and regularly reviewed by the CDP to ensure that they represent best practices.

(3) This is the composite goods and services quality measurement index based on the BVA company's annual survey conducted by the Company. This index includes 10 indicators each rated out of 10, of which 9 relate to the level of Satisfaction (towards Kaufman & Broad, on real estate, the contact person at the booking, the TMA request processing, the customer space, the partition visit, the RDV delivery of keys, support since the delivery of keys, the cleanliness of the housing at the delivery) and 1 on the recommendation.

The following table summarizes the methods used to calculate and weight the various long term performance criteria :

Criteria	Scale	Objectives	Calculation rules	% of performance shares awarded
CSR	25%	Maintain, each fiscal year, among the top 50 companies in the national ranking of the Ethifinance index (out of 230 companies in the Gaïa 2020 assessment)	2025: 1/6	100% otherwise 0
			2026: 1/6	100% otherwise 0
			2027: 1/6	100% otherwise 0
		CDP Climate Change Index (<i>Carbon Disclosure Project</i>): Maintain, for each fiscal year, a rating of A-	2025: 1/6	100% otherwise 0
			2026: 1/6	100% otherwise 0
			2027: 1/6	100% otherwise 0
Property and Service Quality	25%	BVA survey of individual customers:		
			– 2025: 69/100	100% otherwise 0
			– 2026: 70/100	100% otherwise 0
			– 2027: 70/100	100% otherwise 0
		BVA survey institutional clients: Maintain, for each fiscal year, a score of 8	2025: 1/6	100% otherwise 0
			2026: 1/6	100% otherwise 0
			2027: 1/6	100% otherwise 0
Employee shareholding	20%	Maintain employee shareholding to at least 10% each year	2025: 1/3	100% otherwise 0
			2026: 1/3	
			2027: 1/3	
TSR	30%	Target of achieving an annual TSR of between 10% and 15% over the three-year period	Calculation for each year in the amount of 1/3:	For each year:
			TSR < 10%	0
			TSR between 10% and 15%	From 0% to 100%, by linear interpolation
			TSR equal to or > 15%	100%

Total Compensation

The maximum total compensation that may be awarded to the Chairman and Chief Executive Officer for his performance in the fiscal year 2025, including:

- his fixed compensation (€650,000);
- his variable cash compensation (of up to €910,000);
- his deferred variable compensation (15,000 shares valued at around €400,843).

This amounts to around €1,960,843, i.e. 33.15% fixed compensation, 66.85% variable compensation, of which 69.42% paid in cash and 30.58% paid in the form of performance shares, in line with market practices.

He would also receive long term compensation based on the award of 10,000 performance shares valued at around €221,658 subject to long term performance conditions (2025-2027) and a presence conditions.

Company car

The Chairman and Chief Executive Officer benefits from a company car with a budget of €1,700 per month excluding tax for the year ended November 30, 2025.

Pension plan

The Chairman and Chief Executive Officer is entitled to the Company supplemental defined-contribution pension plan under the same terms as the members of the Management Committee as stipulated by Article 83 of the General Tax Code, whose annual contributions are capped at 8% of gross salary and capped at 8 times the social security cap. This amount is estimated at €30,104.96 for the fiscal year 2025.

Severance and non-compete indemnity

Severance pay will be equal to 12 months gross fixed and variable compensation for the fiscal year ended, extended to 18 months if control over the Company is taken by one or more third parties acting in concert triggering the obligation to launch a public offering of the Company shares. Regardless of the date and circumstances of the dismissal from office, such severance pay will be payable only if the Chief Executive Officer has received or should have received in the two fiscal years preceding the termination of his term in office at least 70% of the maximum variable portion (excluding outperformance) of his compensation on average for each of these two fiscal years, the variable portion being based on both quantitative and qualitative targets.

No compensation shall be paid to the Chairman and Chief Executive Officer for voluntary departure.

The non-compete clause is applicable to the Chairman and Chief Executive Officer, extends over a period of twelve months and covers all French territory. In consideration for this, he shall receive flat-rate monthly gross compensation equal to 50% of the average monthly gross fixed compensation that he will have received during the twelve months preceding the termination of his term of office (or the duration of the latter if it is lower). The Company however will have the option of reducing this term or releasing the Chairman and Chief Executive Officer from this commitment.

Summary table of fixed and variable components of the Chairman and Chief Executive Officer's compensation

Compensation components	Principle	Criteria for determination
Fixed compensation	The Chairman and Chief Executive Officer receives fixed compensation in twelve monthly installments.	The gross amount is set at €650,000 for the 2025 fiscal year.
Variable compensation	The Chairman and Chief Executive Officer receives variable compensation determined in light of the group's performance. This compensation is paid during the fiscal year following that for which performance was recorded. In accordance with the provisions of Article L. 22-10-8 of the French Commercial Code, this variable compensation is subject to the approval of the compensation components of the Chairman and Chief Executive Officer by an Ordinary Shareholders' meeting under the conditions set out in Article L. 22-10-34 of the French Commercial Code.	The annual variable portion of the Chairman and Chief Executive Officer's compensation is €700,000 gross if objectives are 100% achieved and, in the event of outperformance up to the achievement of 130% of these objectives, a maximum amount of €910,000 gross, of which 15% is related to revenues, 15% to EBITDA, 15% to Attributable Net Income, 5% to WCR, 10% to annual housing orders, 10% to the number of lots approved by the Commitment Committees for 2025 and 30% linked to qualitative objectives, as presented above. In addition to this variable monetary part, a variable portion paid in the form of bonus share awards (15,000) is added, subject to the achievement of the performance criteria described above and a vesting period of two years.
Long-term compensation	In 2018, the Board of Directors proposed the establishment of a long-term compensation program for the Chairman and Chief Executive Officer based on an award of 10,000 bonus shares. The long-term compensation plan was renewed for the first time in 2019, 2020, 2021, 2022 and 2023. A proposal has been made to renew the plan in 2025 for the 2025-2027 period.	Final award of these shares is subject to the achievement of the objectives each year, detailed in the above paragraph and a vesting period of three years.
Pension plan	The Chairman and Chief Executive Officer benefits from a supplemental defined contribution pension; the amount of the contribution paid by the Company for the Chairman and Chief Executive Officer is estimated at €30,104.96 for 2025.	The scheme is described in the paragraph above.
Severance and non-compete indemnity	The Chairman and Chief Executive Officer is entitled to a commitment by the Company to pay a termination indemnity in the event of the Board's decision to terminate his duties and an indemnity intended as compensation for his non-compete commitment.	The severance pay and non-competition benefit scheme are described in the paragraph above.
Company car	The Chairman and Chief Executive Officer has a company car with a monthly budget of €1,700 excluding tax for the year ended November 30, 2025.	Not applicable.

Draft resolution prepared by the Board of Directors pursuant to Article L. 22-10-8 II of the French Commercial Code submitted to the Combined Shareholders' Meeting of May 6, 2025

FIFTH RESOLUTION

(Approval of the compensation policy for the Chairman and Chief Executive Officer)

The Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary Shareholders' Meetings, after a reading of the report of the Board of Directors on Corporate Governance prepared in accordance with Article L. 225-37 of the French Commercial Code, describing the components of the compensation policy for corporate officers, approves, in accordance with Article L. 22-10-8 II of the French Commercial Code, the compensation policy for the Chairman and Chief Executive Officer of the Company, as presented in section 3.2.1 of the aforementioned report, included in section 3.2. of this document.

3.2.2. Compensation paid to the Chairman and Chief Executive Officer during the fiscal year ended November 30, 2024 or granted for the same fiscal year

In accordance with Article L.22-10-34 of the French Commercial Code, the Annual Shareholders' Meeting approves a draft resolution concerning the information mentioned in I of Article L. 22-10-9-I of the French Commercial Code, to be included in the corporate governance report and including in particular the compensation paid in respect of the term of office during the past fiscal year or allocated in respect of the term of office for the same fiscal year, i.e. the fiscal year ended November 30, 2024.

In addition, in accordance with Article L.22-10-34-II of the French Commercial Code, the Annual Shareholders' Meeting shall deliberate on the fixed, variable and exceptional items comprising the total compensation and benefits of any kind paid during the past fiscal year or

Fixed compensation

The gross fixed compensation paid to the Chairman and Chief Executive Officer during the year ended November 30, 2024 was €650,000.

The gross annual fixed compensation of the Chairman and Chief Executive Officer is increased to €650,000 as of January 1, 2024 from €600,000 in fiscal year 2023.

As a reminder, the Board of Directors' meeting of February 15, 2024 decided to increase the fixed compensation of the Chairman and Chief Executive Officer by €50,000 to reflect the termination, effective January 1, 2024, of the insurance provided to the Chairman and Chief Executive Officer in the event of a loss of income related to the loss of his corporate office, for which the contributions (which amounted to €36,244 in 2023) were paid by the Company.

allocated in respect of the same fiscal year, in a separate resolution for each corporate officer.

The Combined Shareholders' Meeting of May 6, 2025 will therefore be asked to vote, in separate resolutions, on the one hand on the information mentioned in I of Article L. 22-10-9 of the French Commercial Code, including in particular the items presented in section 3.2.1 above, and on the other hand on the compensation items paid or awarded in respect of the fiscal year ended November 30, 2024 to the Chairman and Chief Executive Officer, as set out below, it being specified that the payment of variable compensation is subject to a positive vote by the shareholders in accordance with Article L.22-10-34 II.

Variable compensation

The 2024 variable compensation of the executive corporate officer includes (i) a target and maximum annual variable portion, paid in cash, and (ii) an annual deferred payment part in the form of awards of bonus shares with performance conditions attached.

a) Annual variable portion in cash

The Board of Directors' meeting of January 29, 2025, acting on the proposal of the Compensation and Appointment Committee meeting of January 15, 2025, after reviewing the results of the Company and the qualitative results of the Chairman and Chief Executive Officer during the year ended November 30, 2024, set the quantitative portion of the variable compensation due to the Chairman and Chief Executive Officer at €566,400 gross, and the qualitative portion of this compensation at 130% of the target, i.e. €273,000 gross (i.e. a total rounded of €839,400 gross, i.e. 122% of the target amount).

Concerning the quantitative part, representing 70% of the variable compensation, the Board of Directors noted that rights to variable compensation are awarded according to the grid below:

Objective	2024		
	Weighting	Achievement of target (as % of target)	Bonus amount (as % of target amount)
Revenue	15%	97.65%	97.65%
EBITDA	15%	109.28%	115.00%
Attributable net income	15%	135.90%	130.00%
WCR	5%	700.37%	130.00%
Number of housing orders	10%	100.16%	100.16%
Number of lots approved by the Commitment Committees	10%	128.88%	130.00%

As regards the qualitative portion, representing 30% of the variable compensation, the following qualitative targets were reviewed by the Compensation and Appointment Committee at its meeting of January 15, 2025 and were the subject of the following observations:

Management of group teams and quality of the working atmosphere:

- Continued decrease in headcount with the support of staff representatives,
- Implementation of AI, particularly within the Customer Relations, Accounting and Commercial teams, with an improvement in team productivity and customer satisfaction.
- Employee relations: Signature of a unanimous NAO and change of the Complementary health insurance with maintenance of guarantees and strengthened health systems.
- Strong organizational agility of managers and strong motivation in times of crisis.
- The award of various 2024 labels that recognize managerial changes and the group's transformation: *Best Managed Companies* and *Happy Trainees*. For more information on the climate, social and societal ratings and labels obtained by the group for 2024, please refer to section 5.1.2.1.2. "Incentives for consideration of sustainability results" in Chapter 5.

Continued implementation of the CSR policy :

- All the actions implemented in the context of CSR are mentioned in the CSR Committees held during the year,
- Launch of projects in advance of phase reaching threshold 2031 of the RE (2nd family) and threshold 2028 (2nd and 3rd family),
- The evolution of the EPSM (generalization of solutions allowing the charging of electric vehicles, water vigilance zones, etc.),
- Launch of Ecoscore showroom Ile de France,
- Strengthening the consideration of issues, risks and opportunities in the Water (de-sealing, synergies with water agencies, etc.) and Circular Economy (Experiment Lot 0 Waste) themes,
- Updating of business ethics processes (in conjunction with the Internal Audit Department),
- Actions in favor of diversity (HR Department).

Sound risk management :

- The maintenance of a positive result, management of operating expenses and absence of debt in tense economic conditions reflect the group's sound risk management.

At its meeting of January 15, 2024, after seeking the Committee's opinion, the Board of Directors noted that the results obtained met established targets and gave entitlement to a bonus of 130%, or €273,000.

The payment of the annual variable compensation awarded in respect of 2024 is subject to approval by the next Combined Shareholders' Meeting of May 6, 2025.

b) Deferred payment of the annual variable portion in the form of performance shares

It is recalled that the Board of Directors' meeting of February 15, 2024 made use of the authorization granted by the 22nd resolution of the 2023 Combined Shareholders' Meeting, and thus awarded 15,000 performance shares to the Chairman and Chief Executive Officer for fiscal year 2024, provided that he is still in office at the time of their final vesting in February 2026. Shares definitively acquired must then be retained for a period of 2 years.

Final award of these shares to the Chairman and Chief Executive Officer is subject to the same performance conditions as those provided for in the annual variable compensation in cash set out in paragraph (a) above. In the event that these performance conditions are met, the Chairman and Chief Executive Officer would be entitled to an award of performance shares in respect of the deferred annual variable compensation, at the same ratio and in the same proportions as for the annual variable compensation in cash. No additional performance shares would be awarded in the event of outperformance above 100%.

At its meeting of January 29, 2025, the Board of Directors, on the recommendation of the Compensation and Appointment Committee, definitively awarded a number of 15,000 performance shares to Mr. Nordine Hachemi in respect of his deferred variable compensation for 2024, corresponding to an overall performance of 122%, provided that he is still in office at the time of their definitive vesting in February 2026.

On the basis of valuation work carried out by an independent actuary at the request of the Company and using the Company's share price on February 15, 2024, the benefit corresponding to the 15,000 performance shares whose allocation to the Chairman and Chief Executive Officer is being considered in respect of his annual variable compensation with deferred payment is estimated at approximately €367,427.

Long-term compensation

As a reminder, at its meeting of February 25, 2022, the Board of Directors resolved, on the recommendation of the Compensation and Appointment Committee, to introduce a long-term compensation scheme in 2021 for the Chairman and Chief Executive Officer based on the award of 10,000 performance shares to the latter, with a vesting period of three years and a lock-in period of one year ("2nd 2022 Plan").

The Board of Directors had decided to include the following performance conditions: long-term performance conditions evaluated over the 2022-2024 period (three fiscal years), including CSR performance, property and service quality, the level of employee shareholding in the Company's share capital and the TSR (total shareholder return). The relative weight of these four conditions is broken down to 25% for CSR performance, 25% for property and service quality, 20% for employee shareholding and 30% for TSR.

Performance criteria	Weighting	Objectives	Calculation rules	% of performance shares awarded
CSR	25%	Remaining 3 years among the top 70 companies in the GAIA index (230 companies)	1/3	100% otherwise 0
		Obtain a minimum VIGEO rating of 50 in each fiscal year	1/3	100% otherwise 0
		Have a rating B in 2024 on the CDP index	1/3	100% otherwise 0
		Obtain the following score for each of the next 3 years:		
Property and Service Quality ^(a)	25%	2022: 67/100	1/3	100% otherwise 0
		2023: 68/100	1/3	100% otherwise 0
		2024: 69/100	1/3	100% otherwise 0
Employee shareholding	20%	Maintain employee shareholding (through Artimus Participations, the PEE and individually) at least 10%		100% otherwise 0
TSR	30%	Target of achieving a TSR between 10% and 15% after three years	TSR < 10%	0
			TSR between 0% and 15%	From 0% to 100%, by linear interpolation
			TSR equal to or > 15%	100%

(a) This is a composite index measuring Property and Service Quality, based on the annual BVA survey conducted by the Company. The index comprises 10 indicators, each scored on a scale from 1 to 10, with 9 corresponding to the level of Satisfaction (with Kaufman & Broad, the real estate asset, the contact person who recorded the order, the handling of the TMA request, the customer account, the inspection of the partitions, the handover of the keys, the support since the handover of the keys, Cleanliness of the Housing Unit on delivery) and 1 corresponding to the Recommendation.

The Compensation and Appointment Committee meeting of January 15, 2025 made the following observations on the achievement of the performance conditions over the period under review:

- With regard to the condition linked to CSR performance:

Objective	Valuation		
	2022	2023	2024
Stay in the top 70 companies in the GAIA index (230 companies) for 3 years	Achieved: 7 th in the sector rankings and 38 th out of 371 companies (GAIA Index) Note: 74/100	Achieved: 24 th in the sector rankings (196 companies) and 66 th out of 349 companies (GAIA Index) Note: 73/100	Achieved: 33 rd in the sector rankings (336 companies) (GAIA Index renamed Ethifinance) ^(a) Note: 80/100
Obtain a rating from an extra financial rating agency that is, at least, above the average (VIGEO/Moody's rating) from 2022: 50/100	Achieved: The rating requested is 51/100	Achieved: The rating requested is 58/100	Achieved: The rating requested is A ^(b)
Obtain a B rating on the CDP index in 2024	Achieved: A-	Achieved: A-	Achieved: B ^(c)

(a) Kaufman & Broad Obtained the Ethifinance ESG Ratings 2024 certificate - Gold level.

(b) Moody's VIGEO no longer provides ratings, the last rating produced is January 2023 (fiscal year 2022), i.e. 58/100. There will be no other. Note: Moody's has entered into a partnership with MSCI on CSR Data. The Compensation and Appointment Committee proposed to retain the MSCI Report which assigned the rating A.

(c) This is the Note of the CDP Climate questionnaire for 2024.

As the three targets were achieved, the CSR performance condition was fully met.

- With regard to the Property and Service Quality condition:

Property and Service Quality	Valuation		
	2022	2023	2024
Objective	67	68	69/100
Achieved	70.4	68.4	67.7
	Achieved	Achieved	Not Achieved

The Property and Service Quality performance condition was not achieved.

- With regard to the employee shareholding condition: The objective is to maintain this shareholding (through Artimus Participations, the group Employee Savings Plan and individually) at least 10% of the Company's capital:

Employee shareholding	2020	2021	2022	2023	2024
% shareholding structure	15.20%	15.49%	16.56%	12.07%	10.17%

As the target is achieved, the performance condition "Employee shareholding" is met.

- As regards the condition relating to the Company's TSR performance compared to the TSR performance of the SBF 120:

TSR	Kaufman & Broad	SBF 120
1-month average	12.61%	12.44%
3-month average	19.22%	14.27%

As the TSR is more than 15% over an average of 3 months, the target is achieved. The TSR performance condition was achieved at 100%.

Summary table of number of performance shares to be awarded

Performance Criteria	Weighting	Number of bonus shares (AGA)	Achieved (base 100)	Obtained
CSR performance	25%	2,500	100%	2,500 ^(a)
Property and Service Quality	25%	2,500	0%	0
Employee shareholding	20%	2,000	100%	2,000
TSR	30%	3,000	100%	3,000
TOTAL	100%	10,000	75%	7,500

(a) For more information on the conditions of allocation, please refer to the paragraph "Long-term compensation" above).

At its meeting of January 29, 2025, the Board of Directors, on the recommendation of the Compensation and Appointment Committee, decided to award to Mr. Nordine Hachemi, in respect of his long-term compensation in the form of performance shares (2022-2024 period), a total of 7,500 shares (valued at around €139,681).

In accordance with the provisions of Article L. 22-10-34 II of the French Commercial Code (ex-post vote), the payment of the performance shares will be subject to a favorable vote by the Shareholders' Meeting which will be held on May 6, 2025 to decide on the definitive award of said shares. The effective transfer of ownership of the shares can only take place after approval of the relevant resolution by the Shareholders' Meeting.

Exceptional compensation

None.

Compensation in respect of directorship

None.

Severance and non-compete indemnity

See section 3.2.2 (a) above.

Pension plan

The Chairman and Chief Executive Officer is entitled to a supplemental defined-contribution pension plan under the provisions of Article 83 of the French General Tax Code; the contribution paid by the Company to the Chairman and Chief Executive Officer amounted to €29,458.80 for the 2024 calendar year. These contributions correspond to the annual contributions capped at 8% of gross salary, up to a maximum of eight times the Social Security cap.

This commitment was authorized by the Company's Board of Directors of April 16, 2015 and approved by the Shareholders' Meeting of April 15, 2016. This commitment was approved by the Shareholders' Meeting of May 6, 2024, in its eighth resolution, when Mr. Nordine Hachemi's directorship was renewed. At its meeting of May 6, 2024, the Board reappointed Mr. Nordine Hachemi as Chairman of the Board of Directors exercising executive management of the Company.

Company car

The Chairman and Chief Executive Officer benefits from a company car with a budget of €1,700 per month (excluding tax) for the year ending November 30, 2024.

Authorized commitments

At its meeting of May 6, 2024, your Board of Directors, on the recommendation of the Compensation and Appointment Committee, renewed Nordine Hachemi's term of office as Chairman and Chief Executive Officer for a period of three years and authorized the following commitments:

(a) Severance pay for the Chief Executive Officer

The Board of Directors' meeting of June 25, 2013 appointed Nordine Hachemi as Chief Executive Officer as of July 1, 2013 and approved the terms of his contract which provides for the payment to his benefit of compensation for loss of office under the following conditions:

In the event of dismissal from office for any reason other than gross misconduct, as defined in labor law by the Court of Cassation, the Company undertakes to indemnify the Chief Executive Officer for the loss suffered in relation to the dismissal from office.

The compensation is equal to 12 months' gross fixed and variable compensation for the past fiscal year, extended to 18 months if control over the Company is taken by one or more third parties acting in concert triggering the obligation to launch a public offer for the Company's shares.

Regardless of the date and circumstances of the dismissal from office, such severance pay will be payable only if the Chief Executive Officer has received or should have received in the two fiscal years prior to the termination of his term in office at least 70% of the maximum variable portion (excluding outperformance) of his compensation on average for each of these two fiscal years, the variable portion being based on both quantitative and qualitative targets (determined for the first time upon his appointment and subsequently at the start of each fiscal year).

No compensation shall be paid to the Chairman Executive Officer for voluntary departure.

In accordance with the provisions of Article L. 22-10-34 of the French Commercial Code, said commitment was submitted to the Shareholders' Meeting of May 6, 2024 for approval.

(b) Non compete compensation for the Chief Executive Officer

In the event of Nordine Hachemi's departure, he will be bound by an obligation of non-competition and non-solicitation, unless waived or reduced by the group, for a period of 12 months following the termination of his term in office. In consideration, he will receive a gross lump-sum monthly compensation equivalent to 50% of the average monthly fixed gross compensation he received during the 12 months preceding the termination of his mandate (or during the duration of the mandate, if this is shorter). However, the Company will have the option to reduce this duration or release the Chief Executive Officer from this obligation.

In accordance with the provisions of Article L. 22-10-34 of the French Commercial Code, said commitment was submitted to the Shareholders' Meeting of May 6, 2024 for approval.

(c) Supplemental defined-contribution pension plans granted to the Chairman and Chief Executive Officer

Mr. Nordine Hachemi is entitled to the Company supplemental executive pension plan and a supplemental defined-contribution pension plan under the same terms as the members of the Management Committee.

The maximum amount of annual contributions is capped at 8% of gross salary within the limit of eight times the maximum social security cap. The contribution paid by the Company amounted to €29,548.8 in 2024.

In accordance with the provisions of Article L. 22-10-34 of the French Commercial Code, said commitment was submitted to the Shareholders' Meeting of May 6, 2024 for approval.

3.2.2.1.3.1. Summary tables of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during the fiscal year ended November 30, 2024 or granted for the same fiscal year

Compensation components	Amounts or accounting valuation subject to a vote	Description
Fixed compensation	€650,000	The change in the Chairman and Chief Executive Officer's fixed compensation is described in section 3.2.2. of this chapter.
Variable compensation	€839,400	Amount approved by the Board of Directors on January 29, 2025, submitted for approval to the Shareholders' Meeting on May 6, 2025.
Compensation for the office of directorship	None	–
Exceptional compensation	None	–
Award of share options or bonus shares	€571,069	
Of which 2024 Plan (1 st Plan)	€367,427	15,000 bonus shares. ^(a)
Of which 2024 Plan (2 nd Plan)	€203,642	10,000 performance shares. ^(b)
Pay relating to entering or leaving office	None	–
Supplementary and supplementary pension plan	€29,548.80	Annual contributions capped at 8% of gross compensation, capped at eight times the social security cap.
Company car	€20,400	€1,700 excl. VAT monthly.
Any type of benefits	None	–

(a) On February 15, 2024, the Board of Directors awarded 15,000 performance shares to the Chairman - Chief Executive Officer for 2024, on condition that he is still in office when they are fully vested in 2026. Final award of these shares to the Chairman and Chief Executive Officer is subject to the same performance conditions as those provided for in his annual variable compensation in cash, namely:

Fulfillment of quantitative criteria reflecting short-term performance indicators such as revenue, EBITDA, attributable net income and the WCR, as well as future performance, such as the number of housing units ordered and the number of lots established by the Commitment Committees;

Fulfillment of qualitative criteria reflecting team management, the quality of the working atmosphere in the Company, the continued implementation of the CSR policy, return on capital employed, adapting the Company to advances in technology, environmental developments and sound risk management. At its meeting of January 29, 2025, the Board of Directors made a final award, subject to the condition of presence in 2026, of 15,000 performance shares of the 15,000 performance shares initially awarded to Nordine Hachemi in respect of his deferred variable compensation for overall performance in fiscal year 2024.

(b) On February 15, 2024, the Board of Directors renewed a long-term compensation scheme for the Chairman and Chief Executive Officer based on the award of 10,000 performance shares to the latter, with a vesting period of three years and a lock-in period of one year. In addition, the Board decided that these shares were to be subject to long-term performance conditions assessed over the period 2024-2026 (CSR performance – Quality of Property and Service – level of employee shareholding – total shareholder return (TSR)). For more details on the objectives related to the compensation of the Chairman and Chief Executive Officer, please refer to the paragraph "Long-term compensation" above.

Table 1 - AMF Definitions

Summary table of compensation, share options and shares awarded to each executive corporate officer (amounts in €)

Nordine Hachemi		
Chairman and Chief Executive Officer	Year ended November 30, 2024	Year ended November 30, 2023
Compensation due for the year (detailed in Table 2)	1,489,400	1,360,368
Valuation of the multi-year variable compensation allocated during the fiscal year		
Value of options granted during the year (detailed in Table 4)		
Value of bonus shares awarded during the year (see Table 6 for details)	571,069 ^(a)	506,395 ^(b)
TOTAL	2,060,469	1,866,763

(a) On February 15, 2024, the Board of Directors awarded 15,000 performance shares to the Chairman - Chief Executive Officer for 2024, on condition that he is still in office when they are fully vested in 2026. Final award of these shares to the Chairman and Chief Executive Officer is subject to the same performance conditions as those provided for in his annual variable compensation in cash, namely:

Fulfillment of quantitative criteria reflecting short-term performance indicators such as revenue, EBITDA, attributable net income and the WCR, as well as future performance, such as the number of housing units ordered and the number of lots established by the Commitment Committees;

Fulfillment of qualitative criteria reflecting team management, the quality of the working atmosphere in the Company, the continued implementation of the CSR policy, and sound risk management.

On January 29, 2025, the Board of Directors made a final award, subject to the condition of presence in 2026, of 15,000 performance shares out of the 15,000 performance shares initially awarded to Mr. Nordine Hachemi in respect of his deferred variable compensation for 2024. At its meeting of February 15 2024, the Board of Directors renewed a long-term compensation scheme for the Chairman and Chief Executive Officer based on the award of 10,000 performance shares to the latter, with a vesting period of three years and a lock-in period of one year. In addition, the Board decided that these shares were to be subject to long-term performance conditions assessed over the period 2024-2026 (CSR performance – Quality of Property and Service – level of employee - total shareholder return (TSR)).

(b) At its meeting of February 24, 2023, the Board of Directors awarded 15,000 performance shares to the Chairman - Chief Executive Officer for 2023, on condition that he is still in office when they are fully vested in 2025. Final award of these shares to the Chairman and Chief Executive Officer is subject to the same performance conditions as those provided for in his annual variable compensation in cash, namely:

Fulfillment of quantitative criteria reflecting short-term performance indicators such as revenue, EBITDA, attributable net income and the WCR, as well as future performance, such as the number of housing units ordered and the number of lots established by the Commitment Committees;

Fulfillment of qualitative criteria reflecting team management, the quality of the working atmosphere in the Company, the continued implementation of the CSR policy, and sound risk management.

On January 29, 2024 the Board of Directors made a final award, subject to the condition of presence in 2025, of 15,000 performance shares out of the 15,000 performance shares initially awarded to Mr. Nordine Hachemi in respect of his deferred variable compensation for 2023.

The Board of Directors' meeting of February 24, 2023 also renewed the Chairman and Chief Executive Officer's long term compensation based on the free award of 10,000 performance shares to the Chairman and Chief Executive Officer and providing for a three-year vesting period and a one-year holding period. The Board also decided that these shares were subject to long term performance conditions assessed over 2023-2025 (CSR performance - Quality, Goods and Services - level of employee shareholding in the Company's share capital - TSR).

Table 2 - AMF Definitions

Nordine Hachemi Chairman and Chief Executive Officer	Year ended November 30, 2024		Year ended November 30, 2023	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed compensation	650,000 ^(a)	650,000	600,000	600,000
Annual variable compensation	839,400 ^(a)	724,124 ^(c)	724,124 ^(c)	677,518 ^(b)
Multi-year variable compensation	-	-	-	-
Exceptional compensation	-	-	-	200,000 ^(c)
Compensation (formerly Directors' fees)	-	-	-	-
Any type of benefits (unemployment insurance)	-	-	36,244 ^(f)	36,244 ^(f)
TOTAL	1,489,400	1,374,124	1,360,368	1,513,762

(a) The amount of the fixed compensation was set by the Board of Directors on January 29, 2025. This amount corresponds to Mr. Nordine Hachemi, calculated pro rata for the period from February 1, 2024 to November 30, 2024.

(b) This variable compensation for 2022 was approved by the Board of Directors on January 27, 2023 and paid in February 2023.

(c) This exceptional compensation for 2023 was approved by the Board of Directors on January 27, 2023.

(d) This exceptional compensation for 2022 was approved by the Board of Directors on January 27, 2023.

(e) This variable compensation for 2024 was approved by the Board of Directors on January 29, 2025.

(f) Until November 30, 2023 and with effect from January 1, 2024, the Chairman and Chief Executive Officer was entitled to income loss insurance.

The Chairman and Chief Executive Officer also benefits from a supplemental defined contribution pension plan, pursuant to the provisions of Article 83 of the French General Tax Code, since he joined the Company; the amount of contributions paid by the Company for 2024 was €29,548.8, corresponding to annual contributions capped at 8% of gross salary, up to a maximum of 8 times the social security cap.

In addition to the pension plan for all employees, the Company has a supplementary plan for corporate officers and members of the Management Committee.

As at the date of this Registration Document, Nordine Hachemi holds 113,661 Company shares. Furthermore, he holds directly and indirectly through RKCI, in which he holds 100% of the share capital, 27.37% of the share capital of Artimus Participations, which itself holds 4.51% of Kaufman & Broad SA. Nordine Hachemi directly and indirectly holds 1.81% of the capital of Kaufman & Broad SA.

Table 11 AMF Definitions

Executive Corporate Officers	Employment contract	Supplemental retirement plan	Indemnities or benefits due or likely to be due by reason of the cessation or change of positions		Indemnities relating to a non-compete clause
Nordine Hachemi Chairman and Chief Executive Officer	No	Yes ^(a)	Yes ^(b)	Yes ^(c)	

(a) Nordine Hachemi is covered by the Company supplemental defined-contribution pension plan under Article 83 of the French General Tax Code; the amount of the contribution paid by the Company on Nordine Hachemi's behalf was €29,548.80 for 2024. These contributions correspond to the annual contributions capped at 8% of gross salary, up to a maximum of eight times the Social Security cap.

(b) Compensation for loss of office is equal to 12 months' gross fixed and variable compensation for the past fiscal year, extended to 18 months if control over the Company is taken by one or more third parties acting in concert triggering the obligation to launch a public offer for the Company's shares.

(c) 12-month non-compete clause, covering the territory of France, generating a gross flat monthly compensation equivalent to 50% of the average monthly gross fixed compensation received during the 12 months preceding the termination of the term of office (or during the duration of the term, if this is shorter), with the Company nevertheless having the option to reduce the duration or to exempt the executive officer of this commitment.

Draft resolution prepared by the Board of Directors pursuant to Article L. 22-10-34 of the French Commercial Code submitted to the Combined Shareholders' Meeting of May 6, 2025

SEVENTH RESOLUTION

(Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during the fiscal year ended November 30, 2024 or granted in respect of the same fiscal year to the Chairman and Chief Executive Officer).

The Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary Shareholders' Meetings, after a reading of the report on corporate governance referred to in Article L. 225-37 of the French Commercial Code, approves, in accordance with Article L. 22-10-34 of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during the previous fiscal year, or awarded to the Company's Chairman and Chief Executive Officer for the same fiscal year, as presented in section 3.2.2 of the aforementioned report, included in section 3.2. of this document.

Ratio between the level of compensation of the Chairman and Chief Executive Officer and the average and median compensation of group employees

For the calculation of the ratios presented below in accordance with Article L. 22-10-9 of the French Commercial Code, the Company referred to the AFEP- MEDEF guidelines dated December 2022. In accordance with Article L. 22-10-9, these ratios are presented for the last five fiscal years. For more information, please refer to section 3.2.1 "Compensation policy for the executive corporate officer".

The ratios below have been calculated on the basis of the fixed and variable compensation paid during the fiscal years mentioned and taking into account the performance shares and bonus shares awarded during the same periods and valued at their fair value (IFRS value) at the time they were awarded. The items included in the numerator correspond to the amounts paid as shown in the tables in AMF definitions 2 and 6 below.

	Fiscal year 2024	Fiscal year 2023	Fiscal year 2022	Fiscal year 2021	Fiscal year 2020
Ratio on average compensation	24.86	25.15	25.91	24.67	27.43
Ratio on median compensation	31.14	32.97	33.61	32.00	35.15

Annual changes in compensation, Company performance, average compensation on a full-time equivalent basis of the Company's employees other than senior executives and the aforementioned ratios over the last five fiscal years

	Fiscal year 2024	Fiscal year 2023	Fiscal year 2022	Fiscal year 2021	Fiscal year 2020
Compensation of the executive corporate officer ^(a)	€1,945,193	€2,020,157	€2,010,264	€2,010,991	€1,982,096
Performance of the Company (attributable net income)	€44.97M	€60.05M	€49.0M	€40.1M	€76.3M
Average compensation on a full-time equivalent basis of the Company's employees other than senior executives ^(b)	€78,248	€80,322	€77,574	€73,315	€77,806
Ratio on average compensation	€24.86	25.15	25.91	27.43	27.22
Ratio on median compensation	€31.14	32.97	33.61	35.15	34.75

(a) Includes the fixed and variable compensation, exceptional bonuses, benefits in kind paid during the fiscal years, as well as the performance shares awarded during the same periods and valued at their fair value (IFRS value) at the time they were awarded.

(b) Calculated in accordance with the guidelines of the AFEP MEDEF dated December 20, 2022, taking into account the group scope of employees (including fixed compensation, variable compensation, exceptional bonuses, benefits in kind, employer's contribution under the Company Savings Plan, paid during the year as well as bonus shares awarded during the same periods and valued at their fair value - IFRS value at the time of their allocation). No ratio can be given for Kaufman & Broad SA, a group holding company, in the absence of an employee on this company.

3.2.3. Compensation of non-executive corporate officers

(i) Directors' compensation policy

The Combined Shareholders' Meeting of May 6, 2025 decided to set the total amount of compensation awarded to the Board of Directors at €450,000 each year, starting in 2024 and until further deliberation by the Shareholders' Meeting.

This amount corresponds to a maximum annual amount that the Board of Directors, on the recommendation of the Compensation and Appointment Committee, may freely allocate among the Directors.

The Internal Rules of the Board of Directors, when updated, approved by the Board of Directors on September 27, 2018, provide that the compensation shall be distributed among the Directors who have no position in the Kaufman & Broad group, in respect of their duties as Directors. The amount of compensation is paid on a pro rata basis based on physical attendance (or by videoconference) at Board of Directors' meetings during the year. A portion set by the Board of Directors, deducted from the amount of compensation allocated to the Board of Directors, is paid to members of the various Committees who do not hold any position in the Kaufman & Broad group and, where applicable, to the Lead Independent Director, depending on their attendance at the meetings of these Committees. In addition, annual fixed compensation is awarded to the Chairman of each Committee. To this basic compensation is added an amount due for each Board Committee meeting attended by the Director concerned.

On the recommendation of the Compensation and Appointment Committee, the Board of Directors, at its meeting of January 29, 2024, resolved to award compensation for 2024 in accordance with the following rules :

The overall cap of €55,000 allocated to Directors is eliminated

1. *The amount paid for the duties of Director in the event of physical presence or videoconference at each Board meeting is set at €4,000; it being understood that :*
2. *The amount of €4,000 is reduced to €2,000 for meetings in which the Director participates by videoconference if they exceed the number of two (without taking into account the case where the Director is convened urgently to a Board meeting, as provided in 2.2) below ;*
3. *The amount of €4,000 is paid to the Director in the event that the Chairman of the Board of Directors decides to hold a Board meeting only by videoconference in order to deliberate on an urgent agenda ;*

4. *M. Nordine Hachemi and the Director representing employee shareholders shall not be entitled to receive any compensation;*

5. *The Lead Independent Director receives an additional compensation of €17,000 in addition to the compensation awarded to him in his capacity as Director ;*

The members of the Audit Committee receive compensation of €3,000 for each physical attendance or videoconference at Audit Committee meetings; it being understood that the amount of €3,000 is reduced to €1,500 for videoconference meetings only, in case the Director participates in more than one Audit Committee meeting by videoconference (it being understood that the tolerance allowed to participate in a single Committee meeting by videoconference could be revised upwards in the event that the usual number of scheduled meetings of said Committee is exceeded) ;

6. *The compensation of the Chairman of the Audit Committee is maintained at €7,000 ;*

7. *The members of the Compensation and Appointment Committee receive compensation of €3,000 for each physical attendance or videoconference at the meetings of the Compensation and Appointment Committee; it being understood that the amount of €3,000 is reduced to €1,500 for meetings only by videoconference, in case the Director participates in more than one meeting of the Compensation and Appointment Committee by videoconference (it being understood that the tolerance allowed to participate in a single meeting of the Committee by videoconference could be revised upwards in the event that the usual number of scheduled meetings of said Committee is exceeded) ;*

8. *The compensation of the Chairman of the Compensation and Appointment Committee is maintained at €5,000 ;*

9. *The members of the CSR Committee receive compensation of €3,000 for each physical attendance or videoconference at the meetings of the CSR Committee; it being understood that the amount of €3,000 is reduced to €1,500 for videoconference meetings only, in case the Director participates in more than one meeting of the CSR Committee by videoconference (it being understood that the tolerance allowed to participate in a single meeting of the Committee by videoconference could be revised upwards in the event that the usual number of scheduled meetings of said Committee is exceeded) ;*

10. *Compensation of the Chairman of the CSR Committee is maintained at €5,000*

Draft resolution prepared by the Board of Directors pursuant to Article L. 22-10-8 II of the French Commercial Code submitted to the Combined Shareholders' Meeting of May 6, 2025

SIXTH RESOLUTION

(Approval of the compensation policy for non-executive corporate officers)

The Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary Shareholders' Meetings, having reviewed the report of the Board of Directors on corporate governance prepared pursuant to Article L. 225-37 of the French Commercial Code, describing the elements of the compensation policy for corporate officers, approves, pursuant to Article L.22-10-8 II of the French Commercial Code, the compensation policy for the non-executive corporate officers of the Company, as presented in section 3.2.3 of the aforementioned report, included in section 3.2. of this document.

(ii) Components of compensation paid to the Directors during the year ended November 30, 2024 or granted in respect of the same year

On the recommendation of the Compensation and Appointment Committee, the Board of Directors, at its meeting of January 29, 2025, resolved to pay a total amount of €360,000 in compensation for the year ended November 30, 2024, broken down as follows according to the aforementioned criteria:

Table 3 - AMF Definitions

Non-executive corporate officers	2023		2024	
	Amounts granted ^(a)	Amounts paid	Amounts granted ^(a)	Amounts paid
Isabelle Bordry^(b)	-	-	12,000	12,000
Other compensation	-	-	N/A	N/A
Sylvie Charles^(b)	63,000	63,000	66,000	66,000
Other compensation	N/A	N/A	N/A	N/A
Jean Louis Chaussade	58,436	58,436	47,000	47,000
Other compensation	N/A	N/A	N/A	N/A
Yves Gabriel^(c)	26,927	26,927	14,000	14,000
Other compensation	N/A	N/A	N/A	N/A
Michel Giannuzzi^(b)	35,927	35,927	22,000	22,000
Other compensation	N/A	N/A	N/A	N/A
Sophie Lombard^(b)	63,000	63,000	45,000	45,000
Other compensation	N/A	N/A	N/A	N/A
Annalisa Loustau Elia^(b)	24,364	24,364	31,000	31,000
Other compensation	N/A	N/A	N/A	N/A
Michel Paris^(b)	53,164	53,164	56,500	56,500
Other compensation	N/A	N/A	N/A	N/A
Yves Perrier^(b)	-	-	16,500	16,500
Other compensation	N/A	N/A	N/A	N/A
Lucile Ribot^(b)	41,800	41,800	46,000	46,000
Other compensation	N/A	N/A	N/A	N/A
Michel Sirat^(b)	-	-	4,000	4,000
Other compensation	N/A	N/A	N/A	N/A
Aline Stickel	-	-	-	-
Other compensation	N/A	N/A	N/A	N/A
TOTAL	366,618	366,618	360,000	360,000

(a) The amounts of compensation awarded or due to independent Directors have been calculated taking into account, where applicable, attendance (physical or by videoconference) at Board meetings (excluding compensation for the role of Lead Independent Director).

(b) On May 6, 2024, the Board of Directors co opted Mrs. Isabelle Bordry as a new Director in replacement of Mr. Yves Gabriel who resigned and appointed:

- M. Yves Perrier as new member of the Compensation and Appointment Committee in replacement of Mr. Michel Giannuzzi;
- M. Michel Paris as new member and Chairman of the CRN to replace Sophie Lombard who resigned;
- Ms. Annalisa Loustau Elia as a new member of the CSR Committee in replacement of Mr. Michel Paris who resigned;
- Ms. Lucille. Ribot as a new member of the CSR Committee in replacement of Ms. Sophie Lombard who resigned;
- Sylvie Charles as new member of the CSR Committee.

A portion set by the Board of Directors, deducted from the amount of compensation allocated to the Board of Directors by the Shareholders' Meeting, is paid to independent Directors who are members of the Audit Committee and who do not hold any position within the group (see section 3.2.3 "Compensation of non executive corporate officers").

3.2.4. Compensation of Executive Committee members

Since 2016, group governance notably comprises the following two bodies:

- the Executive Committee defines the group's strategy and oversees its deployment. It adopts the guidelines and main decisions concerning the life of the group. It prepares the targets of the Annual Plan for each activity. Lastly, it defines the cross-departmental policies and sees that they are implemented. It consists of the Chairman and CEO, the Activity Vice-Presidents, the Chief Financial Officer and the Senior Vice-President, Human Resources;
- The Management Committee monitors implementation of the Plan by each business activity. It proposes improvement initiatives and sets the objectives to be deployed in the agencies and departments. It helps to define and implement the group's projects. It is composed of the Executive Committee and Regional Senior Vice-Presidents and Corporate Directors.

Executive Committee members receive fixed and variable compensation. Total gross compensation and benefits received by the members of the Executive Committee (excluding Kaufman & Broad SA's corporate officers) came to €3,058,145 for the fiscal year ended November 30, 2024, representing €1,816,139 in fixed salaries and €1,242,006 in variable compensation. Executive Committee members do not receive any other deferred and/or conditional compensation, and the group does not make provisions for pensions or golden parachutes. The only sums provisioned are those for retirement benefits in accordance with the legal or contractual provisions. For members of the Executive Committee, the amount provisioned was €1,987,557 in the financial statements for fiscal year 2024. Moreover, Executive Committee members and the executive corporate officers are also entitled to a supplemental defined-contribution pension plan under Article 83 of the French General Tax Code.

In 2024, the members of the Executive Committee, excluding Kaufman & Broad SA's corporate officers, received 17,500 bonus shares on February 15, 2024.

Final award of these shares is subject to the same performance conditions as those provided for in relation to the annual variable compensation in cash, namely:

- fulfillment of the quantitative criteria reflecting the short-term performance indicators of the group and of the operations falling within the scope of responsibility of the members of senior management, such as revenues, EBITDA, attributable net income and the WCR, as well as future performance, such as the number of housing units ordered and the number of lots established by the Commitment Committees;
- fulfillment of qualitative criteria related to their scope of responsibility.

At its meeting of January 29, 2025, the Board of Directors confirmed that the performance conditions for granting 17,500 performance shares had been met.

The minimum holding period for the shares is set at two years from the definitive award date.

The compensation paid to non-executive corporate officers and members of the Management Committee, referred to in Section 3.2.3. relates to directors' interests, and, for that reason, the fixed and variable compensation, together with the benefits in kind, are generally paid by GIE Kaufman & Broad (an entity that specifically handles the provision of funds to the various legal entities comprising the group, and in particular payroll funds). Furthermore, the share option and bonus share plans were authorized by the Shareholders' Meeting and the awards to the beneficiaries were decided by the Board of Directors of Kaufman & Broad SA. Lastly, the shares that were delivered were taken from the Company's treasury shares.

3.3. Incentives and profit-sharing programs

Agreements between Management and the trade unions were negotiated on June 25, 2020 regarding the Kaufman & Broad employee incentive bonus and profit-sharing schemes. Both agreements are applicable as of December 1, 2020.

These agreements are directly associated with the surpassing of economic performance targets determined in accordance with group targets, and the selected indicators are found in the variable portion of compensation granted to group senior executives. These agreements offer employees the option of investing the amounts received in the FCPE KB Actionnariat under the Company savings plan.

3.4. Report on options and bonus shares

3.4.1. Share option or share subscription options plans – Awards of bonus shares – Awards of share subscription options

(i) Share option or share subscription options

No share purchase or share subscription options plan is in force within the group.

(ii) Bonus share plans

Since May 3, 2018, the date on which the Company's Shareholders' Meeting authorized the Board of Directors to award, on one or more occasions, new or existing bonus shares of the common share of the Company to employees or to executive corporate officers of the Company, with all plans subject to the following award criteria:

- A condition requiring continued employment at Kaufman & Broad at the final award date by the Board of Directors, relative to the list of beneficiaries of initial awards at the end of the vesting period, as provided for during the award by the Board of Directors (three-year vesting period and one-year lock-in period for executive corporate officer of the Company, or two-year vesting period and two-year lock-in period for employees of the Company and corporate officers for the universal plan). It should be noted, however, that the shares will vest prematurely in the event of the death or incapacity of a beneficiary under the second or third category referred to in Article L. 3414 of the French Social Security Code or in the event of retirement;
- The condition requiring a set of quantitative and qualitative performance criteria to be met:
- ✓ For employees subject to the criteria, based on the position held with the Company. These criteria are based in part on demanding performance criteria having an impact on the group's business activity and on individual criteria associated with the objectives of the position. Employees subject to these criteria make up around 15% of the list of beneficiaries of initial awards (in particular members of the Executive Committee, the Management Committee and the Expanded Management Committee).
- ✓ For executive corporate officer of the Company, observation of a set of quantitative and qualitative performance criteria having an impact on the group's business activity over the medium and long term, determined by the Company for the relevant benchmark period for the award by the Board of Directors, i.e. a three-year vesting period (see detailed breakdown of criteria in Section 3.2. "Group compensation policy", under "Compensation policy for executive corporate officers" (ii)).

Bonus share plan 2024

The Shareholders' Meeting of May 6, 2024, in its 19th resolution, authorized the Board of Directors, for a period of 38 months, to award bonus shares, existing or to be issued, to employees of the Company or of related companies or economic interest groups and/or the corporate officers of the group or of some of them, under the terms listed below :

- the total number of bonus shares awarded may not exceed 250,000 shares, while the number of shares awarded to executive corporate officers may not exceed 50,000 shares;
- allotment of shares to their beneficiaries will become definitive either (i) at the end of a minimum one-year vesting period, after the beneficiaries have held said shares for a minimum of one year from the date of the definitive award; or (ii) at the end of a minimum vesting period of two years, and in this case with no minimum lock-in period. It is understood that the Board of Directors will have the option of choosing between the above two possibilities and to apply them alternately or concurrently, and may, in the first case, extend the vesting and/or lock-in period, and in the second case, extend the vesting period and/or set a lock-in period;

It should be noted, however, that the shares will vest prematurely in the event of the death or incapacity of a beneficiary under the second or third category referred to in Article L. 341-4 of the French Social Security;

- the final award of the shares to the beneficiaries who are corporate officers will be contingent on meeting the performance conditions as defined by the Board of Directors;
- the final award of the shares to the beneficiaries who are employees will be contingent on meeting the performance conditions as defined by the Board of Directors;
- the award relates to shares to be issued, this authorization automatically entails, for the benefit of the beneficiaries of the bonus shares, the shareholders' waiver of their preemptive rights.

The Shareholders' Meeting has conferred full powers upon the Board of Directors, in compliance with applicable laws and regulations and with the provisions of the applicable resolution, to award bonus shares, and in particular:

- to determine the performance conditions and, if necessary, the terms and conditions on which bonus shares may be awarded, and to approve the list(s) of beneficiaries;
- to determine, subject to the given minimal duration, the holding period for the shares, in the knowledge that it will be up to the Board of Directors to decide on the shares which would be vested, if need be, in the corporate officers referred to in Article L. 225-197-1, II para. 4 of the Commercial Code, or to decide that these shares cannot be ceded by the interested parties, prior to ceasing their functions, or to fix the quantity of these shares that they will have to hold until cessation of their functions;
- to decide, in the event of authorized capital transactions occurring during the vesting period of the awarded shares, whether to adjust the number of shares awarded in order to preserve the rights of beneficiaries and, if so, to determine the terms and conditions for this adjustment;
- to carry out all formalities and, generally, to take all necessary and appropriate measures in connection therewith.

3.4.2. Share options

Table 4 - AMF Definitions

Share subscription options or share options awarded by the issuer or by any group company to each executive corporate officer during the fiscal year ended November 30, 2024

Name of executive corporate officer	N° and date of plan (purchase or subscription)	Valuation of the options under the method used for the consolidated financial statement	Type of options	Number of options awarded during the fiscal year	Exercise price
Nordine Hachemi	-	-		None	-

Table 5 - AMF Definitions

Share subscription options or share options exercised during the fiscal year ended November 30, 2024 by each executive corporate officer

Options exercised during the fiscal year by each executive corporate officer	N° and date of plan	Number of options exercised during the fiscal year	Exercise price
Nordine Hachemi	-	None	-

Table 8 - Share purchase or subscription plan history (after reverse share split) (AMF Definitions)

None.

There are no outstanding plans as at November 30, 2024.

Table 9 - Share subscription or purchase options awarded to and exercised by the top ten employees other than corporate officers (AMF Definitions)

Share options awarded to and exercised by the top ten non-executive employees	Total number of options awarded/ shares subscribed or purchased	Weighted average price	Plan no. 1
Options awarded during the year by the issuer and any company included in the scope of allocation of options, to the ten employees of the issuer and of any company included in this scope, whose number of options thus granted is the highest (overall information)			
Options held on the issuer and the companies referred to above, exercised during the year by the ten employees of the issuer and these companies, whose number of options thus purchased or subscribed is the highest (overall information)			

3.4.3. Award of bonus shares

(i) History of award of bonus shares

Table 10 - AMF Definitions

HISTORY OF AWARD OF BONUS SHARES						
INFORMATION ON BONUS SHARES AWARDED						
Meeting Date	February 2022 2 Plan	February 2023 1 Plan	February 2023 2 Plan	February 2024 1 Plan	February 2024 2 Plan	February 2024 3 Plan
Date of Shareholders' Meeting	06 May, 21	5 May 22	5 May 22	4 May 23	4 May 23	4 May 23
Date of Board meeting	25-Feb-22	24 Feb 23	24 Feb 23	15 Feb 24	15 Feb 24	15 Feb 24
Total number of bonus shares awarded	10,000	138,022	10,000	113,490	10,000	19,355
Total number of shares granted to corporate officers	10,000	15,000	10,000	15,000	10,000	-
<i>Nordine Hachemi</i>	<i>10,000</i>	<i>15,000</i>	<i>10,000</i>	<i>15,000</i>	<i>10,000</i>	-
Date of acquisition of shares	25-Feb-25	24 Feb 25	24 Feb 26	15 Feb 26	15 Feb 27	15 Feb 25
End of holding period	25 Feb 26	24 Feb 27	24 Feb 27	15 Feb 28	15 Feb 28	15 Feb 28
Number of shares vested	7,500	15,000	-	-	-	-
Cumulative number of shares canceled or lapsed at Nov. 30, 24	2,500	38,108	-	11,590	-	2,075
Bonus shares outstanding at Nov. 30, 24	-	99,914	10,000	101,900	10,000	17,280

For more information on the bonus shares awarded to each corporate officer, please refer to section (ii) - Table 6 AMF Definitions below.

(ii) Bonus shares awarded to each corporate officer

Table 6 - AMF Definitions

Bonus shares awarded during the fiscal year to each corporate officer by the issuer and by all group companies (listed by name)	N° and date of plan	Number of shares awarded during the fiscal year ^(a)	Share price on award date	Valuation of the shares under the method used for the consolidated financial statements	Date of vesting	Date available
Nordine Hachemi						
Of which 2024 Plan (1 st Plan) ^(a)	15/02/2024	15,000	30.05	367,427	15/02/2026	15/02/2028
Of which 2024 Plan (2 nd Plan) ^(b)	15/02/2024	10,000	30.05	203,642	15/02/2027	15/02/2028

(a) On February 15, 2024, the Board of Directors awarded 15,000 performance shares to the Chairman and Chief Executive Officer for 2024, on condition that he is still in office at the time of their final vesting in 2026. Final award of the shares is subject to the same performance conditions as those provided for in his annual variable compensation in cash, namely:

- Fulfillment of quantitative criteria reflecting short-term performance indicators such as revenue, EBITDA, attributable net income and the WCR, as well as future performance, such as the number of housing units ordered and the number of lots established by the Commitment Committees;
- Fulfillment of qualitative criteria reflecting team management, the quality of the working atmosphere in the Company, the continued implementation of the CSR policy, return on capital employed, adapting the Company to advances in technology, environmental developments and sound risk management. At its meeting of January 29, 2025, the Board of Directors made a final award, subject to the condition of presence in 2026, of 15,000 performance shares of the 15,000 performance shares initially awarded to Nordine Hachemi in respect of his deferred variable compensation for overall performance in fiscal year 2024.

(b) On February 15, 2024, the Board of Directors renewed the Chairman and Chief Executive Officer's long term compensation based on the free award of 10,000 performance shares to the Chairman and Chief Executive Officer and providing for a three-year vesting period and a one-year holding period. The Board also decided that these shares were subject to long term performance conditions assessed over the 2024-2026 period (CSR performance - Quality, Goods and Services - level of employee shareholding in the Company's share capital - TSR).

(iv) Bonus shares that became available to each executive corporate officer during the year 2024

Table 7 - AMF Definitions

Bonus shares vested during 2024 for each executive corporate officer

Bonus shares vested for executive corporate officers (listed by name)	Date of plan	Number of shares that became exercisable during the fiscal year	Vesting conditions
Nordine Hachemi	15,000	14,550	(a)
	25/02/2022 (1 st Plan)		
	10,000	6,500	(b)
	26/02/2021 (2 nd Plan)		

(a) Making use of the authorization conferred by the Shareholders Meeting of May 6, 2021, the Board of Directors, on February 25, 2022, decided to grant deferred annual compensation in the form of performance shares. The Board of Directors thereby awarded 15,000 performance shares to the Chairman and Chief Executive Officer for 2022, provided that he is still in office when they are fully vested in 2024.

- Final award of the performance shares to the corporate officer would be subject to the same performance conditions as those provided for in relation to the annual variable compensation in cash. The quantitative criteria reflect short-term performance in indicators such as revenues, EBITDA, attributable net income and the WCR, as well as future performance, such as the number of housing units ordered and the number of Commitment Committee meetings. The qualitative criteria are assessed on the basis of the following qualitative elements: management of group teams, quality of the working atmosphere in the Company, the continued implementation of the CSR, and sound risk management.
- Because the performance conditions set by the Board were partially met, the definitive award of 14,550 shares was completed in February 2024.

(b) On February 26, 2021, the Board of Directors decided to set up in 2021 a long term compensation for the Chairman and Chief Executive Officer based on the free award of 10,000 performance shares to the Chairman and Chief Executive Officer, providing for a three-year vesting period and a one-year holding period. The Board decided to provide for the following performance conditions:

- Long term performance conditions assessed over the 2021-2023 period (3 years), including CSR performance, customer satisfaction, employee shareholding and Total shareholder return (TSR). The relative weight of the four conditions is 20% for CSR performance, 22.5% for Quality Goods and Services, 22.5% for employee shareholding and 35% for TSR.
- On January 29, 2024, the Board of Directors decided to allocate Mr. Nordine Hachemi 6,500 performance shares in respect of his long term compensation assessed over the 2021-2023 period. The Shareholders' Meeting of May 6, 2024 decided on the definitive award of shares, in accordance with the provisions of Article L.22-10-34 II of the French Commercial Code (ex post vote).

Bonus shares awarded during the fiscal year to the corporate officers by companies considered to be controlled within the meaning of Article L. 233-16, for offices or positions that they held in such companies

None.

Bonus shares awarded during the fiscal year ended November 30, 2024 by the Company and by companies or groups associated with it in the manner provided for in Article L. 225-197-2 to each of the ten employees of the Company other than corporate officers who were awarded the highest number of shares

Company Employee	Number	Price at date of award	Date of share award	Company awarding the shares
Shares awarded during the fiscal year to the ten group employees holding the highest number of shares thus awarded ^(a)	19,500	30.05	15/02/2024	Kaufman & Broad SA

(a) 19,500 shares under the 1st Plan 2024, subject to compliance with a series of quantitative and qualitative performance criteria that have an impact on the group's business in the short term (fiscal year).

Title to the shares thus awarded will be transferred at the end of the vesting period, i.e. after a period of two years from the award date as defined by the rules established for the award. The opening share price on the grant date was €30.05 on February 15, 2024.

Bonus shares awarded during the fiscal year ended November 30, 2024 by the Company and by the companies or groups associated with it under the conditions provided for in Article L. 225-197-2 to all beneficiary employees by category of beneficiary

Category	Number of beneficiaries	Number of shares awarded
Executive corporate officers ^(a)	1	15,000
Member of the Management Committee	9	27,100
Directors of profit centers or of a support department	27	18,930
Department heads	120	33,930
Other employees	482	51,550
TOTAL ^(B)	639	146,510

(a) On February 15, 2024, the Board of Directors awarded 15,000 performance shares to the Chairman and Chief Executive Officer for 2024, on condition that he is still in office at the time of their final vesting in 2026. The definitive award of the shares is subject to the same performance conditions as those provided for in the context of his annual variable compensation in cash, namely:

- Fulfillment of quantitative criteria reflecting short-term performance indicators such as revenue, EBITDA, attributable net income and the WCR, as well as future performance, such as the number of housing units ordered and the number of lots established by the Commitment Committees;*
- Fulfillment of qualitative criteria reflecting team management, the quality of the working atmosphere in the Company, control over operating expenses (including payroll), return on capital employed, adapting the Company to advances in technology and sound risk management.*
- The Board of Directors' meeting of January 30, 2025 definitively awarded 15,000 performance shares, corresponding to an overall performance of 100%.*

(b) The definitive awarding of certain shares was subject to performance conditions for 2023. Of the 73,600 shares awarded on February 15, 2024, 69,950 were definitively granted based on the performance achieved.

Title to the shares thus awarded will be transferred at the end of the vesting period, i.e. after a period of two years from the award date as defined by the rules established for the award. The opening share price on the award date was €28.95 on February 24, 2023.

3.5. Other information

3.5.1. Total number of share options awarded by the group

See section 3.4.1 "Share option or share subscription options plans – Awards of bonus shares – Awards of share subscription options".
Details concerning the exercise of share options are presented in section 6.2.4.2 "Summary of share purchase and sales" et seq.

3.5.2. Information on transactions concluded with members of the Company's administrative and management bodies

None.

3.5.3. Loans and guarantees to members of the Company's administrative and management bodies

None.

3.5.4. Factors likely to have an impact in the event of a public offer

In accordance with Article L. 22-10-11 of the French Commercial Code, the Company must disclose and, where applicable, explain the factors likely to have an impact, in the event of a takeover bid or exchange offer. To the best of the Company's knowledge, the factors likely to have an impact in the event of a takeover or exchange offer are as follows :

To the best of the Company's knowledge, the factors likely to have an impact in the event of a takeover or exchange offer are as follows:

- The capital structure as well as the direct or indirect shareholdings known to the Company and all related information are described in chapters 2 and 7 of this document;
- There are no restrictions in the bylaws on the exercise of voting rights, with the exception of the sanction provided for in Article 7 of the Company's bylaws in the event of non compliance with the obligation to declare the crossing of the statutory thresholds (2% of the share capital or voting rights of the Company, or any multiple of this percentage, including beyond the reporting thresholds provided for by the legal and regulatory provisions);
- There are no statutory restrictions on the transfer of shares;
- To the best of the Company's knowledge, there are no agreements or other commitments signed between shareholders;
- There are no securities with special control rights. However, Article 9 of the bylaws provides for double voting rights attached to fully paid up shares that have been registered in the name of the same

shareholder for at least two years, it being specified that double voting rights automatically cease for all shares that have been converted to bearer shares or transferred ownership, subject to the exceptions provided for by law;

- There are no control mechanisms provided for in any employee shareholding system with control rights that are not exercised by the latter;
- The rules for appointing and removing members of the Board of Directors are the legal and statutory rules;
- With regard to the powers of the Board of Directors, the current financial delegations are described in this document in section 3.5.6 below;
- The Company's bylaws are amended in accordance with legal and regulatory provisions;
- Regarding agreements entered into by the Company that are modified or terminated in the event of a change of control of the Company, it is specified that there are change of control clauses in the financing agreements, the EURO PP issue contracts and the syndicated loan agreement;

The agreements providing for compensation in the event of termination of the Chairman and Chief Executive Officer's duties are described in section 3.2.1. of this document. There are no agreements providing for indemnities for employees, if they resign or are dismissed without real and serious cause or if their employment ends due to a takeover or exchange offer.

3.5.5. Equity ratio within the meaning of Article L. 22-10-9 of the French Commercial Code

The ratios required pursuant to Article L. 22-10-9 of the French Commercial Code are described in section 3.2.2 of this chapter.

3.5.6. Summary table of currently valid authorizations concerning capital increases

(in euros)	Date of ESM	Delegation's expiry date	Nominal amount of authorized capital increase	Capital increase(s) made in earlier years	Capital increase(s) made during the fiscal year	Capital increase(s) made since the close of the fiscal year	Residual amount upon the preparation of this table
Authority in the event of the issuing of common share and/or equity securities convertible into other equity securities or debt securities and/or securities convertible into equity securities to be issued, without preemptive rights, to set the issue price in accordance with the rules set by the ESM up to a maximum of 10% of the share capital ^(a)	May 4, 2023	July 4, 2025	10% of the share capital per 12-month period	None	None	None	10% of share capital
Delegation to issue shares or equity securities convertible into other equity securities or debt securities in compensation for contributions in kind of equity securities or securities convertible into shares up to a maximum of 10% of the share capital ^(a)	May 4, 2023	July 4, 2025	10% of the share capital at 4 May 2023	None	None	None	10% of share capital at May 4, 2023
Delegation to issue shares and/or equity securities convertible into other equity securities or debt securities in compensation for securities contributed in the event of a public exchange offer initiated by the Company ^(a)	May 4, 2023	July 4, 2025	€543,000	None	None	None	€543,000
Delegation to increase capital by incorporating reserves or premiums	May 4, 2023	July 4, 2025	€823,000	None	None	None	€823,000
Authority to increase the number of securities to be issued in the event of a capital increase, with or without preemptive rights ^(c)	May 4, 2023	July 4, 2025		None	None	None	None
Authority in the event of the issuing of common share and/or equity securities convertible into other equity securities or debt securities and/or securities convertible into equity securities to be issued, without preemptive rights, via public offerings other than those referred to in Article L. 411-2 of the French Monetary and Financial Code ^(a)	May 4, 2023	July 4, 2025	€543,000 (shares or securities) €500,000,000 (debt securities giving access to equity securities)	None	None	None	€543,000 (shares or securities) €500,000,000 (or securities representing receivables from the Company giving access to equity securities)
Authority in the event of the issuing of common share and/or equity securities convertible into other equity securities or debt securities and/or securities convertible into equity securities to be issued, without preemptive rights, via public offerings referred to in Article L. 411-2 of the French Monetary and Financial Code ^(a)	May 4, 2023	July 4, 2025	€543,000 (shares or securities) €500,000,000 (debt securities giving access to the Company's share capital or debt securities)	None	None	None	€543,000 (shares or securities) €500,000,000 (debt securities or debt securities giving access to the Company's share capital or debt securities)
Delegation to issue common share and/or equity securities convertible into other equity securities or debt securities and/or securities convertible into equity securities, with preemptive rights ^(d)	May 4, 2023	July 4, 2025	€2,220,000 shares or securities) €500,000,000 (debt securities giving access to the Company's share capital or debt securities)	None	None	None	€2,220,000 shares or securities) €500,000,000 (debt securities giving access to the Company's share capital or debt securities)
Delegation of authority to issue shares of common share and/or equity securities convertible into other equity securities without preemptive rights for members of the group's employee savings plan up to a maximum amount of 3% of share capital ^(a)	May 4, 2023	July 4, 2025	Ceiling of 3% of share capital	None	None	None	
Authority to award bonus shares (new or existing)	May 4, 2023	July 4, 2026	250,000 shares of which 50,000 to corporate officers	None	None ^(b)	None	114,920

(a) The amount of this authorization is deducted (I) the amount of the general ceiling for delegations of authority of €2,220,000 and (II) the sub maximum of €568,000 (itself deducted from the overall nominal ceiling of all capital increases of €2,220,000 referred to above) for capital increases through the issue of shares or equity securities giving access to other equity securities or securities giving access to equity securities to be issued with cancellation of preferential subscription rights and (III) €500,000,000 for issues of debt securities conferring entitlement to an allocation of equity or debt securities as provided for by the Combined Shareholders' Meeting of May 4, 2023.

(b) Due to the allocation of treasury shares to cover these plans, these plans are no longer likely to give rise to a capital increase.

(c) In the context of issues that would be decided pursuant to the delegations granted under the 14th, 15th and 16th resolution of the Shareholders' Meeting of May 4, 2023

(d) The amount of this authorization is deducted from the general ceiling for delegations of authority of €2,220,000.

On February 15, 2024, the Board of Directors renewed for a period of one year the authorization given to its Chairman and Chief Executive Officer, with the option of delegation, to award on behalf of the Company sureties, endorsements or guarantees (including financial completion guarantees) in respect of:

- Tax and customs administrations, without limitation of duration or amount;
- Any other third parties, for a term of one year and for a total amount not exceeding 2,800,000,000, including the amounts required for the financial guarantees of completion.

3.5.7. Related party agreements - current agreements - commitments - Related party transactions

3.5.7.1. Agreements subject to Article L. 225-37-4, 2° of the French Commercial Code

None.

3.5.7.2. Agreements subject to Article L. 225-38 of the French Commercial Code

No new agreement referred to in Article L.225-38 of the French Commercial Code was authorized by the Board of Directors during the year ended November 30, 2024.

3.5.7.3. Commitments authorized under related party agreements

The commitments authorized pursuant to Article L. 22-10-09 of the French Commercial Code are described in section 3.2.3.

3.5.7.4. Internal Charter on related party agreements and commitments and on the procedure for evaluating current agreements entered into under normal conditions

This charter (the "Charter") is part of (i) the regulations applicable to non-regulated and related-party agreements and commitments set forth in Articles L. 225-38 et seq. of the French Commercial Code as in force following Act No. 2019-486 of May 22, 2019 relating to the growth and transformation of companies (the "Loi Pacte") and Order no. 2019-1234 dated November 27, 2019 relating to the compensation of corporate officers of listed companies, and (ii) the recommendation of the Autorité des marchés financiers (the "AMF") no. 2012-05 of July 2, 2012, as amended on October 5, 2018 (the "AMF Recommendation"). The charter was approved by the Board of Directors of Kaufman & Broad SA ("KBSA") on February 27, 2020 and is included in KBSA's corporate

governance report, available on its website (www.kaufmanbroad.fr) and included in KBSA's Universal Registration Document.

The purpose of the charter is to describe, in accordance with the provisions of Article L. 22-10-10 of the French Commercial Code, the procedure implemented by KBSA within the group (as defined below) in application of the provisions of Article L. 22-10-1 of said Code, making it possible to regularly assess whether agreements relating to current operations and entered into under normal conditions do indeed meet these conditions. The charter applies to KBSA and its subsidiaries subject to the regulations on related-party agreements (together the "group").

3.5.8. Reminder of applicable regulations

As a preliminary remark, it is noted that, in accordance with the provisions of Article L. 225-38 of the French Commercial Code, the following are subject to the prior authorization of the Board of Directors: related-party agreements, agreements entered into between, on the one hand, the Company and, on the other hand, (i) directly or through an intermediary, its Chief Executive Officer, one of its directors, one of its shareholders holding more than 10% of the voting rights or, in the case of a corporate shareholder, the company controlling it within the meaning of Article L. 233-3 of the French Commercial Code, or (ii) an entity having common corporate officers with the Company. Agreements in which one of the persons referred to in (i) above has an indirect interest also constitute related-party agreements. These agreements, referred to as "related-party agreements", are then submitted to the Shareholders' Meeting for subsequent approval in accordance with the provisions of Article L. 225-40 of the French Commercial Code.

On the other hand, in accordance with the provisions of Article L.225-39 of the French Commercial Code, agreements relating to current operations and entered into under normal conditions and agreements entered into between a company and its wholly-owned direct or indirect subsidiary do not require a prior authorization procedure by the Board of Directors or approval by the Shareholders' Meeting.

Lastly, pursuant to the provisions of Article L. 225-43 of the French Commercial Code, the conclusion of certain agreements is prohibited, otherwise they shall be made void, in particular loans, overdrafts on current accounts or other, guarantees or endorsements, entered into with or for the benefit of any director (other than a legal entity), the Chief Executive Officer and representatives of legal entities that are directors of the said company, as well as the spouses, ascendants and descendants of the aforementioned directors and any intermediary.

3.5.9. Practice of agreements within the group

3.5.9.1. Criteria used to define an agreement relating to current operations entered into under normal conditions

(a) Concept of current transactions

The group assesses the concept of a current operation with regard to its conformity with the corporate purpose of the company concerned and the nature of the operation, which must be similar to others already carried out by the Company.

Repetition and/or habit constitute a presumption of current nature but are nevertheless not in themselves decisive. The group also takes into account the circumstances of the conclusion of the agreement, its financial and legal consequences, its duration or the usual practices for companies in a similar situation.

(b) Concept of normal conditions

The group assesses the concept of normal conditions in the light of the conditions usually practiced by the Company in its relations with third parties, so that the party concerned does not derive from the operation an advantage that it would not have had if it had been a supplier or a customer of the Company. It should also be ensured that the conditions applied are comparable to those of the same type of operations in other companies engaged in real estate development.

The normal nature of the conditions is assessed by reference to a market price or usual market conditions (within or outside the group) and to the general scheme of the contract, which invites consideration not only of the price itself but more generally of all the conditions under which the operation is concluded, such as payment deadlines or the granting of guarantees.

3.5.9.2. Typology of current agreements entered into under normal conditions within the group

The group considers that the following agreements constitute agreements relating to current operations entered into under normal conditions (as defined in paragraph above):

- agreements with low financial stakes, provided that the agreement does not represent a significant challenge for the co-contractors;
- agreements between group companies relating in particular to the following transactions, provided that these agreements (i) are concluded in the common economic, social or financial interest assessed in the light of a policy drawn up for the group as a whole, (ii) are not deprived of any counterparty or do not upset the balance between the respective commitments of the companies concerned and (iii) do not exceed the financial possibilities of the company bearing the cost:
- agreements related to the group's real estate development activities, such as those relating to the construction of buildings (real estate development contracts, sales before completion), technical management and marketing, and all other ancillary agreements customary for this type of operation,
- tax consolidation agreements for which the parent company provides for compensation in the event of the subsidiary's exit from the tax consolidation group,

- the sale or loan of Company shares to a corporate officer in the performance of his duties,
- loan and assistance agreements for the financing and re-invoicing of financial instruments,
- lease or sublease agreements,
- cash management operations and/or loans/current accounts/borrowings,
- service agreements (particularly in the areas of human resources, insurance, trademark licensing, IT, management, communication, finance, legal, accounting and purchasing),
- acquisitions and/or disposals of insignificant assets or securities.

The above list, which is not exhaustive and is for illustrative purposes only, has been drawn up on the basis of the agreements regularly entered into within the group to date and is intended to be supplemented as and when the group's practices change. In any event, the classification of the current nature of an agreement is assessed on a case-by-case basis, with the support of the group Legal Department, if necessary, in conjunction with the Company's Statutory Auditors.

3.5.9.3. Criteria used by the group to define a related-party agreement

The group considers that the prior authorization procedure for related-party agreements applies whenever an agreement is entered into between a company and one of the persons subject to the control procedure and does not constitute a non-regulated or prohibited agreement, as defined above.

This procedure does not apply to merger-absorption, demerger and partial asset contribution transactions subject to the legal regime for

demergers, between two companies with common corporate officers. Conversely, the contribution operation that is not subject to the legal regime for demergers must be subject to the procedure for related-party agreements at the transferring company but not at the receiving company, whose Shareholders' Meeting is consulted.

3.5.9.4. Specific regime applicable to executive compensation

The determination of the compensation of senior executives in respect of their term of office and the elements of compensation due on termination of their term of office are not subject to the procedure provided for in Article L. 225-38 of the French Commercial Code, but are the responsibility of the Board of Directors in accordance with Articles L.

22-10-16 and L. 22-10-17 of the French Commercial Code and, in the case of Kaufman & Broad SA, a company whose shares are admitted to trading on a regulated market, to the approval of the Shareholders' Meeting, in accordance with the provisions of Articles L. 22-10-8 and L. 22-10-34 of the French Commercial Code ("Say on Pay" regime).

3.5.9.5. Procedure for assessing current agreements entered into under normal conditions

The qualification and evaluation control procedure applies to the conclusion of new agreements as well as to any subsequent amendments (including renewal or renewal) or where there are indications that an agreement or certain categories of agreements would no longer qualify as a free agreement.

(a) Prior information of the Board of Directors

In accordance with Article 14 of the Internal Rules of the Company's Board of Directors, each Director undertakes to inform the Chairman of the Board of Directors of the conclusion of any agreement relating to current operations and entered into under normal conditions which he/she has entered into or in which he/she is interested, within one month of its conclusion.

(b) Annual assessment by the Board of Directors

The Board of Directors of Kaufman & Broad SA has set up a procedure for the annual assessment of current agreements entered into under normal conditions.

As part of this assessment, the Board of Directors, which meets to examine the annual financial statements, reviews the criteria for determining current agreements entered into under normal conditions defined above to ensure that they are always appropriate and comply with market practice and, more particularly, analyzes the normal nature of the financial terms and conditions of the agreements it assesses. Agreements that no longer meet these criteria, and are therefore reclassified as related-party agreements, are then submitted to the Board of Directors for approval, as described in paragraph 3.2. above.

In accordance with the provisions of Article L. 22-10-12 of the French Commercial Code, the persons directly or indirectly concerned by the agreement do not participate in its assessment

3.6. Statutory Auditors' special report on related party agreements

Shareholders' Meeting held to approve the financial statements for the year ended November 30, 2024

To the Annual General Meeting of Kaufman & Broad SA,

In our capacity as Statutory Auditors of your Company, we hereby report to you on related party agreements.

It is our responsibility to inform you, based on the information provided to us, of the main terms and conditions of the agreements brought to our attention or that we may have discovered in the course of our engagement, as well as the reasons justifying their relevance to the Company, without commenting on their usefulness or substance or identifying any other agreements. In accordance with Article R. 225-31 of the French Commercial Code, it is your responsibility to determine whether the agreements are appropriate and should be approved.

In addition, it is our responsibility, where applicable, to provide you with the information required by Article R. 225-31 of the French Commercial Code relating to the implementation during the year of agreements already approved by the General Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to this engagement. These procedures consisted in verifying the consistency of the information provided to us with the underlying documents from which it was derived.

AGREEMENTS SUBMITTED TO THE APPROVAL OF THE GENERAL ASSEMBLY

Agreements already approved by the Annual General Meeting

We hereby inform you that we have not been advised of any agreement authorised and entered into during the year to be submitted to the General Meeting for approval pursuant to the provisions of Article L. 225-38 of the French Commercial Code.

AGREEMENTS ADOPTED BY THE GENERAL ASSEMBLY

Agreements approved in prior years that remained in force during the year

Pursuant to Article R. 225-30 of the French Commercial Code (Code de Commerce), we have been informed that the following agreements, already approved by the Annual General Meeting in previous years, remained in force during the year.

Termination indemnity for the Chief Executive Officer

On June 25, 2013, the Board of Directors appointed Mr. Nordine Hachemi as Chief Executive Officer with effect from July 1st, 2013 and approved the terms of his mandate agreement which provides for the payment to him of a severance payment under the following terms :

- In the event of removal from office for a reason other than gross or wilful misconduct, as defined by the French Supreme Court in labour law, the Company undertakes to pay the Chief Executive Officer a severance payment intended to compensate for the loss of his office.
- The indemnity will be equal to 12 months of gross fixed and variable compensation due for the past financial year, increased to 18 months in the event of a takeover of the Company by one or more third parties acting in concert triggering the obligation to launch a public offer for the Company's shares.
- regardless of the date and circumstances of the dismissal, the indemnity will only be payable if the Chief Executive Officer has received or should have received for each of the two years preceding the termination of his term of office on average at least 70% of the maximum variable portion (excluding outperformance) of his compensation for each of these two years, this variable portion being based on both quantitative and qualitative objectives (set for the first time at the time of his appointment and then at the beginning of each financial year).

This commitment was authorised by the Board of Directors on April 16, 2015 and approved by the General Meeting of Shareholders on April 15, 2016.

This commitment was authorised by the Board of Directors on May 6, 2024 when Mr. Hachemi was reappointed as Chairman of the Board of Directors responsible for the Company's General Management and approved by the Shareholders' Meeting of May 6, 2024.

Non compete indemnity for the Chief Executive Officer

In the event of Mr. Nordine Hachemi's departure, he will be bound by a non compete and non solicitation obligation that will apply, unless reduced or waived by the Group, for a period of 12 months following the termination of his corporate office.

He will receive a gross monthly lump sum payment equivalent to 50% of the average gross monthly fixed compensation he received during the twelve months preceding the end of his term of office (or of his term of office if it is lower). The Company may, however, reduce the term of office or waive this commitment.

This commitment was authorised by the Board of Directors on April 16, 2015 and approved by the General Meeting of Shareholders on April 15, 2016.

This commitment was authorized by the Board of Directors on May 6, 2024 when Mr. Hachemi was reappointed as Chairman of the Board of Directors responsible for the Company's General Management and approved by the Shareholders' Meeting of May 6, 2024.

Supplementary defined contribution pension plan granted to the Chairman and Chief Executive Officer

Mr. Nordine Hachemi benefits from the supplementary pension plan for the company's executives and a supplementary defined contribution pension plan in the same way as the members of the management committee.

The maximum amount of annual contributions is capped at 8% of the gross salary within the limit of 8 times the social security ceiling. Contributions paid by the Company amounted to euros 29,548.80 in 2024.

This commitment was authorised by the Board of Directors on April 16, 2015 and approved by the General Meeting of Shareholders on April 15, 2016.

This commitment was authorized by the Board of Directors on May 6, 2024 when Mr. Hachemi was reappointed as Chairman of the Board of Directors responsible for the Company's General Management and approved by the Shareholders' Meeting of May 6, 2024.

Paris La Défense, March 19, 2025

The Auditors

KPMG SA
François Plat
Partner

ERNST & YOUNG Audit
Denis Thibon
Partner

A photograph of a modern building with white and dark grey facades and balconies with black metal railings. Green plants are visible on the balconies. The sky is clear blue.

04

Risk factors



4.1	Internal control and risk management system	142
4.1.1	Description of the general characteristics of the internal control and risk management system	142
4.1.2	Insurance	146
4.1.3	Litigation pending	146
4.2	Description of risk factors and associated control systems	147
4.2.1	Risks related to the group's business sector	148
4.2.2	Risks related to the group's activities	151
4.2.3	Risks related to the Company	157
4.2.4	Market risks	160
4.2.5	Legal risks	161

4.1. Internal control and risk management system

4.1.1. Description of the general characteristics of the internal control and risk management system

4.1.1.1. Objectives and scope of the internal control and risk management system

The scope of the group's internal control system, described in this document, covers the parent company Kaufman & Broad SA and its direct and indirect majority shareholdings.

The group uses the AMF's reference framework for the design, management and evaluation of its internal control system. No group entity adopts another standard.

One of the aims of the group's internal control system is to prevent and control the risks arising from its operations and the risks of errors and fraud, particularly in the accounting and financial fields. Like any control system, however, it cannot provide an absolute guarantee that these risks are fully eliminated. The group's internal control system aims to

obtain reasonable assurance in order to achieve the following objectives in particular :

- Compliance with laws and regulations of the management, decision-making and/or execution of operations as well as the behavior of staff
- The application of instructions and guidelines set by the group's General Management;
- The proper functioning of the group's internal processes, particularly those contributing to the safeguarding of its assets;
- The reliability and fairness of the accounting, financial and management information communicated to the corporate bodies and externally.

4.1.1.2. Key elements of the group's internal control system

4.1.1.2.1. General organization of internal control

4.1.1.2.1.1. Overall organization of the group

The group's internal control is based on:

- A general organization based on the duality of regional operational departments, which constitute profit centers located in France according to the group's development strategy, and functional departments which play a role of control, expertise and advice to the latter.
- A centralized general organization: Kaufman & Broad centralizes in the headquarters the main decisions and procedures, in particular all field acquisitions subject to the prior approval of the members of the Land Committee and the Commitment Committee, the revenue recognition and associated costs, and the consolidation process. Limited autonomy is therefore left to the regional departments over major decisions impacting internal control and the financial statements;
- A specialized committee within the Board of Directors: the Audit Committee, whose main task is to carry out a prior review of the Company's financial statements and risks.

4.1.1.2.1.2. Management structures

Executive Management is directly responsible for the internal control system. It defines the guidelines and supervises the implementation of the whole set of elements comprising it.

The management bodies are made up of an Executive Committee, which implements the group's strategy through the Annual Business Plan, and a Management Committee, which monitors its implementation. For more details on these two bodies, please refer to section 3.1.3. And 3.1.3.1.3. of this Universal Registration Document.

As CSR has become a key topic, Kaufman & Broad has created:

- A CSR Department, reporting directly to the Chairman and Chief Executive Officer,
- A CSR Executive Committee, which proposes strategic orientations and associated actions, and
- A CSR Committee within the Board of Directors, which supervises and validates them.

For further details, please refer to section 5.1.2.1 "Consideration of CSR and Innovation in group Governance".

In the internal control management structures are also the Land Committee and the Commitment Committee, whose roles are to validate the relevance of the proposed operations (including their forecast) and to authorize to pursue the study of the file. The operation of these Committees is described in section 1.1.2.2.1.

Lastly, quarterly real estate operations review committees and monthly review meetings complete the internal control management structures. Their operation is detailed in section 4.1.1.3.2. "Internal procedures".

4.1.1.2.1.3. Cross-functional support departments

The Finance Department includes the following departments, which have a support and control role within Kaufman & Broad SA and the subsidiaries.

- The Management Control, Budgets and Reporting Department
- The Internal Audit Department
- The Treasury and Financing Department
- The Accounting and Consolidation Department
- The Information Systems Department
- The Legal Department
- The Tax Department
- The Financial Information Department

The role of each of these departments in the group's internal control system is detailed below in this chapter.

4.1.1.2.2. The group's general internal control environment

4.1.1.2.2.1. Business ethics and Compliance

Fight against corruption and influence peddling

The fight against corruption and influence peddling was identified as a significant specific risk for the group. It is therefore the topic of a dedicated development in section 4.2.2.13.

Combating tax evasion, money laundering and the financing of terrorism

The group's business is located in France. Kaufman & Broad SA, the group's holding company, only owns French companies, either directly or through interposed companies, which are all located and registered in France for the 2024 financial year. The group is committed to using its best efforts in its tax policy.

Kaufman & Broad SA is subject to regular tax audits by the "Direction des vérifications nationales et internationales" (national and international audit office).

In addition, the group and its employees are attentive regarding the payments envisaged or made in order to detect any irregularities, particularly with partners, customers, or suppliers whose behavior, nationality or conduct of business may arouse suspicions. Any element of a proposed transaction that appears inadequate or likely to violate applicable laws or regulations or internal policies and procedures must be reported by the employee to his or her line manager as well as to the Legal Department, the Internal Audit Department and/or the group Finance Department.

To this end, the group is also attentive to the information provided by notaries, officers with a delegation of public authority, who authenticate all the real estate transactions carried out by the group and one of the obligations of which is to ensure the legal origin of the funds employed.

Not only legal entities, but also employees and managers may be held criminally liable in cases of money laundering. Attempted money laundering is punishable by the same penalties as the offense itself.

Code of Ethics and Internal Rules

The Code of Ethics in force within the group encompasses and formalizes the principles to be applied by the group's employees regarding the following themes: Respect for fundamental rights, the responsibilities incumbent on employees, the conduct of business, relations with shareholders, suppliers, customers and elected representatives, in line with the group's social responsibility approach. The Code of Ethics also refers to existing agreements, procedures and notes in these different areas.

The Code of Ethics was updated in 2024. It has been supplemented by a Disciplinary Sanctions Procedure and a Whistleblowing Procedure to consider changes in the group and the provisions of the Sapin II Law. This Code and these procedures form part of the Internal Regulations which, like the IT Security Charter for the use of IT resources and Internet services, are available on the Kaufman & Broad intranet and have been signed by all group employees.

Disciplinary proceedings shall apply in the event of failure to comply with the obligations set out in the Code, the Internal Regulations as well as applicable laws and regulations.

The whistleblowing procedure governs the processes for reporting by employees of a legal breach risk, the Kaufman & Broad Code of Ethics, the internal regulations and/or any other internal procedures of Kaufman & Broad. The reporting process guarantees the whistleblower, in accordance with the law, strict confidentiality of his/her identity, the persons targeted by him/her and the information gathered by all the recipients of the report. A secured IT reporting module, KBEthique, also automates compliance with legal requirements regarding processing times.

Since 2019, the main aspects of the Code of Ethics and related procedures have been the subject of mandatory training for all group employees. Of the workforce at the end of 2024, 96% of employees took an e-learning course "Ethics at Kaufman & Broad".

4.1.1.2.2.2. Security of information systems and protection of personal data

The Kaufman & Broad group's IT Department, which reports to the Chief Financial Officer, is responsible for overseeing the design, development and implementation of new IT solutions and the day to day management of existing tools.

There is a set of procedures in place for purchasing and managing service and maintenance contracts. For operational management, business line procedures govern the development and operating functions. In addition, Kaufman & Broad has issued an IT security charter that lists the rules and responsibilities related to the use of IT resources. This document is sent to employees, who must sign it and return it to the Human Resources Department upon their hiring.

The protection of personal data has been identified as a significant specific risk for the group. It is therefore the subject of a dedicated development in section 4.2.5.5.

4.1.1.3. The group's risk management system

4.1.1.3.1. Risk identification and management process

The internal control system put in place by the group's General Management determines a risk management system aimed at identifying and analyzing the main identifiable risks with regard to its objectives and ensuring that procedures are in place to manage these risks. Risk mapping carried out by General Management is an essential step in identifying the Company's risks.

Risk identification was carried out through interviews with the members of the Audit Committee as well as some fifty managers and senior executives of Kaufman & Broad, including mainly the Regional Chief Executive Officers, the heads of the cross functional departments and the Agency Managers. These interviews allowed to better understand the causes and potential consequences of each of these risks, as well as the main control mechanisms used for them. The ranking of major risks issued from the interview phase was also subject to a validation workshop, attended by members of the Management Committee and Audit Committee from amongst those who had previously met as part of the process.

The group's risk map is updated every year, either on the basis of a complete updating exercise by means of interviews, as in 2022 for the 2023 financial year, or on the basis of changes in the relevant indicators defined during the process to adjust the level of criticality of major risks, as in 2024 for the 2025 financial year.

In addition, as part of the same approach, the group also has a corruption risk map (see 4.2.2.13).

The updated mapping of major risks was presented to the Audit Committee on January 27, 2025.

4.1.1.3.2. Internal procedures

The internal control system covers around thirty separate procedures, the main of which are as follows: lands acquisition, management of calls for funds and customer receipts, monitoring of trade receivables, debt management, bank reconciliations, bank guarantees, Human Resources, closure and consolidation, determination of goodwill and assessment of asset impairment losses, *earn out*, preparation and control of a real estate program budget and forecasting process, revenue recognition and inventory on completion, management of reservations, progress rates, tax planning and calculation of current tax, management of the supplier database, registration and validation of trade payables, supplier settlements, purchases, end of construction site management, annual business interviews and exit interviews.

In addition, there are several IT procedures relating to the planning and organization of the department, security, safety, change management and system operation.

The procedures describe their respective objectives, their managers and participants, the inherent risks and the possible impacts of their failure on the group's financial statements. They include control points, some of which are considered "key" due to their significance in the group's risk prevention system.

The Agency Managers are responsible for ensuring compliance with the group's internal control procedures within their entities.

From a legal standpoint, the Chairman and Chief Executive Officer and/or the Regional Managing Directors of Kaufman & Broad SA are corporate officers of the majority of the group's subsidiaries, either individually or as permanent representatives of a group company.

The group is not required to draw up a vigilance plan regarding the number of employees, as provided for in Article L. 225-102-4 of the French Commercial Code.

4.1.1.4. Focus on internal control relating to the preparation of the group's accounting and financial information

The Chief Financial Officer is specifically responsible for supervising and maintaining internal control measures relating to accounting and financial information.

4.1.1.4.1. Budgetary and management control

4.1.1.4.1.1. Planning

Operational planning is decentralized to a regional level. It is led by Executive Management and the Finance Department, which define its principles and planning and manage the process for each entity, verifying global consistency with the group's strategy.

The operational managers of the various agencies assisted by their management controllers prepare for their respective entities a two-year plan, including a detailed budget for the coming year. The proposed objectives are approved by the Finance Department and Executive Management between October and January. The Finance Department and the Executive Officers in charge of the Regions consolidate and comment on the whole plans by entity.

4.1.1.4.1.2. Monitoring

Monthly Budget Control

The annual budget is periodic and used as a single reference for budgetary control. The consolidated income statement and balance sheet are prepared monthly by the Consolidation Department and forwarded to the Executive Management. The Management Control Department establishes budgetary control: Validating expenses and income at the end of the period, measuring deviations from the Plan and/or from the latest budget updates and analyzing until their possible future impacts.

Quarterly updates

Each entity updates its annual budget on a quarterly basis. These exercises enable to refine the trends at the end of the year but do not replace the initial Plan in terms of budget control benchmarks.

The current quarter results are updated during the first 10 days of the last month of the quarter. These updates are validated by Executive Management and the Finance Department in quarterly committees with the managers of each agency or subsidiary and will enable the group to prepare its annual and half-yearly consolidated financial statements. They are presented at the meetings of the Board of Directors prior to the publication of the quarterly results.

Based on these updated forecast results, the targets are, where applicable, redefined by Executive Management. The signature targets are also established by Executive Management based on revenue forecasts prepared by the Agency Managers.

Reconciliation with accounting data

The accounting and management systems are provided with the same information (single entry of accounting documents) and are consistent in terms of methodology. The systematic monthly scoping of budget returns with the financial statements allows to control the reliability of financial information.

4.1.1.4.2. Accounting procedures

4.1.1.4.2.1. The financial statements preparation process

Consolidated financial statements are prepared quarterly according to IFRS. In general, the group reports this accounting and financial information during the month following their preparation. The Accounting and Consolidation Department is responsible for their establishment. To this end, the Accounting and Consolidation Department sends instructions to all departments concerned on the progress of the closing process, specifying the information to be entered, the restatements to be made and the timing of these transactions.

The Management Control, Budgets and Reporting Department reviews the consolidated income statement prepared by the Accounting and Consolidation Department, analyses significant variations and reports them to the Accounting and Consolidation Department.

The IFRS financial statements are prepared under the Chief Financial Officer's responsibility and then submitted to the Chairman and Chief Executive Officer. When the interim and annual consolidated financial statements are approved, these financial statements are reviewed by the Audit Committee and the Board of Directors and reviewed (audit in the context of the annual financial statements and limited review in the context of the interim financial statements) by the Statutory Auditors prior to the financial communication on these results. They are then approved by the Board of Directors.

4.1.1.4.2.2. Controls on key accounting principles and estimates

With regard to key accounting principles and estimates, at each closing the internal controllers ensure that the principles and methods of IFRS 15 are correctly applied, with the group's consolidated revenue and margin recognized on a percentage of completion basis.

From a technical standpoint, the acquisition of the land and the justification of the progress rate of the construction sites are key controls of the group's internal control system, in addition to the quarterly update of the budgets upon completion of our real estate operations by the relevant regional departments.

From a commercial standpoint, the signature of the official deeds of each batch of sale before completion ("VEFA") is an evidence, formalized by the certificates systematically issued by notaries, sale by sale.

4.1.1.4.2.3. Procedures for controlling off balance sheet commitments

Off balance sheet commitments have been identified as a significant specific risk for the group. They are therefore the subject of a dedicated development in section 4.2.5.4.

4.1.1.4.3. Group financial communication

Other than the Chairman and Chief Executive Officer, only persons duly authorized by the former are allowed to communicate financial information to the market. This includes mainly the Chief Financial Officer.

The Finance Department prepares the following documents:

- Universal Registration Document, quarterly information, interim and annual financial statements and activity reports;
- Financial Press releases;
- Presentations for financial analysts and investors;
- Presentations for rating agencies.

These documents are approved by the Chief Financial Officer and Chairman and Chief Executive Officer. Financial Press Releases are generally submitted to the Board of Directors prior to their publication.

4.1.1.5. Updating and reviewing the operation of the internal control system

Executive Management ensures that current internal control measures are in place in all group entities.

This is supplemented by an operational, legal and regulatory watch aimed at identifying and anticipating changes in French and European business, legislation and regulations that could have an impact on the group's economic balances. This function is also performed by Executive Management and by the various operational and functional departments, which take all appropriate measures to ensure that the group's interests prevail in due course.

The correct application of the procedures relating to accounting and financial information is monitored by the Internal Audit Department and

from time to time by an independent audit firm, supervised by the Internal Audit Department. The results of this work, carried out at the head offices and within most of the group's regional agencies (depending on their contribution to the consolidated financial statements), are regularly reported to the Audit Committee. These periodic procedures, which aim to ensure that the procedures relating to accounting and financial information are properly applied, do not lead to an assessment of the overall system for managing operational and financial risks resulting from the group's activity. The foregoing information cannot therefore be an assessment of the adequacy and effectiveness of the Company's internal control system, as it does not cover it as a whole.

4.1.2. Insurance

4.1.2.1. Mandatory insurance

Within the framework of the regulations related to their development/builder activity, the group companies take out the mandatory insurance established by Law no. 78-12 of January 4, 1978 covering the work performed (so-called "Damage to works" or "DO"), the ten-year liability of the Master of Works ("Non Builder" insurance or "CNR") and the ten-year liability of the project manager when it is exercised by group companies.

Damage to works Insurance is taken out at the start of the construction site and is intended to pre finance the repair of problems that have arisen within ten years of receiving the work. The benefit of this coverage is transferred to customers as soon as their homes are delivered, and is passed on to their successors in the event of the resale of their homes. This insurance covers, apart from any liability seeking, the costs of repairing damages, even as a result of ground defects, that compromise the soundness of the structures built or make them unfit for their intended use. Repair includes demolition, removal, removal or dismantling work that may be necessary, once an amicable appraisal has been carried out within certain pre established legal deadlines. Subsequent to this compensation, the insurers turn to the responsible builders and their insurers, in order to recover a large part of the sums advanced. The guarantee ceiling is the amount of the total construction costs, including fees, for non-residential works and the cost of repairs for residential works.

Group companies are also covered by "CNR" insurance. These insurance policies cover the payment of construction repairs to which the group has contributed in its capacity as seller of building to be built, where its liability is incurred on the basis of the presumption established by Articles 1792 et seq. of the Civil Code, in respect of building works and within the limits of this liability. The guarantee ceiling is the amount of the total construction costs, including fees, for non residential works and the cost of repairs for residential works. When the total cost of the operation exceeds €15 million excl. VAT, a "CCRD" (ten year collective liability contract) guarantee is also subscribed. This is a second ten-year civil responsibility guarantee for project owners.

Since January 1st, 2020, Axa France IARD, SMA and more recently ZURICH (3 master agreements in progress) have taken out "CNR" and, where applicable, CCRD insurance policies. They represented a cost of €7.5 million (0.69% of consolidated sales) for the year ended November 30, 2024.

Lastly, group companies carrying out works management and similar tasks are covered by a specific insurance policy covering their ten-year liability and certain major damages in the course of work. The agreement has been signed with QBE since January 1st, 2020. The amount of premiums paid under this agreement during the year ended November 30, 2024 was €0.25 million (0.02% of consolidated sales).

4.1.2.2. Other insurance related to the group's business

The group's business is also covered by the following optional insurance policies.

4.1.2.2.1. Promoter Civil Liability

The purpose of the Promoter "Liability Agreement" is to provide Kaufman & Broad with a guarantee against the financial consequences of civil liability that may be incurred by it as a result of any bodily injury, material damage and/or intangible damage caused to third parties (including customers) as a result of its guaranteed activities.

This agreement guarantees the main property development activity, but also ancillary or ancillary activities, such as property management (including the Hoguet Law), proprietary project management, delegated project management.

It represented a cost of €1.029 million in 2024 (0.10% of consolidated sales).

4.1.2.2.2. All Building Risks

The "Building Risks" insurance, taken out for each operation, guarantees the Master of works and all participants in the operation against any accidental loss or damage to the structures during the construction period.

The guarantee is granted up to the total amount of work performed on the site, including project management and technical control fees.

The guarantees are taken out in an inseparable manner with the "DO/CNR" guarantees (same insurer).

They represented a cost of €0.857 million (0.08% of consolidated sales) for the year ended November 30, 2024.

4.1.2.2.3. Civil liability Environmental damage

The agreement, taken out with AXA XI, covers Kaufman & Broad, in particular for operations requiring decontamination and/or asbestos removal, and for the holding or operation of "ICPE" (classified installations for environmental protection) facilities.

4.1.2.2.4. Civil liability Corporate officers

The group hedges its "Corporate Officers' liability" through three insurance policies, each with a guarantee line (1st line taken out with AIG, 2nd line taken out with Chubb, 3rd line taken out with Zurich/QBE and Beazley).

These contracts guarantee the civil liability that executives (de jure or de facto) could incur in the event of professional misconduct committed in the performance of their duties, as well as the assumption of their defense costs, damage to reputation, psychological support, etc.

4.1.2.2.5. Fraud and cyber risk insurance

The group is insured with CHUBB in the event of loss due to fraud, committed by an employee or by a third party (theft, forgery and use of forgery, fraud, breach of trust, etc.).

It is also insured for Cyber risk with the SMA: Guarantee of non-material damage and damage caused to third parties in the event of malicious damage or accidental events impacting the IT system. The agreement also includes emergency assistance to a specialized service provider.

4.1.2.2.6. Damage insurance

To cover damage risks of its real estate stock, the group has taken out two (inseparable) insurance policies with AXA:

One is related to its construction activity (land, building dedicated to demolition, rehabilitation or preservation, sales bubble, sales office, apartment or witness house) and the other to its operating premises (offices, showroom, company restaurant, parking).

The IT equipment is covered by an "All IT Risks" policy taken out with AXA. The art and collection items held by the group are insured with Hiscox, particularly in the event of breakage or theft.

4.1.3. Litigation pending

Litigation has been identified as a significant specific risk for the group. They are therefore the subject of a dedicated development in section 4.2.5.3.

4.2. Description of risk factors and associated control systems

The following are the main risks specific to the group that are likely to have a material adverse impact on its business, results, financial position and outlook. They are derived from the group's risk mapping described in 4.1.1.3.1.

This inventory is not exhaustive because other significant risks, unknown or not considered to date, could exist or arise in the future.

The occurrence of all or part of these risks could, in particular, lead to significant deviations from the forward-looking and other quantitative

data included in the documents filed by the group with the AMF or its other written or verbal communications.

The order of importance in which the following risk factors are presented depends on their criticality, i.e. their severity and their probability of occurrence, after taking into account the action plans put in place. It could be modified at any time, in particular due to the occurrence of new external or group specific events it could be aware of.

Risks related to the group's business segment	• Economic risks* • Risks related to competition in the real estate development sector • Risks related to joint development • Risks related to bank guarantees in the context of revenues through Sale before completion contracts
Risks related to the group's business	• Land Market Risks* • Risks related to construction costs* • Risks related to supplier relations*<i>CSR</i> • Risks related to the group's Development Strategy* • Reputational risks*<i>CSR</i> • Program management risks* • Risks related to major projects • Risks related to contracts with public entities • Pollution risks <i>CSR</i> • Climate related risks <i>CSR</i> • Risks related to It systems • Risks related to acquisitions • Risks related to attempted fraud, fraud and corruption*<i>CSR</i> • Risks related to insurance coverage
Risks related to the Company	• Risks related to Human Resources and Dependence on Senior Executives* <i>CSR</i> • Risks related to the Company's debt • Risks related to restrictive clauses of financing contracts
Market risks	• Interest rate risks*
Legal risks	• Risks related to regulations directly applicable to the group* <i>CSR</i> • Risks related to tax systems that may affect the new housing market and changes in tax regulations • Risks related to litigation • Risks related to off balance sheet commitments • Risks related to the protection of personal data

* Risks considered the most important in the category.

CSR Risk factors presented in the CSR Risk Assessment Table.

4.2.1. Risks related to the group's business sector

4.2.1.1. Risks related to the economic environment *

The new French real estate market in which the group operates remains strongly influenced by the general economic environment, particularly by the economic growth, the consumer confidence, the unemployment and the debt conditions (described in section 1.2. "The market environment").

These cyclical factors are likely to reduce the demand for new housing and to increase construction lead times and associated costs. A decline in demand could reduce the group's ability to find buyers and lead to a sustained decline in property prices. The lack of acquirers, as well as an increase in construction times, is also likely to delay the recognition of income due to the percentage of completion method applied by the group. The group's results are all the more sensitive to the economic uncertainties occurring at certain times of the year as Kaufman & Broad's business is seasonal, being historically stronger in the second and fourth quarters (see section 2.1.1.2.1. "Orders" in the section "Cycles and seasonality of housing reservations by product type (by volume)").

Although the latest available data remove the prospect of a recession with reduced GDP growth, there are, as of the date of this document, significant factors of uncertainty that may adversely affect economic growth:

- the highly uncertain global geopolitical environment and the associated inflation outlook (Ukraine War, Middle East situation, ...);
- the unstable political context in France;
- household consumption, which has slowed significantly since 2023, under the combined effect of inflation and rising interest rates;
- demand for real estate, whether from individuals or institutional investors, affected by rising construction costs;
- the decrease in the attribution of building permits and construction starts;
- climate issues and their consequences for the global business model, particularly in terms of regulation;
- the worsening of the public deficit in France, limiting government room for maneuver.

Debt conditions are likely to have a direct impact on the level of demand for properties sold by the group, as potential buyers may encounter difficulties in financing their purchase. In 2023 the effect of the central bank raising key policy rates to combat inflation, home loan rates rose. Since the second half of 2024, the ECB has lowered its key rates. Long

rates are expected to stabilize in 2025. Nevertheless, the political uncertainty in France does not confirm the downward trend in real estate lending rates. Other debt conditions (levels of personal contributions, guarantees requested, etc.) have also tightened, penalizing borrowers with low personal contributions and/or whose level of income no longer allows them to meet the effort rate requirements imposed by the bank's supervisory authorities.

With respect to companies, the ability to obtain financing in an uncertain environment, but also the profitability prospects that the Company could obtain by operating this property, are also important factors in the choice of acquiring a property. The rise in long term interest rates, in addition to weighing on corporate investment, has led to an increase in the rates of return demanded by investors and thus to downward pressure on sales prices. This development, already noted, could lead the group to abandon or postpone certain commercial real estate projects.

Household confidence, which is a key factor in the investment decision for new housing, could be adversely affected by the elements described above. Indeed, a customer chooses to purchase a property by relying on its acquisition capacity at the time of purchase but also on its confidence in its ability to meet its future obligations, particularly related to the financing terms of the proposed purchase.

Control system

To mitigate these risks, the group relies on a rigorous selection of locations and continually adjusts its offer to maintain its business in this uncertain environment. The cost structure, which is largely variable, allows the group to limit its fixed expenses and adjust its expenses according to demand. The main costs - land acquisition, building, marketing and sales team compensation - can be reduced if necessary, by launching fewer programs.

At the same time, the group diversified its offer towards residential services and commercial real estate, in order to reduce its exposure to the new housing market. Although this diversification may result in more frequent cancellations or a temporary impact on the gross margin, it ensures stable profitability over the long term. In addition, energy transition commitments and demographic changes will continue to support demand for new housing, the only ones capable of achieving carbon neutrality.

4.2.1.2. Risks related to competition in the property development sector

The developer builder business is highly competitive, both in terms of land acquisition, product selling prices and access to subcontractors. It is carried out by national and regional promoters (see section 1.2.2.1 "Key market players"). The market for the resale of houses and apartments is a source of additional competition. The conditions of the competition met by the group could:

- Make it difficult to acquire suitable land that meets its land acquisition criteria (see section 4.2.2.1 "Risks related to the land market" of this Universal Registration Document);
- Reduce the construction of its buildings due to a lack of subcontractors;
- Reduce its revenue and/or profit margins;
- Encourage to propose discounts or to increase prices;
- Reduce sales or increase the withdrawal rate of buyers.

Each of these factors may hinder the growth of the group's activities, increase expenses and thus have a significant negative impact on the results. If the group were not able to deal effectively with this competition, it could lose market share and its profitability could be affected.

Control system

The group leverages its regional network and diversified offer to expand its geographic footprint and strengthen its position in the domestic market. By deploying in areas with high economic and demographic growth potential, it ensures a competitive edge enabling it to maintain constant orders levels.

In addition, the group is taking a rigorous approach to controlling construction costs thanks to its bargaining power and the inclusion of suspensive clauses in put options. It also controls land costs through a strict selection policy that ensures the profitability of its sales operations.

Lastly, sustained marketing campaigns, particularly in the digital sector, are conducted regularly to optimize the relevance of the group's operations, strengthen its brand image and support sales volume.

4.2.1.3. Risks related to joint development

Certain real estate programs are developed by the group based on a capital and current account interest from partners outside Kaufman & Broad. Especially due to the economic and financial situation, some of the group's partners involved in co-development transactions may fail during the completion of the real estate program and may not be able to meet their commitments, resulting in the Company having to meet the cash requirements generated by the relevant real estate programs. When the group believes that the financial position of its partners is

weakened, a provision for risks is recognized in the Company's financial statements. As such, the total amount of provisions for risks amounted to €8.2 million in the group's consolidated financial statements for the year ended November 30, 2024, compared with €8.5 million at the end of 2023 (see note 7.1.5 "Notes to the financial statements", note 8.1 "Provisions", paragraph "Provisions for risks relating to affiliates"). However, these provisions may not be sufficient to cover the default of its partners.

Control system

Property development transactions carried out in co-development do not derogate from compliance with the internal control procedures described in section 4.1.1.3.2, particularly in the selection of land.

4.2.1.4. Risks related to bank guarantees in connection with Sales before Completion Status

In the context of sales before completion, Kaufman & Broad takes out a financial guarantee with a financial institution, a mutual guarantee body or an insurance company for the completion of construction or the repayment of payments made, which takes the form of a joint guarantee for the benefit of the purchasers or a credit facility agreement (Article R. 261-21 § a or § b of the Construction and Habitation Code). These extrinsic financial guarantees are subscribed by operation with banking and financial institutions. The group then grants mortgage promises or non-sale commitments as consideration, which enables it to secure its real estate programs and speed up the signing of sale agreements.

The effective implementation of these bank guarantees could represent a significant financial burden for the group. On November 30, 2024, the amount of financial guarantees for completion and fixed asset indemnities given by the group or by its banking institutions in the form of guarantees amounted to €829 million, compared with €437 million at November 30, 2023 (see 7.1.5. "Notes to the financial statements", note 8.3 "Guarantees and bonds issued").

In addition, an increase in the number of guarantees could lead to higher costs and/or adversely affect the group's ability to obtain new bank guarantees and to finance its projects. In addition, a significant deterioration in the real estate market, such as a financial crisis, could result in a decrease in the number of financial institutions likely or willing to grant such guarantees to the group, an increase in the cost of these guarantees and/or additional constraints imposed on their granting. Difficulties for the group in obtaining such extrinsic guarantees could limit its ability to make future completion sales in the sheltered housing sector and have a material adverse effect on its business and results. Lastly, the group may be exposed to counterparty risk in the event of default by a bank that has granted these bank guarantees.

Control system

In order to minimize the risk of exposure to a decline in the number of institutions able to grant such guarantees to the group, the group uses a broad and diversified number of leading banking institutions. These main banking institutions are: Crédit Mutuel ARKÉA, Crédit Mutuel Group (CIC, BECM, etc.), Banque Populaire Group and Caisse d'Épargne (Palatine, SOCFIM, Natixis, Caisse d'Épargne Midi Pyrénées), Crédit Agricole Corporate Investment Bank (CACIB), La Banque Postale Société Générale, BNP Paribas, to which should be added the financial institutions specialized in surety, insurers and insurance brokers such as: Atradius, MB cautions (QBE, ERGO, Tokio Marine Europe), CGI Bâtiment, Weez'Us (Liberty, Groupama), Allianz (formerly Euler Hermès), Diot Siaci.

A monthly valuation is carried out by the Treasury and Financing Department and then updated with the figures provided by the institutions concerned, according to their own declarations to the Banque de France or the French Insurance Control Commission (CCA).

4.2.2. Risks related to the group's activities

4.2.2.1. Risks related to the land market *

The continuation of the group's business is subject to the availability of land of sufficient quality and size to be able to develop Single-family houses in communities or Apartments programs, as well as the group's ability to identify and acquire this land. The increase in competition as described above, stimulated in particular by the frequent use of auctions in public sector land sales (which results in a sharp increase in the cost of land), as well as the scarcity of land for sale in certain sectors meeting the standards established by the group, could have a significant adverse effect on the development of the group and its ability to achieve its objectives.

Control system

In order to be able to anticipate as soon as possible tensions over the availability of land necessary for the production of its programs, the group has developed a management tool for its land portfolio, in which land must be included that meets the selection criteria set by the group. It is the Land Committee that establishes the criteria for the land to be included in the group's land reserve, validates the strategic and financial relevance of the planned projects of operations as well as the preliminary estimated expenditure budget, and authorizes the implementation of a land immobilization indemnity, particularly in the case of unilateral sales promises (see section 1.1.2.2.1 "Land selection" and "Approval of projects by the Land Committee").

4.2.2.2. Risks related to construction costs *

As a developer builder, Kaufman & Broad entrusts the execution of the works to third party companies belonging to different state bodies, and is thus exposed to risks inherent in anticipating its construction costs. The group may be faced with additional costs related to unexpected technical constraints, exceptional weather conditions resulting in delays in the completion of work, a loss during construction or the failure of a subcontractor. These unexpected events could have a significant adverse impact on the financial balance of the transaction.

In addition, the group notes that during periods of pressure on property prices, there is an upward trend in the construction costs, due to the lack of availability of companies and the growth of their own expenses (increase in the cost of materials and increasingly heavy regulatory standards, particularly in terms of safety and the environment). This rise in prices is generally observed 12 to 18 months after the first signs of improvement in economic conditions; conversely, when economic conditions deteriorate and demand slows, prices generally fall according to the same mechanism and within the same deadlines. In addition, significant changes in the prices of raw materials (mainly concrete, steel and cement) used in the construction of properties sold by the group, could have a significant impact on the group's construction costs.

Higher construction costs could have a significant impact on the group's margin if the Company fails to pass it on, even partially, to its selling prices. Furthermore, the concentration or reduction in the number of companies trading within this segment may entail, besides a possibility of reduced choice, an increase in prices and lesser control over the quality of produced works.

Control system

The group has a "controlled" process in the conduct of its business, used to validate the strategic and financial relevance prior to entering into a real estate project via preliminary expenditure forecasts and technical studies. The group also launches tender documents ("Dossiers de Consultation des Entreprises") prior to land acquisition in order to select companies through tenders for construction work. This competitive bidding also contributes to controlling the cost of operations. For further details, please refer to section 1.1.2.2. "Development process" and following.

4.2.2.3. Risks related to supplier relations **CSR*

As the group's business is based on a multitude of companies and suppliers, the financial difficulties, or even the suspension of payments, of some of these companies or suppliers (in the event of legal redress or liquidation) could cause a slowdown in construction sites or an increase of costs. The group's difficulty in finding suppliers that are available, that perform well in terms of CSR and that are able to meet its specifications could also have an impact on the quality of construction and the group's commitments, particularly in the context of obtaining certifications or labels. It could also have an adverse impact on the smooth running of collateral claims (see section 4.1.2. "Insurance"). Similarly, the group may suffer adverse consequences, particularly in terms of image, in the event of breaches or infringements committed by its suppliers and subcontractors.

Control system

In order to more accurately assess the risk of supplier default, a procedure governs their selection. The use of financial ratings aims to guarantee the soundness and reliability of the companies with which the group contracts. In addition, for several years, Kaufman & Broad has been engaged in a process of centralizing its second work purchases at the regional level and standardizing its supplier selection procedures at group level. This centralization enables lasting relationships to be established with suppliers signing a framework contract with the group. It is also a way for Kaufman & Broad to assess the financial strength and compliance of the companies with which it contracts by perpetuating their relationships (see section 5.3.2.1. "Human resources policies for the value chain").

4.2.2.4. Risks related to the group's development strategy *

The success of the group's development strategy is based on its ability to best meet the needs of its customers (type of housing, detail of delivery or processing time), by implementing appropriate commercial practices, in the highly competitive environment described above. The group must also be able to mobilize the necessary expertise internally in order to anticipate changes in the competitive, legal, tax and technical environment and offer its customers innovative solutions and products.

The group's inability to implement a commercial policy and organization adapted to the changing needs of its customers could lead to a loss of customers and markets or force it to make commercial discounts, which would have a negative impact on its financial profitability. In addition, an inadequate development and innovation strategy and a lack of knowledge of the legal and technical structure specific to the new products that the group would like to develop, due in particular to difficulties recruiting suitable profiles, insufficient digitalization or inadequate operational reporting, could lead to the loss of development opportunities and market share.

Finally, the execution of the group's development strategy requires the pooling of resources and know-how internally in order to seize development opportunities and implement the most appropriate responses to the needs of its customers. Therefore, a lack of synergies between agencies and regions within the group, a lack of cross-functional training involving several teams, or a too decentralized or a silo operation could lead to a loss of the technical know-how of the teams, their ability to innovate and the privileged relationships set up locally by the group, which could harm the implementation of its development strategy.

Control system

The group has set up a Transformation Steering Committee to ensure the continuous transformation of the group through the dissemination of structured processes, the centralization of documentation of real estate programs and the management of major projects. On the other hand, an Innovation Committee has also been set up to drive innovative solutions within the group. These initiatives enhance organizational efficiency while ensuring adaptation to market changes. Lastly, since 2022, an in-house communication platform has been used as a channel for interaction and exchange among group employees.

To ensure that its employees maintain a level of expertise aligned with market developments, the group prioritizes integration and continuous training through its KB Factory platform to meet the changing needs of its customers while strengthening its internal capabilities.

4.2.2.5. Risks related to the group's reputation * CSR

In recent years, the group has diversified the range of products marketed under the Kaufman & Broad brand, particularly in response to the difficult macroeconomic conditions that have changed customers behavior. The group's offer now ranges from low-income housing to high-end housing; in addition, the commercial offer includes a significant portion of commercial property and managed products. This heterogeneity of the offer could be a source of confusion for the customer and thus alter the brand image that the group wishes to convey. In addition, given the increase in the number and diversity of its customers and/or prospects (individuals, businesses, private and institutional investors, local authorities), the group is exposed to an image and reputational risk in the event of a serious failure, whether proven or not, in the quality of the services provided and/or received. In addition, the group's agencies can organize, to a certain extent and independently, their own advertising campaigns and marketing operations in addition to national campaigns, and could therefore convey an image that would not correspond to the group's strategy, despite the existence of a common national graphic charter.

Finally, the development of social media, blogs and discussion forums contributes to the development of an image risk for the individual audience and more specifically for e reputation.

Control system

To control the group's reputation risks, Kaufman & Broad strengthens its employer brand while obtaining quality labels. Risks related to the customer experience are managed through the creation of a Process and Continuous Improvement department, as well as through the use of customer satisfaction surveys, in particular through the Klient 360 tool, which allows the group to maintain the link with customers and better monitor the resolution of their requests. A systematic legal review is put in place to guarantee the quality of the actions and promises submitted. In addition, the group keeps an active watch to keep informed of current events and respond quickly if necessary.

Cyber risks are crucial and are managed through data encryption procedures and continuous system reviews. Training is provided to all employees to raise their awareness of major issues that may affect the group's reputation, such as GDPR risks, cyber risks and the Sapin II Law. Integration with customers and local residents, through associations (intermediaries for litigation), as well as Kaufman & Broad's desire to be available, contribute to the group's reputational security.

4.2.2.6. Program management risks *

The group's programs may not generate the estimated commercial and financial results at the time of the commitment decision as reflected in the projected budget at completion. Given the number of factors that may affect the cost structure and profitability of the programs compared to initial estimates, difficulties in implementing appropriate management control procedures to identify and correct possible budget variations could result in significant additional costs or underperformance of certain group programs. Even if the group undertakes to develop a real estate program only under certain conditions, in particular the achievement of a pre-marketing rate of around 50%, there can be no guarantee that the remaining fraction of unreserved lots will be sold on favorable terms, or even that it will be sold, particularly if an adverse economic environment negatively affects household confidence and leads to the postponement or even withdrawal of property acquisition projects. There can be no further assurance that the group's budget and financial modeling tools will allow it to anticipate any fall in demand or cost increases early enough to enable it to cancel programs that may not be profitable. In the event of an inability to accurately anticipate these uncertainties, the group's results could be significantly degraded (see Chapter 5, Section 5.2.1.1 "Risks, impacts and opportunities relating to climate change mitigation", in particular paragraph "Upstream and downstream value chain").

4.2.2.7. Risks related to major projects

In order to ensure business growth, the group intends to continue developing major projects, particularly urban projects. Since the end of 2019, a structure dedicated to the development of large urban projects and the rehabilitation of industrial wasteland has been created. This organization aims to better manage the risks inherent in this type of project.

The complexity, size and duration of these projects may expose the group to financial, image or technical risks that are more significant than for traditional promotion operations, both during the study phase and during the design and execution phase: Increased difficulties in finding qualified suppliers, slow administrative procedures, more numerous procedures, significant financial penalties in the event of delays in work (including for external causes, such as the Covid-19 pandemic), etc.

For example, the revamp project for the Austerlitz district in Paris, for which the announcement to obtain the building permit took place in January 2021, only started at the end of December 2022, once the cancellation procedures were completed and the building permit definitively granted.

The materialization of these risks could affect the execution of these major projects and therefore the implementation of the group's development strategy. It could even lead in some cases to the withdrawal of the project and cause significant damage to the group, related to the loss of most of the preliminary expenses, additional costs and additional study costs incurred in the event of substantial modifications of the project.

Finally, these major projects may result in business peaks, resulting in a significant increase in revenue and results over a fiscal year, with no guarantee of renewal in subsequent years, causing significant variations that are not representative of the trend in the group's future results.

Control system

As part of its internal control system, the group has a process for validating its commitments in a property program. The final decision to acquire the land is made by the members of the Land Committee. The general rule adopted by Kaufman & Broad provides that the final acquisition of the land is carried out if (I) the administrative authorizations required to carry out the proposed program are obtained and served with third party appeals and if (II) the profitability of the program as presented in the forecast financial balance sheets is verified (status and level of marketing, technical feasibility, cash flow plan, etc.). For further details please refer to section 1.1.2.2.1. "Final decision to purchase land".

Control system

To carry out the development of its major projects, the group relies on the specific skills necessary and sufficient, both internally and externally.

In addition, given the increased administrative and technical difficulties that may affect this type of transaction, the group is particularly vigilant in drawing up business forecasts.

Finally, given the significant variations that these major projects may have on the group's revenues and results, an appropriate financial communication strategy is anticipated.

4.2.2.8. Risks related to contracts with public entities

In the course of its business, Kaufman & Broad may enter into contracts with public entities, such as acquiring land or carrying out property development transactions. The complexity of the regulations inherent in contracts with public entities could force the Company to incur additional costs justified by compliance with specific constraints. Furthermore, the granting of contracts by public persons in favor of the group could give rise to appeals or even cancellations, particularly in cases where said public persons have not complied with the European or national regulations governing the granting of such public contracts, in which case the group's financial situation could be adversely affected. Moreover, as the collection periods for receivables from public entities are generally longer than those for private entities, the group's cash position may be affected. Lastly, any steps or other technical achievements that may be imposed on the group by public entities could reduce the cost-effectiveness of the real estate programs concerned.

Control system

Kaufman & Broad has several control mechanisms in place to manage the risks associated with contracts entered with public entities, particularly in terms of collusion and conflicts of interest. In addition, the establishment of tax, accounting and legal departments ensures the regulatory and operational compliance of each project prior to its launch.

To manage the additional costs associated with the specific constraints imposed by public contracts, the group has developed internal mechanisms for assessing and anticipating additional costs through a Commitment committee and monitoring of operating budgets. Lastly, Kaufman & Broad closely monitors the technical steps and obligations imposed by public authorities to ensure that they do not significantly affect the profitability of real estate programs, while maintaining a transparent and collaborative relationship with the authorities concerned to manage these requirements at best.

4.2.2.9. Pollution risks^{CSR}

When a land or building is acquired, there is no guarantee that the group will be able to avoid all significant risks relating to the disposing of toxic waste, the rehabilitation and monitoring of sites and other environmental issues that may affect the property it owns or has owned.

No estimate of these contingent liabilities can be made.

The group may encounter problems related to soil pollution or soil quality during the construction site (or possibly having repercussions after the work), which may notably result in legal actions initiated by the competent administrative authorities or any third party in respect of material or physical damage. Although under the sale agreements, the seller of the land or building may sometimes be held liable, the discovery of pollution on a land or building may result in additional delays and costs and have significant financial consequences if the seller of the property or land, or if applicable its guarantor, proves insolvent. The group may also have reduced its ability to sell property in areas affected by pollution or to incur debt due to the inability to provide collateral for the concerned the property.

Control system

Prior to any acquisition of land or a building, the group generally uses the services of specialist firms to carry out a review of the soil quality and pollution, existing buildings and underground structures, the site's land history and an asbestos and survey for buildings to be renovated or restructured.

The group also requires ceding companies to disclose all environmental risks of which they are aware and may, if necessary, acquire, following appropriate due diligence, real estate that imposes moderate restoration costs. In such cases, the group takes steps prior to the acquisition to obtain guarantees as to the exact scope of the work required and the extent of the costs associated with the site's disposal, restoration and/or monitoring operations, based on detailed research carried out by its environmental councils (see section 5.2.2 "Reduction of pollution").

4.2.2.10. Climate related risks^{CSR}

Climate events, other than natural disasters whose exceptional nature makes the risk unpredictable, and other environmental factors may also be detrimental to the group's residential or office building business. For example, particularly severe winter weather conditions, which would result in site stoppages lasting several days or even weeks, could lead to delivery delays affecting the group's revenue and margin recognition.

Climate change could lead to an increase in the number of extreme weather events and thus amplify the degree of occurrence and impact of the events described above, particularly due to their frequency, magnitude, duration and unpredictability (see section 5.2.1 "Climate change").

Control system

To prevent these risks in the design phase of its real estate projects, the group uses the R4RE Bat Adapt (Resilience for Real Estate) tool developed by the "Observatoire de l'Immobilier Durable". This tool generates a probability profile of forecast risks for various climate risks (heat waves, droughts, etc.).

The group is also implementing measures to reduce the vulnerability of its buildings, such as facades and roofs with clear shades.

For further details, please refer to Chapter 5 of this document.

4.2.2.11. Risks related to IT systems

The group relies on its IT systems to conduct its business, in particular to monitor its supplies, orders and product billing, communicate with its customers, manage its staff and provide the necessary information to the various operational managers for decision-making. The physical, partial or total destruction of its IT systems could result in a disruption of its information flows and thus adversely affect the continuation of its activities. The group is also exposed to the risk of data loss, theft or breach.

Control system

In order to prevent this risk, the group has implemented a Business Continuity Plan, primarily providing for the early restoration of its IT environment. As a result, Kaufman & Broad decided to outsource its headquarters data center in 2019. This project has divided the group's data into two latest generation data centers guaranteeing the best energy performance coefficients. These data centers are located in France.

4.2.2.12. Risks related to acquisitions

In recent years, the group has made targeted acquisitions and equity investments to expand its market share, as well as disposals (see section 1.1.1.1 "Key Dates").

The group may, however, be unable to identify the appropriate companies, make the acquisitions on satisfactory terms or ensure compliance with the terms of the purchase/sale agreement. In addition, if the group's objective is to ensure the proper integration of the acquired entities and businesses, it cannot guarantee that this will take place in accordance with the anticipated timetable. It may also encounter difficulties in retaining the key competencies identified during the acquisition process, or in achieving the expected synergies within the planned timeframe. The group may also incur expenses or liabilities not disclosed in its audits and during the acquisition process and integration costs may be higher than initially envisaged.

In addition, acquisitions made by the group may result in the recognition of goodwill in its consolidated financial statements, representing the expected future economic benefits of the assets acquired. Downward revisions to these expected benefits, due to changes in the economic situation, may result in impairment of goodwill. As of November 30, 2024, the goodwill thus recognized in the group's assets amounted to €68.7 million (see note 5.1 "Goodwill" in section 7.1.5. Of the notes to the group's consolidated financial statements for the year ended on November 30, 2024 set out in Chapter 7.1. "Consolidated financial statements at November 30, 2024" of this Universal Registration Document).

The occurrence of any of these risks could have a material adverse effect on the group's financial position or results of operations.

Control system

As part of its acquisitions, the group systematically carries out the accounting and operational audits and verifications necessary to formulate a satisfactory offer and to identify any expenses or contingent liabilities that require to be guaranteed under the acquisition contract. The achievement of the forecasts established during the acquisition process is monitored.

In addition, the group is committed to responsible organizational changes and limiting social impacts, in particular by focusing on:

- Identifying and monitoring employees' skills on an individual basis;
- Integrating key skills;
- Internal mobility programs;
- Individualized monitoring of employees;
- Depending on individual situations, the study of early retirement projects.

4.2.2.13. Risks related to attempted fraud, scam and corruption **CSR*

In the course of its property development activities, Kaufman & Broad may be required to make significant legal and financial commitments (acquisition of land, where applicable from individuals or public persons, launching of operations in particular), which may expose it in particular to attempted fraud, scam and embezzlement of funds or corruption. These attempts could directly or indirectly cause the group financial harm, by attacking the financial flows that are exchanged between Kaufman & Broad, its customers and stakeholders but also affect the group's reputation and financial interests. Despite preventive and awareness raising actions, as well as the importance given to the fight against fraud in the Internal Control Work Program, Kaufman & Broad cannot fully eliminate this risk of fraud.

Control system

As part of the obligations related to the entry into force of the Law on Transparency, the Fight against Corruption, and the Modernization of Economic Life (known as the "Sapin 2" Law), in 2023 the group updated the mapping of the group's corruption risks by striving to comply with the recommendations of the AFA (French Anti Corruption Agency) in terms of methodology. This mapping is based on an analysis of the various potential corruption scenarios given the group's business sector, after

considering its organization and existing procedures, in order to measure the exposure of processes to the risk of corruption. The scenarios analyzed, taking into account the group's business sector, include land exploration and acquisition, obtaining administrative authorizations and selecting companies. Existing policies and procedures and their possible strengthening in this respect are identified and monitored by the Internal Audit Department within the Audit Committee.

The group only transacts with leading financial intermediaries, only via secure remote transmission software. It does not practice e-commerce with its customers. In addition, most of the financial transactions carried out by the group as part of its operations are carried out either through notaries for land acquisitions or the signing of authentic sales documents (VEFA), or with financial institutions that allow financial flows based on calls for funds validated by its customers.

In addition, the group exercises strict control over these means of payment, all of which are centralized at the group's head office.

Finally, the group uses solutions, allowing access to external databases (international sanctions lists, politically exposed persons - PEP-, specialized press) containing possible practices related to corruption.

4.2.2.14. Risks related to insurance coverage

The group's business is covered by civil liability, ten year liability, environmental liability and management liability insurance.

The projects carried out by the group are covered by All Building and Construction Risks insurance: The equipment (movable and properties) and intangible assets held by the group are covered by property damage insurance, car fleet, All IT risks, Art pieces, Cyber, Fraud.

The number of insurance companies able to offer this coverage is limited. As a result, the Company may have to incur premium inflation, which would generate a material impact on its results or growth targets.

As the terms of these policies are contractually revised periodically, the group may not be able to take out hedges in the future under conditions

equivalent to those currently in place, or even to take out such hedges, which could increase its exposure to risks and costs and therefore adversely affect its business, profitability and growth. Finally, as insurance premium rates are dependent on claims, an increase in claims could lead to higher insurance premiums paid by the group and/or impact the level of risk coverage.

Control system

Please refer to section 4.1.2. "Insurance".

4.2.3. Risks related to the Company

4.2.3.1. Risks related to Human Resources and Dependence on Senior Executives ^{*CSR}

The group depends on certain key executives, in particular the members of the Management Committee and the heads of the regional activities. In the event of an accident, departure or retirement of these executives, the group's ability to achieve its development objectives could be significantly affected. The management team has extensive market experience, but there is no guarantee that the group will be able to retain these executives, which could adversely affect its business, financial position, outlook and results.

In addition, human resources management involves risks inherent to the group's organization and the real estate development sector. The concentration of key departments on a limited number of people creates a risk of loss of knowledge or skills in the event of departures or incapacity to work, for example, during a health crisis (such as COVID-19). The group may encounter difficulties in quickly recruiting experienced replacements, thus affecting its organization and generating additional training costs.

Kaufman & Broad, as Non Performing Builder, entrusts the performance of the work to third party companies. Failure to comply with safety conditions on sites could have a negative impact on the group's business and reputation.

Control system

The group, aware of the importance of its employees' know-how and performance, strives to attract and develop the right people in a consistent manner. It offers ambitious professional prospects while building a strong culture. To this end, various HR systems are put in place, such as integration, training and support processes for young recruits, as well as annual interviews and career reviews. These initiatives aim to identify talent, pass on know how and prepare certain profiles to move towards key positions (see section 5.3.1. "Corporate Human Resources").

On the other hand, to reward the loyalty of employees and executives, the group grants free shares once a year. This system aims to strengthen the commitment of managers by involving them directly in the Company's performance. In addition, the Compensation and Appointment Committee establishes a succession plan for key executives to be able to propose succession solutions to the Board in the event of unforeseeable events.

Finally, in accordance with the Law of December 31, 1993, the Master of Construction designates, from the design of the works, a Safety and Health Protection Coordinator (CSPS), who defines, for its worksites, prevention plans in order to identify risks and inform the various stakeholders on the sites of the risks they incur. As part of this scheme, companies must also draw up their specific Safety and Health Protection Plan (PPSPS).

4.2.3.2. Risks related to the Company's indebtedness

The group finances its business, the acquisition of land and the completion of its real estate programs, using debt.

The group's main financial liabilities consist of a €200 million syndicated loan agreement (or RCF facility) entered into on July 10, 2024 to replace the €250 million credit agreement dated January 30, 2019, maturing in January 2025, and a €100 million "Euro PP" bond issued on May 10, 2017. The RCF 2024 syndicated loan agreement was entered into for an initial term of 5 years, until July 10, 2029. For further details on financial liabilities and the breakdown of the group's financial debt, please refer to section 7.1.5, note 6. "Financing and financial instruments" in the notes to the group's consolidated financial statements as of November 30, 2024.

The group's level of indebtedness could have adverse consequences, in particular by:

- Requiring it to dedicate a significant portion of its cash flows to paying the amounts due in respect of its borrowings, thereby reducing its ability to use its cash flows for other purposes;
- Affecting its ability to respond to changes in market conditions, whether by increasing its vulnerability to adverse economic conditions or by not allowing it to benefit from an improvement in those conditions;
- Affecting its ability to seize business opportunities;
- Limiting its ability to obtain additional financing beyond the commitments already made, in order to cover its working capital requirements, investments, potential acquisitions and refinancing;
- Adversely affecting the terms of the loans negotiated with its creditors;
- Limiting its ability to plan its expansion flexibly; and
- Affecting its competitive positioning, if the restrictive clauses contained in its loan agreements did not allow it to adapt to changes in the market on the same terms as its competitors.

The group's ability to meet its debt obligations will depend on its future performance, which is itself dependent on changes in the general economic situation, the group's competitive environment and financial, political or other factors beyond its control. In addition, Kaufman & Broad SA is a holding company that has no business other than holding the securities of its subsidiaries. Kaufman & Broad SA therefore depends on the ability of its operating subsidiaries to generate the cash flows necessary to reimburse its borrowings, in particular through the payment of dividends or intra group loans.

In the event of insufficient liquidity to service its debt, the group may be forced to reduce or defer acquisitions or investments, sell assets, refinance its debt or seek additional financing, which may not be obtained on satisfactory terms, which could have an adverse effect on its business or financial position.

Control system

As part of its liquidity risk analysis, the Company has implemented an integrated process for preparing cash forecasts for each of these real estate transactions, overseen by the Treasury and Financing Department and by the Management Control, Budgets and Reporting Department, which reports to the Finance Department.

At November 30, 2024, the group's cash and cash equivalents amounted to €502.9 million, compared with €350.0 million at the end of November 2023, plus €200 million of undrawn revolving credit facilities, bringing Kaufman & Broad's financial capacity to €702.9 million at November 30, 2024, compared with €600 million at November 30, 2023. Lastly, the group's total gross debt amounted to €159.7 million, representing a net cash position of €397.6 million⁽¹⁾, compared to a net cash position of €180.5 million⁽¹⁾ as of November 30, 2023.

(1) Excluding IFRS 16 and Put Neoresid lease liabilities.

4.2.3.3. Risks related to restrictive clauses in financing contracts

The bond issue of May 18, 2017 and the syndicated loan of January 30, 2019 contain several restrictive clauses limiting in particular the ability of Kaufman & Broad SA and its subsidiaries to carry out the following transactions (other than under certain conditions):

11. Sell or transfer all or part of their assets;
12. Acquire equity interests, set up or participate in joint ventures;
13. Carry out restructuring operations such as mergers with/or removals from another company;
14. Significantly modify the nature of their activities; and
15. Grant guarantees or security interests in any of their assets, outside the ordinary course of business.

For example, these restrictions could affect the group's ability to conduct its business and limit its ability to respond to market conditions or seize business opportunities that may arise, including making certain payments or investments or creating certain privileges or security interests. Also, these restrictions could affect the group's ability to finance the operating cycle and investments of its businesses, make strategic acquisitions, investments or alliances, restructure its organization or finance its capital requirements. These restrictions could therefore have a material adverse effect on the group's ability to generate sufficient revenue to meet its obligations under its credit agreements.

Bond issue

The terms and conditions of the Bond Issue provide for the group's compliance with the following two ratios, calculated on a consolidated basis, for each accounting half year from November 30, 2017 until the maturity of the Bond Loan, the levels of which have been defined as follows:

Ratio at the end of each half-year period (Bond Loan)	Threshold to date
Leverage ratio ^(a)	≤ 3.0
Gearing ratio ^(b)	≤ 2.5

(a) Net financial debt (1) divided by EBITDA (2) where:

(1) Financial debt refers to gross financial debt deducted by cash flow and cash equivalents, and excludes certain subordinated debt and certain off-balance sheet commitments;

(2) The EBITDA is defined as the consolidated net income before income taxes, financial income (incl. net financial expenses, foreign exchange gains and losses and other financial expenses), other non-recurring and/or non-recurring income and expenses, excluding calculated expenses (incl. namely depreciation, amortization and provisions, fair value adjustments, income or expenses related to non-monetary employee compensation) and capital gains or losses on asset revenues, and deducted by net income from minority interests.

(b) Net financial debt (1) divided by adjusted equity⁽³⁾:

(3) Adjusted shareholders' equity = consolidated shareholders' equity at November 30, 2016 + cumulative consolidated income from December 1st, 2016 at the end of the quarter under review - dividends paid over the period under review + cumulative impairment charge for the period from December 1st, 2016 to the end of the quarter under review.

In addition, the Bond provides that in the event of a change of control of Kaufman & Broad SA, each holder will have the option to request early repayment of the debt contracted by Kaufman & Broad SA under the said loan. Under the terms of the Bond, a change of control would occur (I) in the event of disposal, transfer or other deed of disposition (other than a merger, consolidation or any similar transaction), in one or more connected transactions, of all or a substantial part of the assets of the

group or (II) if a person or group of persons acting in concert acquires (directly or indirectly) more than 33.33% of the voting rights of Kaufman & Broad and the mandatory public offer resulting from the crossing of this threshold: (A) has not been recommended by the Company's Board of Directors or (B) was recommended by the Company's Board of Directors and was successfully conducted.

Syndicated loan

On July 10, 2024, Kaufman & Broad set up a new €200 million syndicated loan agreement. With initial maturity of 5 years, this loan replaces the €250 million "RCF 2019" syndicated loan agreement maturing in January 2025. The 2024 Syndicated Credit Agreement also provides for the group to comply with the following two ratios, calculated on a consolidated basis, for each accounting half year from November 30, 2024 until the expiry of the Syndicated Credit Agreement, the levels of which have been defined as follows:

Ratio at the end of each half-year period (Senior Credit Agreement)	Threshold to date
Leverage ratio ^(a)	≤ 3.0
Gearing ratio ^(b)	≤ 2.0

(a) Or net financial debt (1) divided by the EBITDA (2) whereby:

(1) financial debt means gross financial debt less cash and cash equivalents, and without taking into account the impacts related to the application of IFRS 16 (leases) or any other applicable Accounting Principles becoming applicable, where applicable, after the date of signature of the Credit Agreement;

(2) The EBITDA is defined as the consolidated net income before income taxes, financial income (incl. net financial expenses, foreign exchange gains and losses and other financial expenses), other non-recurring and/or non-recurring income and expenses, excluding calculated expenses (incl. namely depreciation, amortization and provisions, fair value adjustments, income or expenses related to non-monetary employee compensation) and capital gains or losses on asset revenues, and deducted by net income from minority interests.

(b) Net financial debt (1) divided by consolidated shareholders' equity (3):

(3) Adjusted shareholders' equity = consolidated shareholders' equity at any given date, as shown on the liabilities side of the last consolidated financial statements plus the impact of treasury shares held by the Company at the closing date of the financial statements at the end of the reporting period.

With regard to the banking documentation of the May 2017 Bond Loan, these ratios will cease to apply from the date the Company obtains a rating of at least BBB- by Standard & Poor's and/or Baa3 by Moody's and/or BBB- by Fitch.

These restrictions could reduce the group's flexibility in conducting its business.

In addition, the group may not be able to comply with the commitments, restrictive clauses and/or financial ratios described above, particularly due to circumstances affecting the real estate market or a decline in its operating performance or profitability. Or, a breach of these clauses could constitute an event of default under the Syndicated Credit Agreement and/or the Bond Loan, which could authorize the lenders and/or holders of the Bond Loan to make all borrowed amounts, interest and accessories due for repayment in advance under these agreements, to use any related guarantees, to seize any assets of the group and/or to waive any future financing of the group. In the event of a decline in the group's operating performance, the Company may have to ask the group's creditors for waivers to take advantage of potential events of default; these waivers may not be granted to the Company and, in the event of any default, the Company and/or one of its subsidiaries may be in a state of cessation of payments. In this respect, the Syndicated Senior Credit Agreement requires the prior consent of all or only some, as the case may be, of the lenders under these agreements for any relaxation of the group's restrictive commitments under the Syndicated Senior Credit Agreement.

On the other hand, the 2024 Syndicated Credit Agreement finally provides that in the event of a change of control of Kaufman & Broad SA, the total commitments will be automatically canceled and any outstanding advances as well as any interest and accrued fees (insofar as the Agent has not issued a notification under Article 21.7 "Proportional Settlement of Interests"), any *remploi* Costs and any other amounts due under the Financing Documents will automatically become due and payable on the date of said Change of Control. Under the terms of the 2024 Syndicated Credit Agreement, a change of control means any act or event that results in one or more persons or entities, acting alone or in concert, holding more than 33.33% of the capital and/or voting rights of the Borrower.

In addition, the Margin applicable to each Relevant Advance will be determined (I) based on the level of the leverage ratio applicable at each test date and (II) depending on the levels of the Annual CSR Criteria, a positive as well as negative incentive mechanism will be applied to the current applicable margin.

In the event of early repayment of the sums due under the 2024 Syndicated Credit Agreement and/or the Bond Loan, the group may not be able to ensure full repayment. The occurrence of such events could have a significant adverse effect for the group.

Control system

The implementation of the RCF line has enabled the Company to extend the maturity of its resources and improve their cost, while giving it greater flexibility of use according to needs and opportunities, in addition to its available cash. This facility includes for the first time in the property development segment a *positive incentive* mechanism linked to several CSR indicators, demonstrating the Company's environmental commitment.

In fiscal year 2022, international rating agency Fitch assigned Kaufman & Broad S.A. an "Investment grade" rating - "BBB -" rating with stable outlook. This rating was confirmed for 2023 and 2024. For Fitch Ratings, the confirmation of the rating reflects Kaufman & Broad's solid business and financial profile, which proves resilient during periods of weak demand. Kaufman & Broad is currently the only pure developer in Europe with an Investment Grade rating. Fitch's confirmation of this rating in a difficult environment highlights the strength of the group's financial structure and its ability to structurally generate substantial cash flows.

This is why, during the COVID-19 health crisis, Kaufman & Broad did not request the deferral or suspension of payment of its tax and social security charges or requested state guaranteed bank loans, set up as part of the economic support measures.

Risk factors

Description of risk factors and associated control systems

4.2.4. Market risks

4.2.4.1. Risks related to interest rate *

The structure of the group's debt, indexed to floating rates, exposes the group to direct interest rate risks that could lead to a significant increase in its obligations. In the event of a rise in interest rates, its unhedged floating rate debt service obligations would increase, even if the amount borrowed remained unchanged, and its net income and cash available for debt service would decrease, thus reducing the funds available for financing the activity and any future commercial opportunities.

Instrument type	Floating/fixed	< 1 year	1 To 5 years	More than 5 years
Syndicated credit lines ^(a)	floating			
Bond issue	fixed	101,602		
Credit facilities	floating	3,947		
Financial liabilities		105,549		
Bank balances and cash in hand	floating	54,115		
Short-term investments	floating	447,382		
Order balances	floating	1,370		
Financial assets		502,866	-	-
Net position before management		-397,317		
Swap ^(b)				
NET POSITION AFTER HEDGING		-397,317	-	-

(a) This breakdown does not take into account the amount of €200 million of the RCF line of the Syndicated Credit dated July 10, 2024 and not drawn down at November 30, 2024.

(b) Following the repayment of the Senior Credit Agreement balance on April 4, 2016 and the balance of the residual swap of €20 million since the first quarter of 2019, the group no longer has any hedging instruments.

Interest rate sensitivity of financial assets and liabilities

(in € thousands)	Base	Book gain/loss Increase 50 pts	Net profit/loss Decrease 10 pts
Syndicated credit lines ^(a)	0	0	0
Bond Loan	101,602	0	0
Other borrowings ^(b)			
Credit facilities ^(c)	3,947	-20	4
Cash ^(d)	55,485	277	-55
Marketable securities	447,382	2,237	-447
Swap ^(e)	0	0	0
NET IMPACT ON INCOME BEFORE TAX	-397,317	2,494	-499

(a) Assumptions: EURIBOR 1 months at 3.64%.

(b) Bank borrowings used to finance the acquisition of the managed residences portfolio.

(c) Excluding issuance costs, fair value of derivatives and accrued interest.

(d) Bank balances and cash in hand.

(e) Following the repayment of the Senior Credit Agreement balance on April 4, 2016 and the balance of the residual swap of €20 million since the first quarter of 2019, the group no longer has any hedging instruments.

A 50 basis point increase or decrease in rates or a 10 basis point decrease in the above liabilities would have an impact on profit before tax of:

- An increase: +€2,494 thousand;
- Down: -€499 thousand.

Control system

The interest rate risk management policy is established by General Management on the recommendation of the Finance Department. It aims to control changes in interest rates and their impact on earnings and cash flows, so that the overall cost of debt remains acceptable.

Only the *Credit Revolving Facility Agreement* signed on July 10, 2024 is indexed to variable rates. This facility has not yet been drawn down. If the group decides to use this facility, it may again be exposed to the risk of an increase in its obligations due to the indexation of this facility to variable rates. In this case, the group would consider, given the level of interest rates and their likely evolution, the need to set up hedging instruments covering the payment of interest on this loan.

4.2.5. Legal risks

4.2.5.1. Risks related to regulations directly applicable to the group * *CSR*

There are no specific statutes governing the group's activity as a developer and builder of Single-family homes in communities, apartments and offices.

However, in conducting its business, the group is required to comply with numerous regulations, the amendment of which may have significant negative financial consequences. In particular, stricter urban planning, environmental, construction, consumer protection and building permit standards could have a negative impact on the group's earnings and growth prospects. In fact, this build up of standards has led to a growing complexity in the development of real estate operations, additional costs related to new obligations, which could lead to longer delivery times for the group's real estate programs and an increase in the number of appeals. Similarly, changes in tax regulations may have a significant impact on the real estate market (see section 4.2.5.2 "Risks related to tax systems that may affect the new housing market and changes in tax regulations").

As a Project Manager and developer of its real estate programs, the group is required to comply with the applicable urban planning regulations prescribed by the local urban planning documents drawn up by the municipalities (current land use plans, local urban plans, concerted development areas). These requirements relate in particular to the rules relating to the height of buildings, the distances between each building, the principles of implantation on the plots to receive the constructions, any derogations from these rules and principles and the external and aesthetic appearance of the constructions.

In the course of its business and in particular the filing of building permits, the group may be confronted in addition to the normal deadline for examining the building permit file (usually 3 to 5 months) with the deadlines that may be imposed by third parties (associations, local residents). These third parties may challenge building and demolition permits based on the non-compliance of such permits with local urban planning regulations (local urban planning plan, ZAC development plan, etc.) and the Urban Planning Code.

The group is also required to comply with environmental regulations, particularly those relating to water (water distribution, wastewater treatment), the emission and management of hazardous or polluting substances, respect for fauna and flora, the protection of endangered species, the discovery of archaeological remains, the decontamination of polluted sites and classified facilities. Thus, environmental regulations 2020 (RE2020), which replaced RT2012, introduced an energy and carbon efficiency target for buildings in the new construction of homes since January 1st, 2022, offices since July 1st, 2022 and other tertiary facilities since 2023. More recently, the Climate and Resilience Act of August 22, 2021, enacted as a result of the Paris Agreement and the European Green Pact, applies numerous provisions to the real estate sector aimed at adapting urban planning regulations to protect ecosystems. Among these provisions is the fight against urban sprawl or the absence of artificial soil by 2050.

The main risk faced by the group at that time is essentially the delay that could occur in the timing of the operation or even the need to abandon projects whose study has generated costs for the group. In the event of the abandonment of certain projects, the group may also be required to pay decommissioning or immobilization compensation under the land management agreements relating to these projects. The implementation of the guarantees described in this section could expose the group to the risk of having to pay significant amounts and adversely affect its image and reputation.

As a seller of real estate products, the group is subject to the general law of sale, but also to the specific sales before completion regulation, codified in Articles L. 261-3 et seq. of the French Construction and Housing Code.

Pursuant to Articles L. 271-1 et seq. of the French Construction and Housing Code, non-professional purchasers have the right of withdrawal for a period of ten days from the receipt of the acquisition contract under private deed or the reservation contract where there is one, the contract becoming definitive only at the end of this period. With respect to sale before completion, the regulations contain a number of public policy provisions designed to protect acquirers. The main provisions concern the obligation to conclude the deed of sale in notarial form, the obligation to provide a guarantee of completion (most often in the form of a bank guarantee), the obligation to attach to the conclusion of a preliminary contract a condition precedent for obtaining financing as well as the conditions related to the customer's assessment of the compliance of the project and the reserved lot with the stipulations of the deed of definitive sale, the obligation to place in escrow the security deposit of the reserving party and the obligation to respect a framework schedule for calls for funds.

With regard to the regulations applicable to the group's worksites, the Master of Construction appoints a Safety and Health Protection Coordinator from the design stage, in order to anticipate and identify the risks associated with construction operations, not only during the construction phase but also during the maintenance of the building subsequent to its delivery (see section 4.2.3.1), and prohibits access by its worksites to companies that it has not approved. With regard to social regulations and in order to fulfill the duty of care of the Master of works' contractor established by the Labor Code to combat concealed work, and the use of an employer from abroad without title, accompanied by a financial civil sanction (solidarity of payment of taxes and charges with the firm convinced) and/or criminal sanctions (fines and/or imprisonment), the group's technical services must verify before the signature of a contract and then every six months throughout the duration of the execution of the contract, that the companies and approved subcontractors, are up-to-date with their social security contributions and require the managers of these companies to sign a commitment on honor certifying that they do not employ a workforce in an irregular situation. The purpose of these provisions is to combat the risks of concealed work.

Finally, the group is subject to the rules relating to the right of liability of any party involved in the building process (guarantees for sound insulation, and so-called biennial and ten year guarantees). The texts have established a presumption of liability for any party to the construction act in the event of damage, even as a result of ground defects, which compromise the soundness of the structure or any of its equipment and make it unfit for its intended use.

Acquirers therefore have a ten-year warranty for all damages that make the work unsuitable for its intended use and a biennial warranty, known as a performance warranty, for equipment that can be separated from the building. They may claim their right to compensation from the group or directly from the Damage to works insurer, each of which may, where applicable, claim against the party responsible for the construction defect and its ten-year liability insurer (see section 4.1.2.1. "Mandatory insurance").

Control system

In order to minimize exposure to these risks, the group has a Legal Department that is responsible for regulatory and legislative matters, whether they are *Corporate* or operational, with the support of external consulting firms specializing in legal matters. Operational assistance and advisory services include support and operational services in connection with the construction of real estate programs, particularly in the preparation of contracts and contracts. In terms of *Corporate*, it supports all aspects of the legal monitoring of all group structures.

4.2.5.2. Risks related to tax schemes that may affect the new housing market and changes in tax regulations

Like all its competitors, Kaufman & Broad has benefited since the late 1990's from tax incentives for individuals to purchase new housing, rental investment or home ownership. These include the Pinel and Pinel + devices or the zero interest loan (see section 1.2.4. "Tax incentives"). Depending on how they are applied, these systems have had more or less influence on the level of new housing construction.

The duration of the applicable incentives to date is time-limited. The substitution of new measures that are less favorable than those that have expired, the absence of alternative measures, their questioning, as well as their abolition or modification, in the light of legislative or regulatory changes, could have a significant adverse effect on the real estate market and in particular on sales volumes or new home prices and therefore adversely affect the Company's business and/or profitability. For example, the Pinel system ended in December 2024, without replacement. The aid will be redirected to Intermediate Rental Housing ("LLI") to help middle income households in stretched areas.

More generally, the group is subject to the numerous tax regulations applicable to its activities; these are mainly the rules relating to the measurement of direct tax expenses, the various VAT regimes and the

determination of the tax due in respect of the results of the companies included in the tax consolidation scope. The group may also be affected by changes in regulations pertaining to town planning taxes (incl. fees for creating offices and development tax).

Although the Company takes all the measures that could prevent any risk of error, the complexity of these rules and their constant evolution may lead to disputes with the tax authorities that could lead to more or less significant expenses with regard to the group's financial position.

Control system

In order to be able to adapt to changes in the tax systems in which the group operates, it has a Tax Department that deals with all tax matters, whether they are *Corporate* or operational. Whilst it is centralized in the Finance Department, it also relies on liaison with the Legal Department at head offices and in the Regions. Its mission includes the task of overseeing the group's tax monitoring, particularly with regard to changes related to its business. Lastly, the group supplements this monitoring system by using the services of external consultants specialized in tax matters.

4.2.5.3. Risks related to litigation

In the "normal" conduct of its business, the group may be affected by lawsuits or disputes (claims, lawsuits before various courts, etc.), particularly in respect of defects in the context of its property development programs, failure to comply with legal or regulatory provisions, the validity of building permits obtained, serious, actual or alleged failures in the quality of the services it renders, or any other alleged irregularity. Such proceedings could result in significant convictions, damage to the group's image and/or the Kaufman & Broad brand and/or a decline in the demand for its products and services, which could have a material adverse effect on the group's operations and results.

For further details, please refer to section 7.1.5. "Notes to the Financial Statements", Note 8 "Provisions - Contingent Liabilities - Guarantees" et seq.

The details of all disputes, both those that are provisioned and those that are not, are communicated only to a limited extent, as such information would be likely to have an adverse impact on the outcome of ongoing litigation.

There are no other governmental, legal or arbitration proceedings, including any proceedings of which the Company is aware, which are pending or threatened, likely to have or have had over the last 12 months significant effects on the financial position or profitability of the Company and/or the group.

Control system

The risks inherent in such procedures are insured under the conditions summarized in section 4.1.2. "Insurance". These risks are also monitored and analyzed by the group's legal department and advisers, and are systematically reassessed in line with any changes to procedures and the group's past experience.

Where applicable, these risks may also be partially or fully provisioned for accounting purposes.

4.2.5.4. Risks related to off-balance sheet commitments

The group's main off-balance sheet commitments consist of Immobilization compensations, Financial Completion Guarantees, and financial covenants. These off balance sheet commitments are significant and could represent a significant overall expense. The Financial Guarantees for Completion are the subject of a specific development in section 4.2.1.4 and are not included here.

Immobilization compensation for land

When the group plans to acquire a land in order to develop a property program, it must provide the seller with an Indemnity for Loss of Land Use until the signature of the notarial deed. This indemnity takes the form of either a guarantee given to the seller (general case) or a payment of funds (special and exceptional case). There are two types of guarantees that may be given to the seller: The act of personal and joint surety and the first demand guarantee. For further details, please refer to section 7.1.5. "Notes to the Financial Statements", note 8.3. "Guarantees and bonds issued".

Financial covenants

The group is subject to compliance with financial covenants described in section 4.2.3.3. of this document.

Control system

Immobilization compensation for land

With regard to personal and joint and several sureties, the group, through one of its subsidiaries, requests an insurance company or a financial institution to be a personal and joint and several surety of the group company that acquires the property for the benefit of the promise up to the amount of the fixed asset compensation. They may also be granted by Kaufman & Broad SA. For first demand guarantees, the group requests an insurance company or a financial institution to act as first demand guarantor on its behalf vis-à-vis the seller up to the amount of the fixed asset compensation.

These guarantees are monitored by the Treasury and Financing Department, which asks insurance companies and financial institutions to send a list of the corresponding guarantees given on a twice-yearly basis.

Financial covenants

Each six months, the Finance Department sends the Statutory Auditors the financial information necessary to calculate the financial ratios to which the group is subject and then communicates these covenants to the representatives of the lenders. These financial ratios are also calculated and presented quarterly to the Audit Committee and the Board of Directors as part of the group's risk management system.

4.2.5.5. Risks related to the protection of personal data

As part of its relations with prospective customers, applicants and contractual partners, the group collects personal data, some of which are relatively sensitive to their assets.

It cannot be ruled out that such data may be destroyed or transmitted to third parties, in particular by error or fraud, hacking or malicious use (internal or external). In such a case, the injured could sue the group. The image of the latter as well as the Kaufman & Broad brand could be tarnished, so that this could have a significant adverse effect on the group's operations, results and financial position.

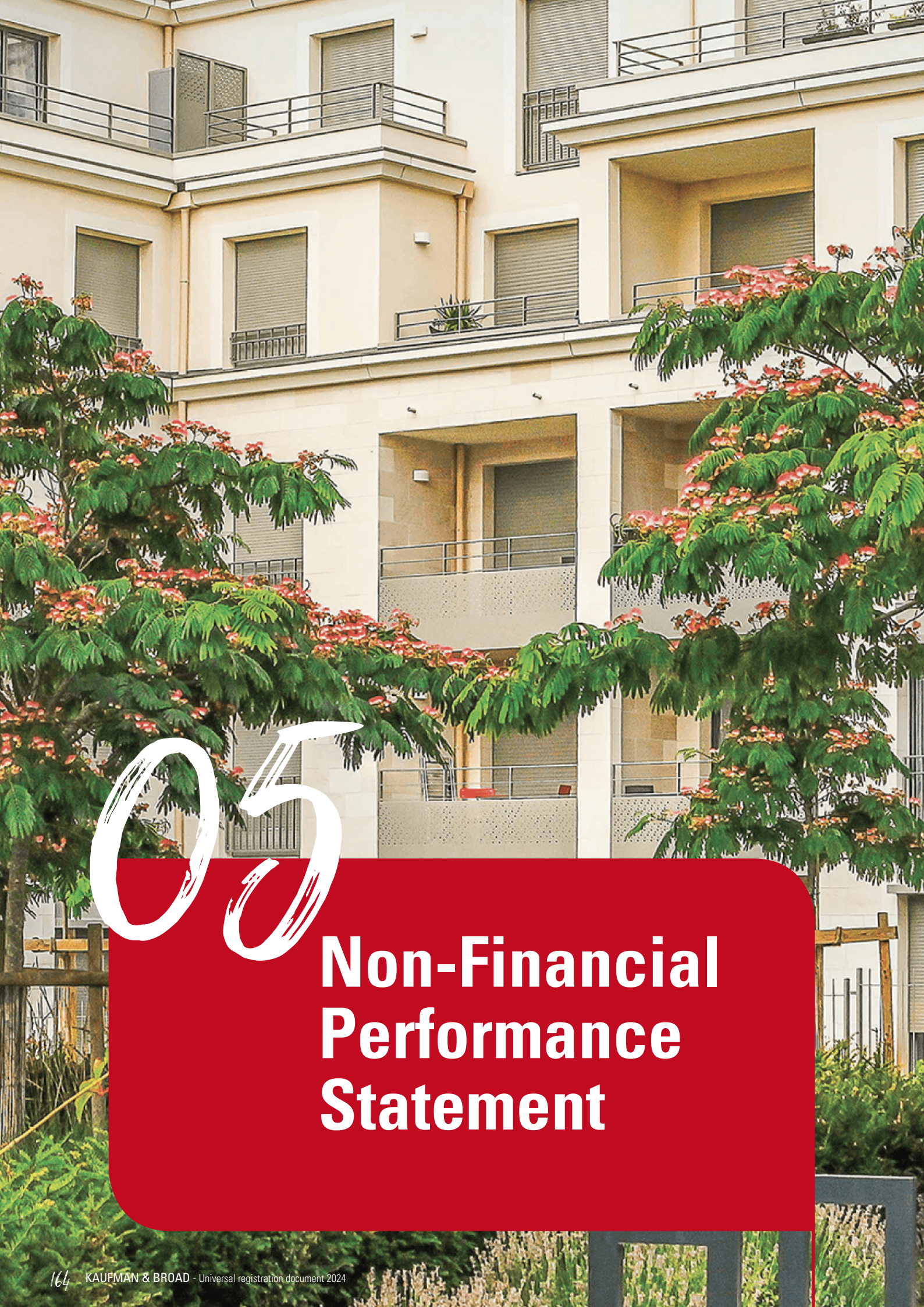
Control system

The group has adapted its procedures to comply with European Regulation No. 2016/679 on the Protection of Personal Data, the application of which is monitored by the National Data Protection

Commission (CNIL). Thus, the group has established a register of the different data processing that it carries out in the course of its activities. Specific processes corresponding to personal data also allow clients, prospective clients and candidates to exercise their rights of access, rectification, limitation, portability, deletion and objection. Compulsory training is provided to any new entrant of the Company.

In addition, in order to protect personal data, the opening of confidential and/or sensitive group applications to the outside is not permitted. The group's Information System is secured by access restrictions, protective regulations, advanced firewall systems and security systems, which are regularly tested and strengthened. Regular information, awareness raising and training campaigns are also conducted for employees on IT security.

A Steering Committee monitors issues related to personal data and the procedures in place.

A photograph of a modern, multi-story apartment building with a light-colored facade and balconies. In the foreground, there are lush green trees with bright red flowers. A large, stylized white number '05' is overlaid on the left side of the image.

05

Non-Financial Performance Statement



5.1	General information	167
5.1.1	Information on the basis of the establishment of the DPEF	167
5.1.2	Information concerning the Company's consideration of sustainability issues	172
5.2	Environmental information	183
5.2.1	Climate change	183
5.2.2	Reduction of pollution	196
5.2.3	Water and marine resources	199
5.2.4	Biodiversity and ecosystems	203
5.2.5	Use of resources and circular economy	208
5.2.6	European taxonomy	214
5.3	Social and societal information	222
5.3.1	Corporate Human Resources	222
5.3.2	Human resources on the value chain	234
5.3.3	Local residents and affected communities	237
5.3.4	Customers and end-users	241
5.4	Governance Information - Business Conduct	244
5.4.1	Compliance and Ethics at Kaufman & Broad	244
5.4.2	Combating tax evasion, money laundering and the financing of terrorism	244
5.5	Report by one of the Statutory Auditors, appointed as an independent third party, on the verification of the consolidated non-financial performance statement	245

05 Non-Financial Performance Statement

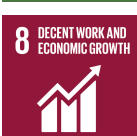
In accordance with Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial code, the group prepares a Non-Financial Performance Statement (DPEF). This statement is structured in such a way as to return the main challenges, risks and opportunities identified in terms of sustainability and to explain their consideration by the group. Anticipating the application of the CSRD regulations, it is organized around four themes: (I) General information, (II) environment, (III) social and (IV) governance.

The group's property development business responds to current social, societal and environmental developments. By initiating the construction of homes or the transformation of buildings, the group is actively involved in the transition to low carbon, energy efficient real estate that is resilient to climate change and adapted to changing lifestyles. While the French spend on average more than 80% of their time inside buildings, the design of homes and offices plays a key role in the living environment and the well-being of occupants. This is why the group places comfort in use and quality of life at the heart of its innovation and quality requirements.

As a player in urban manufacturing, Kaufman & Broad aims to meet the needs of local communities and citizens by designing an inclusive city and high performance buildings. Its role goes beyond mere construction: It also consists of arbitrating between the interests of the various stakeholders and contributing to public policy on planning and the fight against climate change.

The group has a direct influence on certain issues, such as building design criteria (except in co promotion), and an indirect influence on other issues via its value chain, such as the buildable nature of land, the practices of service providers on worksites or the behavior of occupants in building use.

Aware of these social, societal and environmental impacts, Kaufman & Broad integrates CSR principles into its strategies, actions and objectives. The group supports the United Nations principles on human rights, labor standards, the environment and the fight against corruption. The group has also adhered to the principles of the United Nations Global Compact. It continually strengthens its commitment to the UN Sustainable Development Goals (SDGs), focusing on the following objectives:

	<< Ensure that cities and human settlements are inclusive, safe, resilient and sustainable >>
	<< Establish sustainable consumption and production patterns >>
	<< Ensuring access for all to reliable, sustainable and modern energy services at affordable cost >>
	<< Taking urgent action to combat climate change and its impacts >>
	<< Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all >>

For Kaufman & Broad, Corporate Social Responsibility (CSR) translates into responsible behavior towards all its stakeholders:

- Customers: Guarantee the quality, safety and sustainability of the property acquired, recognizing the importance of purchasing a property.
- Elected officials and local authorities: Design projects in line with local vision and expectations.
- Employees: Offering rewarding career paths and a quality working environment.
- Suppliers: Ensure working conditions and responsible practices in the supply chain.
- Shareholders: Apply good governance practices to ensure transparent and efficient management.

As a responsible player, Kaufman & Broad places CSR at the heart of its business plan, positioning the group and its brand for the coming years.

The group's CSR ambition is based on five key areas:

- Create pleasant spaces to live for all, today and tomorrow, through the quality of the design and the control of the achievements.
- Be a player in the ecological transition of real estate and territories, through innovation, the preservation of resources and participation in the fight against climate change.
- Being considered and recognized to be a responsible partner for regions, particularly in terms of employment and regional identity
- To act transparently and responsibly, particularly with regard to its customers, local government officials, local residents of worksites and subcontractors.
- Working to develop the potential of employees and building a strong group culture with them.

5.1. General information

5.1.1. Information on the basis of the establishment of the DPEF

5.1.1.1. Scope of non-financial reporting

Group consolidation scope

At November 30, 2024, the Kaufman & Broad group's scope of consolidation included 350 companies, of which 297 were fully consolidated and 53 were accounted for using the equity method. No non consolidated company has a material impact on the consolidated financial statements.

Scope of non-financial reporting

The non-financial reporting covers 297 fully consolidated companies, including Real Estate Companies (SCI), Construction Sale Companies (SCCV) and Commercial Partnerships (SNC), carrying a real estate program - in a limited number - under the direct control of the group. On the other hand, 53 jointly controlled companies are accounted for using the equity method and are not included in this scope: Real Estate Companies (SCI), Construction Sale Companies (SCCV) or Commercial Partnerships (SNC), ad hoc structures each carrying a real estate program. Thus, the DPEF covers 95.91% of the workforce and 99.23% of revenue.

For more details on the calculation of indicators, please refer to section 5.1.1.2.2 "Characteristics of indicators".

Scope of coverage and reporting period for non-financial indicators

Two scopes are used according to the indicators:

- Social data: these mainly concern human resources and training. They are collected over the calendar year, from January 1 to December 31, excluding NeoResid.
- Environmental data are based on the group's fiscal year - from December 1 N-1, to November 30 N- unless otherwise indicated. They include GHG inventory, energy consumption, biodiversity, waste, orders, European Taxonomy, etc.

Particularities and changes in the consolidation scope

The scope varies according to the companies in which Kaufman & Broad directly or indirectly holds control and according to the integration of the acquired companies into the internal tools and the GIE.

The methodology for accounting for carbon emissions is explained in the group's GHG inventory section of this methodological note.

Exclusions

The prevention of food waste and food insecurity, respect for animal welfare and responsible, fair and sustainable food are non-material issues given the group's business and are therefore excluded.

5.1.1.2. Methodological details

5.1.1.2.1. Indicator selection

Kaufman & Broad's non-financial reporting process was based on:

- Article 116 of the New Economic Regulations Act of 2001;
- Articles L. 225-102, R. 225-105 and R. 225-105-1 of the French Commercial Code, revised following the transposition of Directive 2014/95/EU on the declaration of non-financial performance and specified by Decree No. 2017-1265;
- Law no. 2016-1088 of August 8, 2016 on work, modernizing social dialogue and securing career paths;
- Decree No. 2016-1138 of August 19, 2016 on environmental information reported by companies.

5.1.1.2.2. Characteristics of indicators

Environmental challenges

Review of the group's greenhouse gas emissions

The group's greenhouse gas (GHG) emissions inventory is prepared using the Bilan Carbone® methodology, by calculating the impacts of greenhouse gases (GHG) based on the multiplication of emission factors by the group's activity data. This assessment takes into account the different scopes of emissions related to its activity, namely scopes 1, 2 and 3.

The gross data used to calculate the GHG inventory sheet follows the accounting year from December 1 to November 30, except in exceptional cases. They are collected and consolidated by the CSR Department. The majority of carbon emissions are estimated using emission factors from the ADEME Carbon Base.

In 2024, the group's overall GHG inventory uncertainty was estimated at 17.4%.

Greenhouse gas emissions from business travel

A review of the carbon emissions related to business travel was carried out internally for all group employees, including interns, apprentices, professional training contracts and temporary staff, in order to obtain an accurate and representative assessment.

The following items were taken into account during the year:

- Business travel in personal vehicles: estimates based on internal data on mileage allowances followed by Kaufman & Broad.
- Business vehicle travel: calculated on the basis of data provided by external service providers on fuel cards for thermal cars and charging cards for electric vehicles.
- Train and air travel: assessed on the basis of data provided by the external online booking provider.
- Commuting: assessed via an internal survey of employee modes of transport.

The amount of renewable fuels is calculated based on the percentages of biofuels integrated with fossil fuels, according to data from the Ministry of Ecological Transition and Territorial Cohesion.

The emission factors used are derived from the ADEME Carbon Base, which is updated annually to ensure that the most recent data are taken into account.

According to the Bilan Carbone® methodology, only emissions from the combustion of vehicles owned by the group are accounted for in scope 1. For Kaufman & Broad, this concerns exclusively company vehicle emissions.

Water, electricity consumption and waste production at agencies

Water and energy consumption data are taken from invoices paid by the group or from statements and invoices sent by managers. All energy consumption by agencies and Boutiks (Kaufman&Broad showrooms) during the year is reported. When evidence is not available, estimates are made.

For electricity and gas, the estimation method is based on the application of an average consumption ratio per sq.m. When data from the previous year (N-1) are available, they are used as a reference for better representativeness. In 2024, two agencies were estimated due to the unavailability of data. Measures are being put in place to consider their collection for next year.

Carbon emissions are calculated using emission factors from the ADEME Carbon Base. Only location factors (French energy mix) are considered, regardless of the specific nature of the electricity consumed.

Details of the breakdown of energy consumed by type are established on the basis of energy supply contracts (contracts guaranteeing a renewable energy option or the supplier's average energy mix). In the absence of specific information, the breakdown used is that of the French energy mix, according to data from RTE France.

Calculation of direct fugitive emissions (air conditioning at agencies)

The data used for the assessment of fugitive emissions comes from the air conditioning system maintenance CERFA, which is paid by the group or transmitted by the managers of the agencies and Boutiks operated during the year.

When actual data are not available, leaks are estimated by applying an average leak rate to the refrigerant load of equipment, according to ADEME references. In the absence of precise data from the previous year (N-1), the refrigerant load is estimated based on the agency's surface area (in sq.m), based on the ratios provided by ADEME.

The carbon emissions resulting from these leaks are then calculated by applying the emission factors from the ADEME Carbon Base.

Calculation of carbon emissions related to the purchase of goods and services

The carbon emissions associated with purchases of goods and services are assessed on the basis of emission factors provided by the ADEME Carbon Base.

The categories of expenditure taken into account in this calculation include:

- Purchases of services related to services specific to the program activity,
- Purchases of goods and services falling within the administrative scope,
- Accommodation services for employees on business travel,
- Meal contributions, including participation in the RIE, restaurant tickets and meal expense notes,
- The purchase of computer and electronic equipment,
- Telecommunication services,
- Agencies' water consumption.

Calculation of carbon emissions related to the immobilization of goods

The carbon emissions associated with the immobilization of goods are measured on the basis of the inventory of assets held by the group, including agencies, IT equipment and vehicle fleet.

Calculation of carbon emissions related to construction site energy, construction and use of delivered products

Greenhouse gas (GHG) emissions generated by real estate projects delivered during the year fall within scope 3. They include emissions associated with the various phases of the building life cycle: construction site, construction and use.

The data is calculated on the basis of the surface areas delivered, multiplied by emission factors per sq.m., determined according to the type of buildings and the energy systems implemented.

When a Life Cycle Assessment (LCA) has been performed for a project, specific emission factors are used to quantify GHG emissions. This methodology applies mainly to RT2012 projects with E + C- certification and is gradually being extended with the entry into force of the RE2020 (first deliveries planned from fiscal year 2025; a majority of operations will thus benefit from a specific LCA in the coming years).

For projects that do not have a specific LCA, the group uses emission factors provided by the Observatory E + C tool of the Institut Français pour la Performance des Bâtiments. This collaborative platform, developed in partnership with Carbon 4, provides a database of environmental data from over 1,400 actual projects, enabling the carbon footprint of buildings to be analyzed and compared according to their type and energy characteristics.

The emission factors used are broken down as follows:

- Construction phase: Emissions of products and equipment used (GHG - PCE),
- Site phase: Emissions related to energy consumed on site (GHG - Building), including water and electricity from the living base as well as excavated land,
- Use phase: Emissions associated with the energy and water consumption of delivered buildings (GHG - Energy + Water).

This methodology makes it possible to obtain a reliable and consistent assessment of GHG emissions over the entire life cycle of buildings.

Calculation of carbon emissions related to land use change

In 2024, the group included GHG inventory associated with changes in land use during construction in its carbon assessment. These are emissions due to the sealing of freehold areas as a result of real estate operations.

This data is calculated by extracting internal reporting, covering the scope of projects launched during the year. The emission factors applied are derived from the ADEME Carbon Base.

Methodological details on certain items in the group's GHG Inventory

The impact related to the transport of upstream goods is included in the emissions factors related to the products and equipment used to build the structures in a life cycle assessment (EGES - PCE) approach.

The impact related to the end of life of the products sold is included in the emission factors of the products and equipment used (EGES - PCE).

The post in connection with the transport of downstream goods is absent, because the group issues real estate structures that do not require transport to the end customer.

Average primary energy coefficient (average Cep):

The Cep represents the primary energy consumption of a building over one year, expressed in kWh/sq.m. It includes all consumption related to heating, cooling, domestic hot water production, lighting and ventilation.

This coefficient is determined for each project by an independent design office. The average Cep corresponds to the average Cep of each project, weighted by their respective surface area.

This indicator relates exclusively to projects launched during the year.

Traceability and reduction of site waste

- Hazardous waste: Included in the GHG inventory in 2023 via data from the government tool Track Waste.
- Non-hazardous waste: Estimated in 2024 based on production ratios per sq.m built, derived from sector studies.

Change in land use: Classification of land types

Land covered by real estate projects is classified as:

- Artificial land: Sites with existing buildings (≥ 10 sq.m SDP or $\geq 1\%$ of the size of the land) or flooring (roads, slabs, etc.).

Non-artificial land if not, in two subcategories:

- Arable land: Plowed land, large crops, vegetable crops, artificial meadows, provisional meadows, provisional meadows under the age of 5, regularly cleared land and fallow land.
- Permanent crops, natural and forest areas: Permanent grasslands (> 5 years) that are non toned or cleared, perennial crops (orchards, vines, olive groves, etc.).

Social challenges

- Basis of social reporting: Includes registered employees (excluding interns, apprentices, work study trainees and temporary employees).
- Employment data: New hires and dismissals include the corporate officers

Rate of Rotation

The permanent turnover rate is calculated according to the following formula: $[(\text{Number of permanent entries} + \text{number of permanent departures})/2]/\text{permanent workforce at the beginning of the period}$.

Promotion and transfer rate

The promotion and transfer rate (internal mobility) measures the professional development of employees within the group. It takes into consideration all changes in position, whether related to a change in location (transfer from one agency to another), a functional change, or the assumption of new responsibilities. Each move must be formalized by an amendment to the employment contract:

- Promotion accompanied by mobility: Recognized once,
- Mobility followed by subsequent promotion: Recognised separately,
- Temporary transfers: Included, even if they do not involve permanent change of position.

The promotion/transfer rate is calculated using the following formula $(\text{number of promotions or transfers during the year})/(\text{headcount at year-end } N-1)$.

Rules for accounting for contract transformations

- The succession of several fixed-term contracts or a permanent/fixed-term transformation without interruption does not result in any departure or hiring.
- The succession of several fixed-term contracts or a fixed-term/permanent contract transformation with a contract interruption of at least one day results in a departure and a hiring.

Absenteeism by reason for the calendar year

- The absenteeism rate is calculated as follows: $(\text{Number of hours of absence due to each reason}/\text{theoretical number of hours worked}) * 100$.
- Absences are recorded in calendar days, converted into a 7-hour day. Half days of absence are counted at for 3.5 hours. As sellers do not only work for business days, their specific case is restated.
- Theoretical working hours used to calculate the absenteeism rate are calculated as follows: $(\text{Number of working days from 01/01 to 31/12 of the year (261)} - \text{holidays (7)} - 5 \text{ weeks of vacation (25)}) \times \text{average monthly headcount} \times \text{number of hours per day (7)}$.

It should be noted that parental leave is not recognized for absenteeism.

Severity rating of workplace accidents

Working days lost are counted in calendar days. The day of the accident is taken into account. Commuting accidents are also taken into account.

The severity rate of occupational accidents is calculated as follows: $(\text{Number of days lost due to an occupational accident} \times 1000)/\text{total theoretical hours worked excluding public holidays}$.

Proportion of women in management

This indicator specifies the number of women managers among the total number of employees classified as managers.

Gender Equality Index

The index was prepared in accordance with the provisions of the Law on Freedom to Choose a Professional Future, promulgated on September 5, 2018.

Training

Indicators include training provided by permanent contracts, fixed term contracts, professional development and apprenticeship contracts, as well as sessions related to integration, which are part of skills development.

The e-learning courses on the KB Factory platform are not taken into account in the calculation of the indicators: Workforce trained, number of training hours and number of training hours per average workforce during the calendar year.

Total hours of training

This indicator includes the hours provided by training bodies outside the group as well as the hours provided internally, whether they are business line experts on a specific theme, the deployment of a tool, or integration days.

Training carried out in the Personal Training Account (CPF) may only be included when these are followed by employees during their working time. It should be noted that individual training leave is excluded.

Total hours of online training

This indicator corresponds to the training hours followed via the KB Factory tool. It includes the hours associated with connections and visualizations of online training content.

Training budget

The training budget covers all expenses related to continuous training and the integration of employees. It includes educational expenses, in house training, accommodation, meals and transportation costs. Ancillary costs are also included, with the exception of salary maintenance, as part of the payroll.

Training contribution rate

The training contribution rate is the ratio of external training costs to payroll. It excludes ancillary costs (accommodation, meals, travel and ancillary costs).

Number of employees trained

Each employee is counted once among the number of employees trained, regardless of whether they have attended one or more training courses during the calendar year.

Societal challenges

Group dependence on suppliers

The group's dependence on its suppliers is assessed using two indicators: (I) the portion invoiced to the 10 largest suppliers as a proportion of the total invoiced during the year, as well as (II) the portion invoiced to the largest supplier in relation to total invoices for the year.

This analysis mainly concerns works contracts. Data on invoiced amounts are collected via the group's accounting tool and then restated to identify only invoices related to work.

Notaries and expenses for administrative expenses (Court of Commerce Registries, Public Treasury) are not considered as suppliers because the objective is to measure the group's dependence on suppliers directly impacting the construction of projects developed by the group.

Types of buyers

The distribution of ordered lots (including joint ventures) is analyzed according to the following categories: First time buyers, first time buyers, first time buyers, investors and "block sales", from December 1, to November 30.

A "block sale" means sale in a single transaction of a complete staircase or entire building to the same buyer.

Share of revenue from student, senior and intergenerational residences

Revenue and margin are recognized as work progresses based on forecasts made by program and according to the rule defined in Note 3.2 "Revenue and gross margin" to the consolidated financial statements in Chapter 7.

Number of housing orders subject to income criteria for occupants (with social objective)

This indicator lists all the housing units built by the group for people with low incomes. Access to social housing is subject to resourcing conditions, these housing units are subject to specific regulations defined by the State, governing both rental levels and tenant designation criteria.

The group reports annually: (I) the number of housing orders subject to social criteria, as well as (II) the share that these orders represent in relation to the group's total housing orders.

Collection and internal consolidation of data

A CSR organization is responsible for defining indicators and monitoring them in a reporting protocol accessible to contributors. Data collection is carried out in conjunction with a network of contributors present in the group's agencies and support functions (finance, management control, accounting, HR, IT services, etc.). This updated reporting protocol for each fiscal year is to ensure its compliance and effectiveness.

Data audit and consolidation

Each department is responsible for the data it transmits as part of CSR reporting and their consolidation. All quantitative indicators are centralized to ensure a consistent and consistent view.

The reporting data can be corrected in the next campaign if a significant anomaly is detected and documented. Any possible correction is then explicitly mentioned in the non-financial performance statement.

External data control

Kaufman & Broad is audited by an independent third party body (OTI) which expresses, in accordance with regulatory requirements. In this context, KPMG (OTI) issues a reasoned opinion on: (I) the conformity of the declaration with the provisions of Article R.225-105, and (II) the fairness of the information provided.

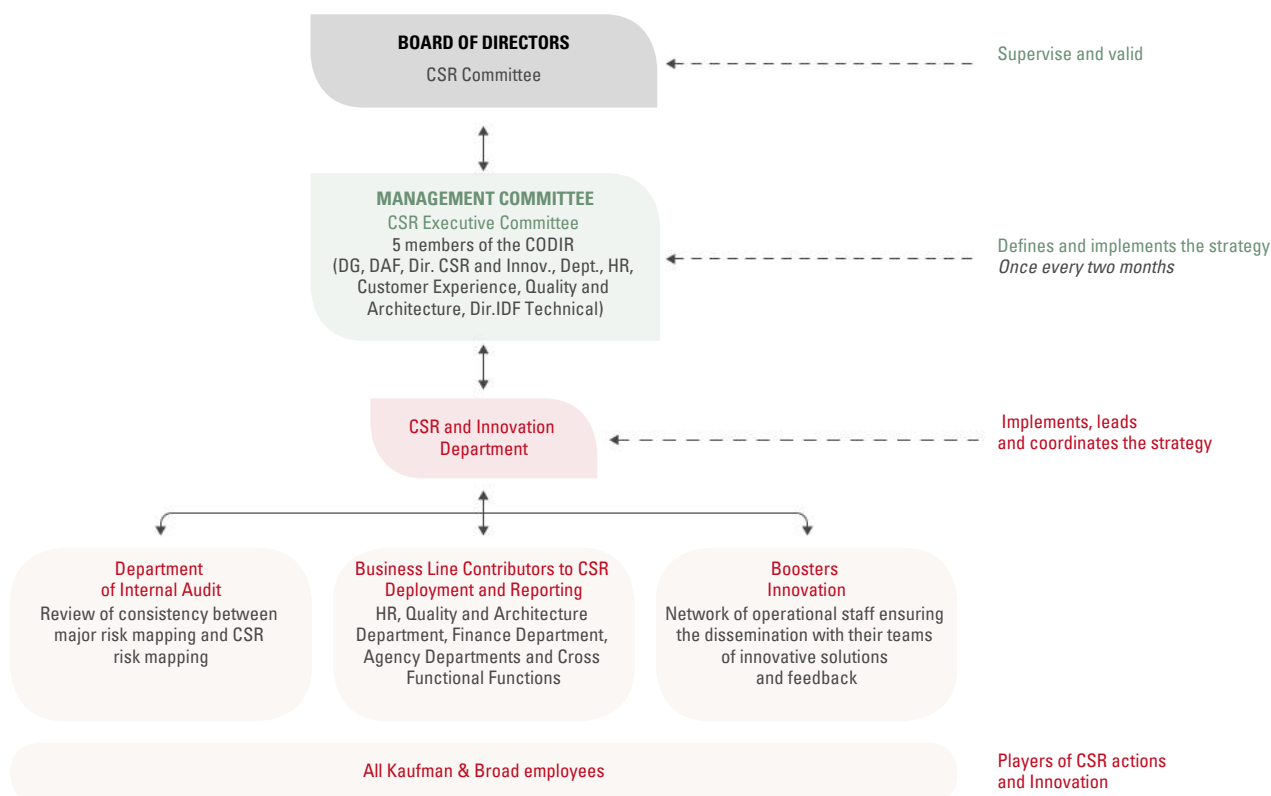
This verification ensures the reliability and transparency of the data published by the group.

5.1.2. Information concerning the Company's consideration of sustainability issues

The group applies the guidelines of the *Task Force on Climate related Financial Disclosures* (TCFD) around the following four main themes: Governance, Strategy, Risk Management and Indicators and Objectives.

5.1.2.1. Consideration of CSR and innovation in group governance

5.1.2.1.1. Composition and functioning of sustainability governance



The CSR Committee of the Board of Directors

Within the Board of Directors, the CSR Committee met twice a year over the last three fiscal years to oversee and validate the strategic orientations and actions proposed by the CSR Executive Committee. The CSR Committee also monitors the group's non-financial targets. For more information on the CSR Committee, please refer to section 3.1.2.3 "CSR Committee" of this document.

The CSR Executive Committee

The CSR Executive Committee, formed within the Management Committee, draws up the group's CSR strategy and ensures its implementation. It identifies the main impacts, risks, dependencies and opportunities relating to Environmental, Social and Governance issues and proposes the associated policies, actions and objectives. It is made up of five members of the Management Committee who meet at least once every quarter: General Management and Chairman of the Board of Directors, Finance, Human Resources, Quality Architecture and Customer Experience, CSR and Innovation and IDF Technical Departments.

The CSR and Innovation Department

Innovation is a major differentiating and competitive challenge in property development and for Kaufman & Broad. Current dynamics, such as ecological transition, metropolization of territories, changes in lifestyle and work, disintermediation, the "all connected" era and the emergence of "*Housing as a Service*", create both new expectations and needs as well as opportunities in the residential and tertiary sectors.

The group has opted for a merger of the issues related to Innovation and CSR into a single department, reporting to General Management. This position allows the Company to refocus its vision on its positive and negative impacts as well as its risks and opportunities related to climate change. The CSR and Innovation Department is also a member of the Management Committee (CODIR) and the CSR Executive Committee. It handles CSR issues within CODIR and ensures its reporting in coordination with the group's other departments, in particular the Finance and Investor Relations Department, the Internal Audit Department, the Human Resources Department, the Quality and Architecture Department and the Agencies and Corporate Functions Departments.

All group players involved in CSR and Innovation have an operational function. This approach allows a pragmatic reading of innovative topics. Environmental and societal issues are thus integrated into the development of employees' skills (see social objectives in section 5.3.1.1.1 "Building with employees: Group human resources policy").

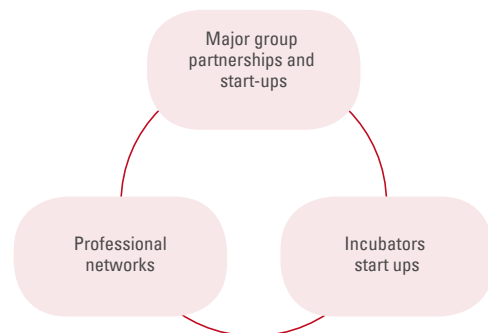
The main tasks of the group's Innovation and CSR Department are to:

- Propose, validate and execute the innovation strategy,
- Coordinating and monitoring external partnerships,
- Organize the dissemination of good practices and innovative ideas.

To do this, it relies on the internal and structured organization involving:

- **A monthly Innovation Committee:** composed of 4 to 6 business line experts involved in developing urban projects, this committee oversees the formalization of innovative ideas for the Booster Innovation network;
- **The Booster Innovation network:** composed of around 30 operational business line managers, the network meets every quarter to share innovative topics (in particular innovation bricks approved by the Innovation Committees) and then disseminate this new information to Kaufman & Broad employees;
- **A National Technical Committee (NTC):** created in 2023, this committee validates the group's technical guidelines, monitors experiments with innovative materials and processes, performs technical and regulatory monitoring in coordination with the legal teams;
- **The Timber Construction Technical Department:** created in 2023, this department promotes the use of wood structures in certain group projects.

Innovation is also supported by partnerships with professional networks, incubators and collaborations with companies of all sizes, from start-ups to large groups.



05 Non-Financial Performance Statement

General information

Innovations carried out within the group are divided into 6 strategic categories (not exhaustive and evolving):

Innovation axes	Implication for the group	Examples of achievements
Mobility	Enhance the mobility solutions offered to users by incorporating a service oriented approach focused on demand rather than supply (MAAS: <i>Mobility as a Service</i>).	Charging stations for electric vehicles, car sharing in collective buildings, shared parking and frequent parking, etc.
Circular Economy	Limit as much as possible the consumption of materials, space, water and non-renewable energies during the construction and use of buildings. Promote the use of sustainable, biosourced, low carbon and reuse materials.	Wood construction for offices, selective deconstruction, on site reuse of land, low carbon concrete, urban heat islands, etc.
Biodiversity	Contribute to preserving or even developing existing ecosystems by inserting real estate projects into existing ecological frames (blue frame for the water cycle, green frame for vegetable strata, black frame for the fight against light pollution, brown frame for soil conservation, turquoise frame for wetlands).	Green roofs, carbon offsetting, intervention by an ecologist and labelling of biodiversity, soil phytoremediation, etc.
Energy	Promote the integration of renewable energy generation solutions into real estate projects.	Implementation of geothermal technologies, individual and collective self consumption (photovoltaic roofs), etc.
New Uses	Promote the value in use of the group's achievements.	Real Solidarity Property Lease, neighborhood applications, neighborhood concierge services, connected mailboxes, control of condominium charges, inclusive housing for people with disabilities, art in real estate projects, establishment of a volunteer trustee, etc.
Business lines	Digitize the group's organization, skills and working methods to improve quality and productivity	Electronic signatures, customer experience, digitization of transaction CSR data entry through the K&B Committee business tool, experimentation and implementation of artificial intelligence on the stages of the value chain, etc.

5.1.2.1.2. Incentives for consideration of sustainability results

In order to include the improvement of extra financial performance in the group's strategy, the long term compensation of the Chairman and Chief Executive Officer includes results targets on the ratings of independent ESG agencies. In 2024, the ratings taken into account are those of Gaïa - Ethifinance and CDP Climate change. The procedures for this integration

are described in the report in sections 3.2.1 "Compensation policy for the executive corporate officer" and 3.2.2 "Compensation paid to the Chairman and Chief Executive Officer during the fiscal year ended November 30, 2024 or granted for the same fiscal year" of this document.

5.1.2.1.3. Assessment of non-financial performance by third parties

The group is regularly assessed by independent non-financial rating agencies.

 80/100 ESG RATINGS 2024	 B CLIMATE CHANGE 2024	 16.5/100 LOW RISK -2024	 A JULY 2024
GAÏA RATING⁽¹⁾ Rating agency of the Ethifinance Group specialized in the rating of ESG performance of listed intermediate sized French and European companies.	Carbon Disclosure Project (CDP)⁽²⁾ International non-profit organization analyzing the environmental impact of companies, particularly in terms of climate. The group is also rated by CDP on other themes: Forest (B-) and Water (B)	Morningstar Sustainalytics⁽³⁾ Among the international leaders in corporate ESG risk assessment.	MSCI⁽⁴⁾ US Rating Agency providing corporate analysis tools and services for investors, including ESG and Climate assessment.

(1) <https://www.ethifinance.com/fr/services/esg/ethifinanceesg-ratings>

(2) <https://www.cdp.net/en/guidance/guidance-for-companies>

(3) <https://www.sustainalytics.com/esg-ratings>

(4) <https://www.msci.com/our-solutions/esg-investing/esg-rating>

For more details on Kaufman & Broad's extra financial ratings, please visit <https://corporate.kaufmanbroad.fr/en/commitments/act-in-a-transparent-and-responsible-manner/>

5.1.2.2. Consideration of sustainability issues in the group's strategy and business model

5.1.2.2.1. Strategy

Environmental strategy

The French National Low Carbon Strategy (SNBC) aims to achieve carbon neutrality for the country by 2050. The residential and commercial building construction and use sector is responsible for nearly 25% of emissions in France. Therefore, improving the energy efficiency of buildings and designing low carbon buildings are essential actions in the fight against climate change.

With this in mind, environmental regulation 2020 (RE2020) emerged from the dialogue between the French government and players in the real estate sector. RE2020 is the first French regulation, and one of the first in Europe and worldwide, to introduce environmental performance in the construction of new buildings via Life Cycle Assessment (LCA). Environmental regulation 2020 (RE2020) succeeded thermal regulation 2012 (RT2012), making significant improvements. This regulation applies to new housing developments since January 1st, 2022, to office buildings since July 1 2022, and to other tertiary facilities in 2023 (date of filing of the building permit, which explains the high volume of operations still under RT2012 standard delivered in 2024).

Kaufman & Broad aligns its strategy and transition plan with the national low carbon strategy and the resulting regulations and good practices. Thus, the RE2020 priorities have been incorporated into the conduct of operations:

- To reduce the climate impact of new buildings by taking into account all of the building's emissions over its life cycle, from the construction phase. The Life Cycle Assessment, systematically applied by Kaufman & Broad to all its production, encourages the adoption of low GHG (greenhouse gas) or storage construction methods, as well as the use of low carbon energy sources;
- To continue to improve energy performances and to reduce the energy consumption of new buildings. RE2020 focuses in particular on the performance of insulation regardless of the heating mode installed, thanks to the reinforcement of the "bioclimatic need" indicator (known as "Bbio");
- Provide a guarantee for residents that their housing is adapted to future climate conditions by introducing a summer comfort objective. Buildings must be more resilient to heatwave episodes, which are more frequent and intense as a result of climate change;
- Take into account the forced travel of occupants, mainly commuting, during the land development phase (proximity to public transport and main services). Although this parameter is not included in the scope of the GHG Inventory⁽¹⁾ the group may have an indirect impact and therefore takes it into consideration;

- Reduce input related impacts⁽²⁾ during the construction phase, which accounts for half of the GHG emissions associated with real estate activities, in particular by:
 - Optimizing the quantity of materials used and applying frugal design principles,
 - The use of low carbon, biosourced and reuse materials,
 - Reducing the impact of projects in the construction phase with our service providers.
- Integrate efficient, low carbon technical devices for the building use phase, which accounts for about half of GHG emissions over a 50-year period. This implies:
 - Optimize the building envelope to reduce primary energy requirements,
 - Focus on renewable and low carbon energies offering cost-effective solutions for customers during use.
- Limit land use change and sealing, or even achieve soil de-sealing on certain operations;
- Limit waste production and integrate the construction industry into the circular economy. This includes the management of excavated land, the minimization and optimization of buildings, rehabilitation where relevant, the generalization of resource diagnostics on significant deconstructions to promote the reuse and sorting of waste from worksites according to **7 waste streams** in the worksite phase.

The group contracts an external environmental consulting firm for each of its operations to incorporate energy and carbon optimization criteria from the design stage.

Kaufman & Broad also applies sobriety measures within its administrative scope (particularly with regard to business travel and occupied buildings) using:

- An internal energy efficiency plan;
- Sorting solutions at source in all agencies;
- Specific action plans for each agency.

The CSR Committee (at the level of the Board of Directors) validates the group's CSR strategy and monitors its non-financial targets⁽³⁾. This strategy is then deployed in the various business lines and in conjunction with operational staff through the implementation of cross-functional projects on the Company's priority environmental, social and governance issues.

CSR issues are also taken into consideration in the operational decision-making process of the programs, during the Land and Commitments Committees. Carbon performance is assessed, as is a physical risk assessment (performed on each new program).

(1) For more details on the group's GHG inventory, please refer to section 5.2.1.3.1 of this document.

(2) Inputs are reflected in section 5.1.2.2.2 of this document.

(3) For more details on the management bodies responsible for the CSR strategy, please refer to section 5.1.2.1.1 of this document.

Manual of Environmental Specifications and Procedures K&B

The group's CSR Department and Technical Departments have prepared and distributed the Kaufman & Broad Manual of Environmental Specifications and Procedures (MSPE K&B). In force since 2021 and updated in 2024 (version 6), this manual applies to all group projects.

The MSPE K&B is integrated into the group's Responsible Management System, it generalizes the best environmental practices in the group's production and is subject to continuous improvement.

In 2024, several good environmental practices were identified and supplemented, such as:

- Clean drinking water savings for projects in areas of water stress;
- Electric vehicle charging infrastructure.

In addition, the MSPE K&B applies to all of the group's production in line with its strategy. It covers several themes, as illustrated in the table below (non-exhaustive):

Thematic	Example of application
Climate change: Mitigation	• Generalize the study of projects on a non fossil energy vector. • Generalize life cycle assessment on all projects to minimize the carbon footprint • Use concrete with a carbon weight < 220 kgCO₂eq/m³ • Generalize testing of air tightness and thermal integrity of buildings (> 5,000 sq.m SDP) • Minimize the use of metal bars
Climate change: Adaptation	• Generalize climate risk vulnerability studies at project sites • Generalize coatings with clear shades for roofs and facades
Water resources	• Generalize water saving equipment in buildings (aligned with European Taxonomy criteria) to reduce clear drinking water consumption • Generalize water saving solutions for the watering and maintenance of outdoor spaces (Objective to reduce the freshwater needs of outdoor spaces by 50% compared to a standard solution) • Generalize permeable systems for outdoor parking
Protection of biodiversity and ecosystems	• Generalize green spaces across all programs, with the use of non-allergenic and adapted species • Generalize light pollution reduction devices • Detail the maintenance program for green spaces • Bio-sourced materials and forestry: Systematically use certified wood (PEFC/FSC) • Zero net tree felling on projects
Pollution reduction	• Generalization of the application of the K&B Green and Low Nuisances Construction Site Charter (Design of works and works) • Non use of products with a VOC rating below A indoors
Circular Economy	• Widespread use of land reuse on sites
Comfort, safety and awareness of buyers and users	• Systematically develop and distribute a booklet to raise buyers' awareness of the sustainable uses of real estate, raise awareness among managers and condominium residents of the sustainable maintenance of green spaces • Encourage walking paths in buildings • Design the spaces for teleworking • Generalize the inclusion of private outdoor spaces • Generalize the installation of a functional, equipped and secure bicycle room in all programs

Social and governance strategy

Kaufman & Broad works to develop a responsible and committed social model in which every employee can develop, flourish and engage. This social model is a differentiating asset to attract candidates in the recruitment phase and also to retain our talents. The environmental and societal challenges that we collectively face strongly reinforce the questioning of candidates and employees about the experience offered by the Company as well as the meaning and usefulness it gives to the work of employees.

In this context, the actions of the Human Resources team are structured around the following areas:

1. Developing a differentiating social model

Kaufman & Broad Strives to achieve the following objectives:

- Aligning ambition and organization: Maintaining a constant match between the group's ambition, its organization and its ability to attract the best talent. This involves promoting employees as ambassadors (*Employee Advocacy*), using LinkedIn as a key recruitment tool and establishing academic partnerships (ESTP and Dauphine University);
- Encourage the integration of new employees as soon as they arrive and their appropriation of the group's culture;

- Revealing and developing employee potential and promoting skill transfers;
- Conduct a compensation policy⁽¹⁾ that combines external competitiveness with internal fairness.

These actions are directly linked to the risk mapping carried out by the group (see section 4.2.3.1. "Risks related to human resources and dependence on Senior Executives").

2. Promoting diversity and inclusion in all its forms

Kaufman & Broad Pursues the following objectives:

- Guarantee gender equality at all levels of the Company;
- Encouraging and recruiting more people with disabilities;
- Strengthening cultural and social diversity

3. Focus on intergenerational skills transfer

Kaufman & Broad is convinced that the successful integration of new recruits is based on their immersion in a dynamic and demanding environment, as well as the transmission of know how between different generations.

5.1.2.2.2. The business model

The group's business model is based on the European Commission Guidelines on Non-Financial Reporting 2017/C 215/01 and the *International Integrated Reporting Council (IIRC)* in its *International Integrated Reporting Framework* published in 2013.

Section 1.1.1.2 "Presentation of the Company" of this document aims to present the group's business cycle, its products and the business environment in which it operates, in order to better understand the challenges, risks and opportunities detailed in this section. For more information on the group's key business indicators, please refer to section 2.1.1 "Operational indicators used by the group".

(1) For further details on the group compensation policy applicable to all Kaufman & Broad employees, please refer to section 3.2 "Group compensation policy" or section 5.3.1.1.3 "Compensation Policy" of this document.



Pure Player in property development

As a real estate developer active in the French market, Kaufman & Broad intervenes at all stages of designing and implementing a real estate transaction and coordinates all the players involved in the transaction, from the purchase of the land to delivery.

Our strengths

Human Resources and Knowledge

641 Employees

10.2% Capital held by employee shareholders

97.8% Number of employees trained

- Certified Great Place to Work, Happy Trainees and Best Managed Companies

Financial Resources

€235.7m Shareholders' equity

19.3% Gross margin rate

€702.9m Financial capacity

€2.20 Dividend per share in 2024

Proximity to regions

21 Locations in France, as close as possible to stakeholders: Customers, local authorities, companies and materials suppliers.

Climate and Environment Strategy

- Rated by CDP: **rated B on Climate Strategy**
- Commitment to **reduce CO₂ eq emissions, validated by the SBTi**
- Targets: **-46.2% of Scope 1, Scope 2 and Scope 3 emissions by 2030** compared to baseline 2019.
- Application of an internal **environmental benchmark to 100% of products**

Business strength

- Over **5 years** of operations in the real estate housing portfolio.
- Currently under consideration or on the market: **77,000 sq.m** of office projects and **183,900 sq.m** of logistics platforms.
- Housing take-up rate of **3.0 month**,
- Total backlog of **€2,497 M excl. VAT**
- Housing land portfolio **30,272 units**.
- Ability to control costs, control capital expenditure and working capital requirements.

Orders:

€1,163.3m

including tax Housing

€41.8m

including tax Commercial

Work in progress:

13,692 units

Housing

136,500 sq.m

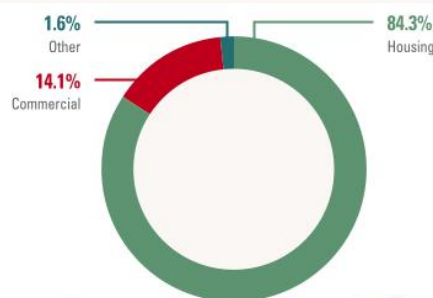
Offices

The group's added value

Performance of results

€1,076.8m

REVENUE



Housing

Collective, single-family homes, managed residence.

All housing projects incorporate quality and environmental certification



Commercial

Commercial Property, Trade, Hotels, Logistics Platforms.

Each office building aims to achieve at least a dual environmental certification.

Income

Contribution to the National Economy

€71,502,000 Salaries and social contribution

€3,533,000 Purchases and external charges

Contribution to youth employment and integration

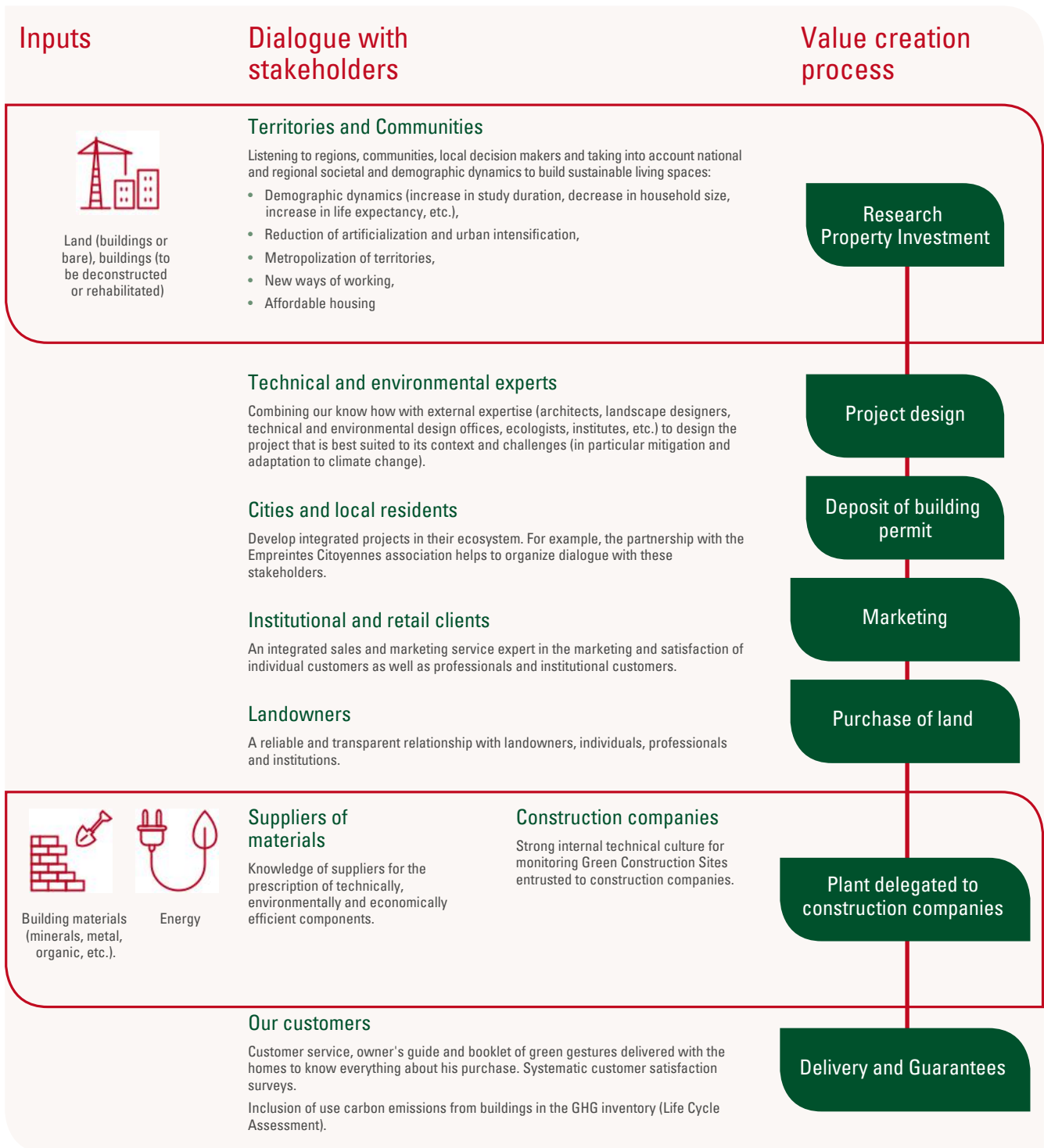
49 Work study and

21 Interns recruited in 2024

392 Hours of training by Kaufman & Broad work study trainees in 2024

Contributing to ecological and societal transitions

- Sustainable contribution to the adaptation of the housing stock through the conversion of old real estate and the production of **housing units better adapted to climate change**
- Growing project design aligned with **European Taxonomy**
- Green and Low Nuisances Construction Site Charter applied to **100 %** of worksites, continuously strengthening the group's integration into the circular economy sectors of construction
- Gradual and continuous reinforcement of the **consideration of non-financial aspects in the selection** of construction companies and suppliers: Supplier Ethics Charter; use of components with environmental and health data.
- Creating **affordable** housing through first time buyers and block sales: In 2024, **68 %** of the group's housing orders were **units subject to resource terms** for occupants, with a social goal.



Building is acting

The multi product approach and diversification opportunities on CSR activities...



Responding to societal changes through the acquisition of a majority stake in a student residences management company in 2021.

AMÉNAGEMENT ET TERRITOIRES

Creation of a subsidiary dedicated to development operations, particularly on urban wasteland.

Current Portfolio: 600,000 sq.m



Acquisition in 2014 of Concerto, a subsidiary dedicated to logistics real estate, particularly in urban areas.

KALILOG
Une marque du groupe KAUFMAN & BROAD

Creation of a subsidiary dedicated to the construction of social housing. Its goal is to launch over 1,000 affordable homes by 2026.

05 Non-Financial Performance Statement

General information

The Company updated its stakeholders' map in 2022, with the assistance of a specialized firm. This exercise was conducted from:

- A segment analysis,
- Interviews with group managers and senior executives,
- A benchmark and a reassessment of the levels of influence,
- An analysis of the dependence of the different categories of stakeholders on the group's activities.

5.1.2.3. The group's assessment of sustainability impacts, risks, dependencies and opportunities

5.1.2.3.1. CSR risk map

The CSR risk map is updated every three years and is updated and validated annually by the CSR Executive Committee. In 2022, the materiality of non-financial risks was analyzed with the help of an external consulting firm. Thus, the materiality matrix for 2024 is an update of the 2022 analysis. For the purposes of consistency, this exercise was carried out in conjunction with the analysis of the group's major risks (see Chapter 4 of this Registration Document). The materiality analysis considers external stakeholders as indicated above as well as internal stakeholders of the Company. In fact, senior executives and business line experts participated in individual interviews and responded to questionnaires in order to review the definitions of issues, risks, opportunities, policies and actions.

It should be noted that the subjects of the fight against corruption and influence peddling are mapped as well as a dedicated management process.

The issues and risks identified by the group are assessed based on criteria that take into consideration the impact and probability of occurrence of each risk, in order to establish a rating of the gross risks. The effectiveness of the control system is then assessed to determine the group's actual exposure (net risks) by the group's managers and senior executives interviewed. The 2024 update of the materiality matrix takes into account some lessons learned from the initial work of the dual materiality analysis initiated by the group as part of the anticipation of the CSRD Directive. However, this year's analysis focuses only on simple materiality, without including a dual materiality analysis. This approach enables the Company to consolidate its approach to risks, impacts, opportunities and dependencies and to strengthen its policies, actions and targets, while anticipating any future regulatory requirements.



5.1.2.3.2. CSR challenges and risks

Major environmental challenges

Issue (Thematic)	Consideration of the issue by the group
Climate: Choice of efficient low carbon designs	See section 5.2.1
Climate: Adaptation of projects to climate change	See section 5.2.1
Pollution: Clean worksite and pollution reduction	See section 5.2.2
Water: Preserving Water Resources	See section 5.2.3
Biodiversity and Ecosystems: Soil artificialization and consideration of biodiversity	See section 5.2.4
Circular economy	See section 5.2.5

Environmental risk identified as major:

Risk	Implication for the group	Reference
Risk of not taking environmental issues into account at all stages of the product life cycle (design, construction, operation and renovation)	Anticipate environmental transition regulations and rising energy costs and the price of a ton of carbon. Taking stakeholder expectations into account Anticipate and integrate changes in processes and techniques for the design and construction of real estate projects Reduce the group's direct and indirect impact on climate, pollution, water, biodiversity and ecosystem and the circular economy	See section 5.2 of the DPEF

Major social challenges

Challenge	Definition
Human Resources: Recruiting and retaining talent within Kaufman & Broad teams	See section 5.3.1.
Workers on the value chain: Safety conditions on worksites entrusted to construction companies	See section 5.3.2.
Affected communities: Acceptability of projects to communities and local residents	See section 5.3.3.
Consumers and end-users: Adapted and accessible pricing policy	See section 5.3.4.
Consumers and end-users: Customer satisfaction	See section 5.3.4.

Major social risks identified

Risk	Implication for the group	Reference
Human Resources: Employee loyalty and talent retention	Attract, retain talent and anticipate the process of replacing key men.	4.2.3.1 Risks related to human resources and dependence on management.
Value chain: Quality of contracts and/or relationship with suppliers	Find available and qualified suppliers. Avoiding a deterioration in the work quality, resulting in client dissatisfaction.	4.2.2.3 Risks related to relations with suppliers.
Affected communities: Acceptability of projects to communities and local residents	Developing relationships with local authorities. Anticipate the impact of elections on the rules and standards applicable to the group. Developing the skills of employees to master an extra financial approach to projects	5.3.3. Communities, local residents and affected communities.

Major governance issues (Business Conduct)

Challenge	Definition
Governance: Ethics and anti corruption	See section 5.4.
Governance: Anticipating new regulations impacting project development	See section 5.2
Governance: Relationship of trust with partner companies	See sections 5.3.2 and 5.4
Governance: Innovate to anticipate changes in markets and business lines, including environmental aspects, with the aim of integrating them into programs.	See sections 5.2 and 5.3.3

Major risk related to governance (Business Conduct)

Risk	Implication for the group	Reference
Lack of anticipation and innovation in the products and services offered	Offer products and services adapted to the new expectations of stakeholders.	5.1.2.2 "Consideration of sustainability issues in the group's strategy and business model"

5.1.2.4. Indicators and targets

For each issue, impact, risk, opportunity or dependence identified, the group has set up indicators to monitor their materiality and evolution. These indicators and objectives are detailed in the following sections.

Internal process for monitoring indicators and objectives

A. For property development projects

Measure to progress: Kaufman & Broad has deployed and is continually working to develop tools for evaluating, consolidating and reporting CSR indicators across its entire production, so that it can implement and monitor the Company's CSR strategy. This methodology aims to be able to monitor the action plan with non-financial performance indicators linked to ambitious and consistent objectives and/or commitments.

Tool for capturing and assessing CSR indicators for operations: K&B Committee

In 2021, Kaufman & Broad integrated an assessment module into the K&B Committees business tool⁽¹⁾ to pre identify the environmental and social impacts of projects at the time of decision-making committees. These impacts are now taken into account as criteria for project selection and validation, along with technical, marketing and financial issues.

This tool evaluates each project on the basis of several themes:

- In environmental matters, through:
 - Building methods and energy and environmental efficiency, as well as emission factors related to the LCA of projects,
 - The internal indicative "carbon value" set at €100/TCO2eq in 2024 in line with the evolution of the NGFS Net Zero 2050 scenario (compared to €50/TCO2eq in 2023). This threshold highlights the environmental performance of the project with regard to the SBTi target for reducing CO2 emissions aligned with the Paris agreements (1.5° C) and encourages cost/carbon correlations when the project is developed, with a view to raising awareness,
 - Reducing pollution,
 - The circular economy,
 - The conservation of soil and biodiversity,
 - Water issues,
 - Alignment with the technical criteria of European Taxonomy,
 - The impact of the mobility of buyers (through the accessibility of services on foot and by bicycle or public transport).
- In societal matters, taking into account:
 - The quality of the location (proximity to needs: Public transport, food, health, education, nature),
 - Quality of production through certifications,
 - Impact on stakeholders (hours of integration on the worksite, citizen participation).

In addition, the systematic participation of the CSR and Innovation Director in the committees makes it possible to strengthen direct communication with the operational teams on the CSR strategy of each of the projects and ensures the proper application of environmental procedures. The CSR data collected by these committees are continually updated during the project's implementation and verified upon delivery. This information enables Kaufman & Broad to enrich CSR reporting and supports the group's overall strategy.

Consolidation and control of CSR indicators

The CSR indicators of the operations are consolidated at agency and group level. They are integrated into the same tools used to consolidate financial indicators. These dashboards help to build environmental and societal performance indicators as well as to monitor the CSR strategy by the CSR Executive Committee, in the same way as the financial indicators. Continuous improvement is in place. In 2024, the group extended its actions to improve the quality of CSR data. The indicators are checked and updated by the operational teams when the land is purchased. The internal audit processes have been adapted to include the periodic control of CSR data of ongoing projects and the monitoring of environmental procedures. The results are sent to the CSR Department, which corrects the identified gaps or gaps.

B. For administrative activities

The carbon impact of administrative activities represents approximately 1.9% of the total CO2 emissions associated with the group's activities. The impact is nevertheless carefully monitored due to the Company's very direct influence on these activities. An action plan to reduce impacts embodies the commitment of the group and employees on a daily basis to reduce the Company's carbon impact. These indicators namely include:

- The energy and water consumption of office buildings occupied by the group,
- Energy types and consumption used for employee travel,
- Monitoring of the maintenance and upkeep of buildings, particularly in regard to their cooling systems,
- Waste production and actions to promote biodiversity on buildings occupied by the group.

Some material indicators are subject to targets. The group details its internal policies, actions and targets related to major environmental issues in the dedicated sections.

(1) K&B Committees: An internal Company tool for entering data (information on the field and the project context, financial information and balance sheets, programming, environmental and social information) relating to the project. This tool enables projects to be monitored and validated at different stages (Land Committees and Commitment Committees).

5.2. Environmental information

5.2.1. Climate change

The group carried out an in depth analysis of the impacts, risks and opportunities related to climate change, covering all of its economic activities as well as the entire value chain.

5.2.1.1. Risks, impacts and opportunities relating to climate change mitigation

The analysis is based on the group's greenhouse gas (GHG) emissions, calculated according to the methodology detailed in section 5.1.1.2.2. "Characteristics of indicators". This study highlights the following main impacts, risks and opportunities:

At the level of direct activities (Scopes 1 and 2):

Impact on the group's direct GHG emissions related to energy consumption (heating, air conditioning and energy use of the Company car fleet) and fugitive emissions. These emissions cover all sites directly operated by the group (agencies, Boutiks and directly operated vehicles) and accounted for 0.2% of the group's GHG inventory in 2024.

Upstream and downstream value chain (Scope 3):

Impacts

Life cycle impact of real estate projects. Scope 3 GHG emissions accounted for approximately 99.8% of the group's GHG inventory in 2024, including:

- Upstream of the value chain, with emissions related to construction and materials used for the construction of projects developed by the group.
- Downstream of the value chain, corresponding to the carbon footprint of buildings over their entire operating life, in particular their energy consumption.

This item represented approximately 98.1% of the group's GHG inventory in 2024 and concerns all production generated by its activity.

Risks

Risk relating to a possible inability to design products with a reduced carbon impact, both upstream and downstream. This constraint is embodied in the evolution of design and construction standards and techniques. The group has already largely integrated these developments with positive results.

Opportunities

- Opportunity linked to the control of the design and construction of low carbon real estate projects, a strategic focus in response to the growing expectations of local authorities (affected communities) and customers in terms of environmental performance ("green value"), resulting for example in:
 - In commercial property, a major opportunity in supporting companies towards more sustainable buildings. These buildings often account for a significant portion of companies' Scopes 1 and 2 emissions, or even Scope 3. An October 2021 JLL survey reveals that 73% of companies plan to upgrade their assets to meet their carbon-neutral targets.
 - In residential and commercial, the growing interest in wood construction represents a new market opportunity.

Opportunity linked to the recovery of carbon storage of biosourced materials, integrated into construction projects, which strengthen the group's commitment to a more sustainable economy.

By capitalizing on these opportunities, the group can thus strengthen its positioning as a committed player in the ecological transition of the real estate sector.

5.2.1.2. Risks, impacts and opportunities relating to adaptation to climate change

At the level of direct activities:

Risk identified regarding the exposure of the group's sites to possible climatic vulnerabilities. In order to assess this exposure, the group carried out a climate risk analysis on all the sites it occupies (agencies, Boutiks sales areas). This study revealed no significant exposure.

In the upstream and downstream value chain:

The real estate buildings developed by the group have a lifespan of several decades or even centuries. In a context of proven climate change, these buildings will operate in an average climate different from that of their design period (IPCC SSP2-4.5 scenario used in the risk analysis). It is therefore essential to anticipate these changes from the design phase in order to ensure the comfort and well-being of future occupants (downstream value chain).

Impacts

- Impact on the group's business, in particular due to the change in land use to which certain land is exposed to the risk of flooding. This concerns a small proportion of land developed.

Risks

- Risk of business disruption due to the intensification of extreme weather events. Exceptional weather conditions, such as severe cold waves or prolonged heat waves, could lead to construction stoppages for several days or even weeks. These interruptions could cause

delays in delivery, thereby impacting the group's revenue recognition and margin (see section 4.2.2.10. "Climate related risks").

- Risk associated with a possible rise in energy costs and resource scarcity, with possible direct economic repercussions for the group. The increase in corporate expenses could be accentuated by:
 - An increase in environmental taxation,
 - An increase in the costs of construction materials, due to the fluctuation in the prices of essential raw materials (cement, steel, wood),
 - A gradual strengthening of regulatory standards in terms of safety and the environment.

These factors could significantly impact the group's construction costs see also section 4.2.2.2. "Risks related to construction costs" and 4.2.2.6. "Program management risks".

Opportunities

Opportunity residing in the group's ability to adapt and strengthen the resilience of the existing housing stock in the face of climate change. New projects and major renovations offer greater potential to address climate vulnerabilities than existing buildings and thus enable the integration of appropriate resilience solutions.

By incorporating these issues from the project design stage, the group is positioning itself as a committed player in the sustainable transformation of the real estate sector, while meeting the growing expectations of stakeholders in terms of adaptation to climate change.

5.2.1.3. Indicators used to assess impacts, risks and opportunities for climate change mitigation

5.2.1.3.1. GHG inventory by scope

In 2024, the group carried out a greenhouse gas (GHG) emissions assessment covering all its activities, applying the Bilan Carbone® methodology developed by ADEME and supported by the Bilan Carbone Association. This method is aligned with ISO 14064-1, ensuring methodological consistency with international standards.

The tool used makes it possible to export the results according to several standard formats (ISO, GHG Protocol and French regulatory inventory sheet), thus meeting the requirements of the main reporting frameworks. In addition to the BEGES regulatory requirement (every four years), the group monitors its carbon footprint annually in order to measure and manage its environmental performance on its main emission sources.

The GHG emissions analysis covers:

- Scopes 1 and 2, which reflect the direct impact of the group's activities.
- The majority of scope 3 items, including the carbon footprint of its upstream and downstream value chain.

630,935 tCO₂.eq Review of the group's greenhouse gas emissions in 2024

GHG inventory 2024 and 2023

Type of emissions (TCO ₂ .eq)	Emission item (GHG Protocol)	Emission item (GHG emissions report)	Items taken into account	2024	2023
Scope 1 - Direct GHG emissions	1.1	1.1	Direct emissions from stationary combustion sources (<i>agency gas consumption</i>)	12	12
	1.2	1.2	Direct emissions from mobile combustion sources (<i>Business trips to company vehicles</i>)	936	1,237
	1.4	1.4	Direct fugitive emissions (<i>Agency air conditioning</i>)	22	46
Scope 2 - Energy related indirect emissions	2.1	2.1	Indirect emissions from electricity consumption (<i>Energy consumption at administrative sites - combustion</i>)	48	56
	3.7	3.3	Commuting	146	127
	3.6	3.5	Business travel (<i>personal vehicle, train or aircraft</i>)	324	339
	3.1	4.1	Purchases of goods (<i>o/w product construction phase, upstream impact of purchased power</i>)	314,027	287,387
	3.2	4.2	Property assets (<i>including agency leases</i>)	973	659
	3.5	4.3	Waste management	4,670	339
Scope 3 - Emissions indirect associated with transportation, products purchased and products sold	3.1	4.5	Service purchases (for administrative activity)	9,216	11,176
	3.11	5.1	Use of products sold (Phase of use of different types of products over 50 years)	289,081	239,102
	Other indirect emissions - upstream	6.1	Other indirect emissions, including: — Energy consumption on worksites — Emissions related to changes in land use	9,450	6,637
				2,029	
				630,935	547,117
Total				630,935	547,117

GHG emissions from buildings delivered during the year are the majority of the GHG inventory. They are recognized over the entire life cycle of the project in accordance with the methodology described in section 5.1 of this chapter.

The increase in GHG emissions between 2023 and 2024 in absolute terms is mainly due to:

- The increase in surface areas delivered, including a slightly higher proportion of projects using gas as an energy carrier, with a higher emission factor. These projects were designed several years ago according to old standards (RT2012), contrary to the group's current policy of favoring low carbon energy solutions.
- The introduction of new elements in the GHG inventory, such as non-hazardous site waste and the impact of land use change.

Credits, deletions, storage and carbon equivalent (GHG) reversals:

- **Carbon storage:** Some of the group's projects incorporate biosourced materials, with the characteristic of storing carbon as long as they remain in operation in buildings. This impact is taken into account in life cycle assessment (LCA), carried out in accordance with the requirements of the RE2020 regulation.
- **Carbon credits and deletions:** In 2024, the group did not use the acquisition or integration of carbon credits or mechanisms to eliminate GHG emissions.
- **Carbon reversals:** No events or incidents resulting in accidental release of stored carbon were noted in 2024.

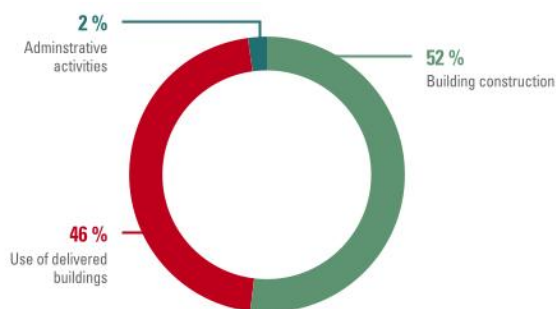
Through this rigorous approach, the group is strengthening its commitment to reducing its carbon footprint, while ensuring that its emissions are accurately tracked through reliable and standardized indicators.

5.2.1.3.2. Emissions from the administrative and operational scopes

The analysis of the GHG inventory makes it possible to identify the main issues requiring the implementation of targeted policies and action plans. These measures can have an impact on several scopes. For example:

- The mobility policy, which affects emissions from scopes 1 and 3.
- Energy consumption, the impact of which is spread over scopes 1, 2 and 3.

The graph below shows the breakdown of greenhouse gas (GHG) emissions between operational and administrative activities.



Predominance of emissions from operating activities

In 2024, 98.1% of the group's carbon emissions were directly related to building construction and use. However, although this aspect is predominant, Kaufman & Broad attaches particular importance to the environmental impact of its administrative activities. The aim is to raise awareness and mobilize its employees around reducing energy consumption and GHG emissions.

Indicators for monitoring direct energy consumption

The group closely monitors its energy consumption, which has led to the implementation of an energy efficiency plan. This internal reference framework aims to optimize and reduce consumption, in particular to:

- Heating and air conditioning of buildings.
- Business travel.

05 Non-Financial Performance Statement

Environmental information

Energy and emissions from buildings

Energy consumption (electricity and gas) at Kaufman & Broad agencies is monitored annually and by agencies in order to implement and monitor strategies for managing and reducing energy consumption:

	Average workforce*	Electricity consumption (kWh)	Gas consumption (kWh LHV)
2024	661	1,337,553	61,206
2023	758	1,635,981	61,206
2022	857	1,613,463	37,229

* Average headcount for the year, permanent, fixed term and work study contracts.

Energy and emissions for employee mobility

Kaufman & Broad wants to act on travel, which is a significant proportion of its scopes 1 and 2 emissions.

The chart below shows the significance of carbon emissions from company vehicles among the group's carbon emissions on scopes 1 & 2.

Certain GHG emissions related to employee travel are, however, included in scope 3 items: Emissions due to means of transport not operated by the Company (such as aircraft, trains, public transport or employees' personal vehicles), as well as employees' commuting.



Type of transport	2024		2023	
	TCO2 eq.	Breakdown	TCO2 eq.	Breakdown
Car	1,486	92.7%	1,815	94.8%
Train	2	0.1%	3	0.1%
Aircraft	114	7.1%	97	5.1%
TOTAL	1603	100%	1,915	100%

Fuel consumption in liters ^(a)	2024	2023	2022
Diesel	191,020	291,033	320,771
Petrol	203,507	232,188	214,686
Superethanol (E85)	32,391	2,132	-
TOTAL	426,919	525,353	535,457

(a) On all company vehicles

In total, about 1,603 tCO2eq. Were issued in 2024 for business travel. Cars are the main emitter of CO2eq. 92.7% on travel. The item of emissions related to company vehicles experienced a decline due to the reduction in the size of the company's car fleet as well as the introduction of electric and E85 vehicles.

Synthesis of energy consumed: mobility and buildings

The table summarizing energy consumption below includes energy consumed by agencies and vehicles in 2024:

	Consumption (kWh)	Renewable Energy Consumption (kWh)	Share of renewable energies	Fossil energy consumption (in kWh)	Share of fossil fuels	Nuclear Energy Consumption (kWh)	Share of nuclear energy
Gas consumption	61,206	-	0%	61,206	100%	-	0%
Electricity consumption	1,337,553	501,812	38%	97,076	7%	738,666	55%
Fuel consumption	4,029,218	219,095	5%	3,810,123	95%	0	0%
TOTAL	5,427,977	720,907	13%	3,968,405	73%	738,666	14%

In 2024, the group did not generate energy (renewable or non-renewable), and therefore did not consume self generated energy.

5.2.1.4. Indicators used to assess impacts, risks and opportunities for adaptation to climate change

Climate risk exposure analysis

In order to assess the climate risks affecting both its direct scope (offices, agencies, commercial spaces) and its value chain (design of buildings adapted to climate change over their lifespan), the group uses the R4RE Bat Adapt (Resilience for Real Estate) tool. This tool, developed by the Green Building Observatory, an independent organization supported by the group, makes it possible to model a forecast climate risk profile.

Types of risks assessed:

- Heat: Heat stress and heat waves,
- Drought: Soil droughts, clay shrinkage and swelling,
- Precipitation, floods and submersions: Change in precipitation patterns, heavy precipitation, run off floods, flooding due to rising ground water levels etc.,
- Coastal dynamics: Coastal erosion, seawater infiltration, water level rise,
- Storms and strong winds: Change in wind patterns, cyclones, tornadoes, typhoons, storms, etc.,
- Meteorological forest fires,
- Extreme cold: frosts and cold waves,
- Land movements: Avalanches, landslides, subsidence.

Consideration of IPCC climate scenarios

The risk analysis is based on three climate scenarios defined by the IPCC:

- Ambitious scenario (aligned with RCP2.6 or SSP1-2.6): Strong emission reduction and warming limitation.
- Intermediate scenario (aligned with RCP4.5 or SSP2-4.5): Moderate transition path.
- Business as usual scenario (aligned with RCP8.5 or SSP5-8.5): No significant reduction measures, resulting in intense global warming.

To generate its results, R4RE Bat Adapt relies on:

- The IPCC Interactive Atlas, which centralizes global and regional climate projections.
- The DRIAS platforms, set up by the Ministry of Ecological Transition, provide climate and water projections adapted to France.

These data are analyzed according to four time horizons: 2030, 2050, 2070 and 2090.

Assessment of the level of risk and consideration of the vulnerability of buildings

The analysis incorporates two key dimensions to determine the level of climate risk:

1. The site's exposure to climatic hazards.
2. The characteristics of the building (under construction or existing), enabling it to assess its level of adaptation and resilience to expected climate changes.

Through this methodology, the group is able to anticipate certain climate risks on its real estate assets and strengthen the integration of climate adaptation issues into the design of its projects.

5.2.1.5. Group climate policies, actions, targets and transition plan

5.2.1.5.1. Organization of the group in response to climate challenges

The group has established structured governance to fully integrate environmental issues, particularly those related to climate change mitigation and adaptation, at all decision-making levels.

- Responsibility at the level of the Board of Directors: A CSR Committee, composed of at least three members of the Board of Directors, ensures the integration of climate issues into the group's overall strategy. It validates and monitors changes in the strategic orientations, targets and action plans related to the climate. Example: This committee approved the group's GHG targets, which were then submitted and validated by the SBTi.
- Responsibility at Executive Committee level: The CSR Executive Committee, composed of five members of the Management Committee, is responsible for evaluating and planning the group's strategic actions in terms of Corporate Social Responsibility (CSR).
- Creation of a National Technical Committee: Since 2023, the group has set up a National Technical Committee, composed of experienced technical directors from several regions. It is managed by the Quality, Architecture and Customer Experience Director, as well as by the Innovation CSR Director.
 - This committee is responsible for assessing and making technical decisions on the materials, construction methods, components and technical processes used by the group.
 - It monitors the experimentation and deployment of new technical solutions, enabling better consideration of environmental and climate issues.
 - It validates the updates to the Technical and Environmental Specifications Manual, which serves as an internal reference for the design of sustainable real estate programs.
- Creation of a Timber Construction Technical Department: Since 2023, this department aims to strengthen the integration of construction methods in wood structures, in line with the group's low carbon strategy.

For further details, please refer to section 5.1.2.1. "Consideration of CSR and Innovation in Group Governance" in this document.

5.2.1.5.2. Transition plan: Policies, Actions and Targets in relation to climate change mitigation goals

5.2.1.5.2.1. Policies and Actions related to the group's direct activities:

Reduction of GHG emissions due to employee mobility

Aware of the significant impact of transport on its direct GHG emissions, the group has implemented a sustainable mobility policy aimed at limiting the use of individual cars and promoting less carbon intensive alternatives. This policy is reflected in a sustainable mobility action plan structured around the following areas:

- Encouraging new communication and working practices:
 - Deployment of videoconferencing systems as of 2009.
 - Implementation of a teleworking agreement in 2021.
 - Widespread use of laptops.
- Deployment of a low carbon company car policy:
 - In 2024, 100% of company vehicle renewals were made with electric or bioethanol E85 vehicles.
 - As of November 30, 2024, the group's vehicle fleet comprised 89 electric or bioethanol vehicles out of a total of 329 vehicles. In 2024, 100% of renewals were made with electric vehicles or E85 bioethanol vehicles.
 - Limiting the mass increase among vehicles introduced into the fleet.
 - Eco driving training for all employees with a company car or access to shared vehicles,
- Application of the energy efficiency plan to business travel:
 - For long distance journeys: Systematic use of the train for journeys of less than 4 hours (or 3 hours for a return in the day).

Mobilization of teams and incentives for climate performance

In order to ensure that employees are aligned with its climate objectives, the group has incorporated environmental criteria into its compensation mechanisms.

- Chairman and Chief Executive Officer: Part of his long term compensation is indexed to the achievement of climate targets, in particular by maintaining an ambitious rating on the CDP Climate Change questionnaire. For further details, see sections 3.2.1 "Compensation policy for the executive corporate officer" and 3.2.2 "Compensation paid to the Chairman and Chief Executive Officer during the fiscal year ended November 30, 2024 or granted for the same year" of this document).
- Managers: The variable compensation of managers (mainly agency managers) includes an indicator linked to the translation of the GHG emissions reduction strategy, both for their immediate scope (scopes 1 and 2) and for property projects initiated (scope 3).
- Operational: The correct application of the K&B environmental benchmark is part of operational performance criteria, with concrete actions such as the substitution of fossil energy vectors (e.g. gas) by low carbon systems and renewable energies (e.g. heat pumps).

Climate transition plan

In view of the significant impact of climate change on the group and in line with the French National Low Carbon Strategy (SNBC) and the Paris Agreements, the group has implemented a transition plan to achieve its carbon footprint reduction targets. This plan defines the specific actions implemented to achieve each of the climate commitments set by the group.

By adopting a structured and proactive approach, Kaufman & Broad is committed to reducing the impact of its activities on the climate, while mobilizing all its stakeholders towards more sustainable and resilient construction.

- For daily travel: Encouraging walking, using public transport, carpooling and eco driving.
- Implementation of two packages of mobility alternatives to individual cars:
 - A Green Pack (open to all employees) provides for:
 - Reimbursement of the public transport subscription for 60%,
 - 70% support for the rental of a company electric bike.
 - A Green + Pack (for employees eligible for company vehicles) provides access to the benefits of the Green Pack, but also:
 - A SNCF discount card
 - Free access to the company's car sharing vehicles during the week with preferential weekend pricing for one off personal use.

As part of this policy, the group's head office has obtained the "Employer Pro Vélo" label, the highest level of certification, thanks to:

- The appointment of an on site bicycle representative.
- A diagnosis and an action plan dedicated to bicycle mobility.
- Awareness raising campaigns on the benefits of cycling and the safety of cycling.
- The regular intervention of a service provider for the maintenance and repair of bicycles.
- Training in safe bike driving.
- Analysis of risks and accidents related to the use of bicycles.
- The presence of a secure space for parking bicycles.

Reduction of energy consumption by agencies

The group's policy aims to reduce energy consumption by combining energy efficiency, improving the performance of buildings and switching to less carbon intensive energy sources.

In this context, an Energy Sobriety Plan has been set up, based on the analysis of consumption and incorporating concrete actions:

- Heating temperature limited to 19° C in offices.
- Air conditioning temperature limited to 26° C in offices.
- Switching off lighting after 8.30 pm, including the Boutiq and Showroom banners.

- Sharing of good environmental practices between employees and agencies.

The group's policy also provides for the widespread use of contracts guaranteeing renewable energy sources as part of contract renewals.

The objective of the group's Energy Sobriety Plan, launched in 2022, is to achieve a 10% reduction in energy consumption as soon as it is implemented.

Energy optimization of IT infrastructure

In order to adapt its tools to new uses, optimize remote working and improve energy performance, the group has finalized the replacement of its fixed IT fleet with latest generation laptops.

This equipment enables optimized management of energy consumption, with automatic adjustments depending on usage (brightness regulation, extended monitoring, etc.).

This initiative is part of a global environmental performance approach, including the extension of the lifespan of IT equipment, in order to reduce the consumption of resources and reduce electronic waste, in accordance with the commitments described in section 5.2.5 "Use of resources and circular economy".

Through these actions, the group is strengthening its commitment to a significant reduction in its carbon footprint, based on concrete and measurable solutions in terms of mobility, energy efficiency and IT resource management.

5.2.1.5.3. Value chain Policies, Actions and mitigation Targets

Upstream: Eco design of buildings and use of low carbon materials

Some building materials, such as traditional cement, have a high carbon intensity especially during the production phase. In order to reduce its carbon impact on the construction phase and obtain ambitious environmental labels (such as E + C-, RE2020 level 2028 or 2031, BBKA label, etc.), the group is interested in the following less carbon intensive materials and construction methods:

1. Biosourced Materials and wood use

Kaufman & Broad promotes the sustainable use of bio-sourced materials in construction. As a result, the group is integrating a growing proportion of biosourced materials into its production, both to meet and anticipate regulatory changes and to progress on its carbon trajectory.

- On 100% of production, the share of biosourced materials integrated on a base basis is estimated at around 9 kg/sq.m on average,
- Many operations incorporate a larger proportion of biosourced materials, both on the structure of the building and on the bodies of secondary states.

Kaufman & Broad requires that any biosourced material implemented on its projects be subject to environmental certification (including PEFC⁽¹⁾, FSC⁽²⁾), compliance with the Zero Deforestation Directive and that the quantities implemented be evaluated.

In addition, in order to facilitate the use of biosourced wood material in Kaufman & Broad projects, the group supported the creation and implementation of the Woodrise Congress dedicated to medium and high rise wood buildings, allowing to perform a benchmark and international feedback on wood construction. The group also signed the "Woodrise Paper" and took advantage of the last edition of the international trade fair to inaugurate the building site of the Silva Tower, which is mostly made of wood.

In 2024, the group also entered into a national partnership with the FiBois Association, which brings together the 12 regional interprofessional forest wood industry. This collaboration makes it possible to share knowledge and innovations and gives access to a network of partners, with the aim of ensuring project success and working more effectively with all local players towards a common goal: To promote the implementation of low carbon construction methods.

Target: in 2024, the group set itself the goal of initiating over 1000 homes through biosourced construction projects. This objective has been achieved. The group currently has more than 1600 wooden housing units under authorization or construction.

(1) The PEFC label guarantees that the wood used to manufacture the products purchased comes from sustainably managed forests. For more details: <https://www.pefc-france.org/>.

(2) The FSC label is a label that ensures that the wood used in the manufacture of the products comes from forests whose management complies with sustainable forest management standards. For more information: <https://fr.fsc.org/fr-fr>

Tour Silva

Kaufman & Broad won the competition for the construction of the Silva housing tower in a predominantly wood primary structure in Bordeaux. The first beam of this project, under construction, was laid in October 2023. This project covers 17,700 sq.m. divided between 14,200 sq.m. of NF Habitat HQE certified housing units, 3,000 sq.m. of BREEAM Very Good certified office space, 500 sq.m. of retail space and a parking building. This 16 story and 50 meter high tower has a primary structure with giant doves mostly made of wood.

In order to support the revitalization of the still under-represented wood sector, the research carried out for the construction of the Silva Tower (fire tests, seismic, etc.) Have been filed in the public domain to serve other projects and advance wood construction research and innovation.

Multi-occupancy housing in Bressuire

Located on Boulevard de la Rivière, the Kaufman & Broad de Bressuire project offers 47 apartments divided into 3 buildings currently under construction. This project already meets the carbon emission thresholds set by the Environmental Regulations for 2031 over its entire life cycle.

This performance is achieved through the choice of energy systems with low GHG emissions and a share of renewable energies, as well as the implementation of a constructive biosourced mode. This configuration allows the investor to improve the economic performance of the building's operation, thus giving concrete expression to a "green" opportunity.

2. Low carbon materials (including low carbon concrete)

The group uses low carbon concrete. The carbon impact in a concrete formula is essentially based on the clinker/cement ratio used. The aim is to reduce clinker as much as possible by replacing it with substitutes (dairy types of blast furnaces, waste from the steel industry, etc.).

More generally, the group applies a carbon methodology aimed at finding the most efficient configuration for its buildings through the choice of materials. This methodology was the subject of innovation bricks distributed internally (Low Carbon Construction and Low Carbon Concrete), an "Info Carbon K&B" sheet dedicated to facade materials, workshops bringing together technical departments and responsible purchasing services, the promotion of good carbon practices or the prohibition of non-effective choices through the MSPE or Kaufman & Broad Environmental Specifications Manual (for example, the "Limitation of the use of metal barding" or the non use of cement with a carbon weight greater than 220 kgCO₂eq/m³ in superstructure on all new projects). In 2024, the group also finalized a review of the carbon indices

for all domestic service components presented in the customer ranges and Showroom. The "responsible purchasing" policy was also reviewed with the Purchasing Department: The carbon weight of each building component is now assessed by suppliers on the basis of emission factors (GHG, in kgCO₂eq.) via an Environmental and Health Statement (FDES) prepared by the supplier or, in his absence, by an Environmental Data by Default (DED). In 2024, the Kaufman & Broad responsible purchasing department systematized the need for component and equipment suppliers (second tier suppliers) to provide environmental data for all components included in the group's service ranges. Environmental performance has been taken into account in the selection of components and products with low energy and environmental performance have been excluded from the group's ranges.

For the use phase, an assumption is made over a specified period of use (50 years in the E+/C- label, dynamic LCA in the RE2020).

Lagord

In 2024, Kaufman & Broad delivered the Lagord program near downtown La Rochelle. This program covers 2,500 sq.m SHAB and includes 36 housing units. This residence in the heart of the island is a low carbon neighborhood achieving environmental performance E3/C2 thanks in particular to the use of low carbon concrete.

3. Re-use Materials

The implementation of reuse materials within the group's new real estate programs is part of its strategy to decarbonize production. This theme is developed in section 5.2.5. "Use of resources and circular economy".

4. Partnerships and support of organizations in the decarbonization of real estate

Active monitoring is maintained in terms of eco design, in particular through Kaufman & Broad's support for the Low Carbon Prescribers Hub of the Institut Français pour la Performance des Bâtiments (IFPEB). The institute was thus able to produce sector and prospective analyzes, in particular "Biosourced materials", "Carbon outweighing of materials" and "Low carbon concrete", "Low carbon renovations", feedback and prospective work on life cycle assessments for multi occupancy housing and office buildings, as well as an analysis on the carbon gain of reuse materials.

In addition, Kaufman & Broad has been a member of the Bâtiment Bas Carbone Association (BBCA) since 2015. The association contributed to the development of Life Cycle Assessment (LCA) methodologies for new buildings and launched a label for buildings in operation with a reduced carbon footprint. By helping to improve knowledge of carbon methodology and raise industry awareness, Kaufman & Broad is actively involved in the shift towards more energy efficient and low carbon practices. This involvement also enables Kaufman & Broad to gradually integrate industry advances into the overall reduction of the carbon footprint of buildings.

Finally, aware of the scarcity of certain resources, the group is developing its skills in frugal buildings: Avoiding or reducing the use of materials and resources is essential as a both ecological and economic response.

Frugal housing units

In 2024, the group began work on a project for 42 housing units in Le Mans. The operation implements wooden concrete walls on 3 levels. This innovative constructive process uses wood aggregates and a low carbon binder to offer an insightful facade principle with high biogenic carbon storage.

For surface areas built in 2024, the estimates by product type are presented below, with the history of 2023. In 2024, the product construction phase, which reached 100% of technical completion, represented 313,511 TC02eq. For 335,746 sq.m delivered.

Types of surface areas delivered ^(a)	Surface area delivered 2024 (sq.m. SDP)	Emissions from products delivered in 2024 - Construction Products and Equipment Item (TC02eq.)	Surface area delivered 2023 (sq.m. SDP)	Emissions from products delivered in 2023 - Construction Products and Equipment Item (TC02eq.)
Housing	322,549	298,891	259,357	235,323
Offices	13,197	14,619	15,991	21,124
Logistics	-	-	27,830	30,613
TOTAL^(b)	335,746	313,511	303,178	287,060

(a) Calculation at completion of SDP (Floor Surfaces).

(b) Excluding land/building lots.

Accountability of our service providers for the environmental impact of project management

In its Green and Low Nuisances Construction Site Charter (CVFN), the group provides for measures to be applied by its service providers to ensure optimized management of the site's water and energy resources. These measures include:

- Monitoring of water and energy consumption: Installation of meters for the worksite as well as for the living bases surveyed each month to enable consumption to be monitored by the Environment Manager. The overconsumption detected is justified and is the subject of actions to find the origin and limit them.
- The implementation of measures to reduce the site's water and energy consumption (energy saving equipment, heating and air conditioning temperature limits, programming clocks for heating, etc.)
- The implementation of energy contracts subscribed by its suppliers including a guarantee of renewable origin.

Energy optimization of IT services to the Company

Kaufman & Broad is committed to working towards responsible IT management by signing a sector position note on digital sobriety.

Emissions from the digital sector account for between 3 and 4% of global emissions and are growing strongly by around 6% per year (Source: The Shift Project, 2021) due to a steady increase in the use of digital products and services. Aware of the environmental impact of this sector, the group is putting in place a roadmap at all its sites for a smoother digital environment and healthier IT asset management in conjunction with its IT suppliers and employees.

To cope with the increase in the volume of data stored and processed, Kaufman & Broad pursues a Green IT policy reducing energy expenditure and environmental impacts.

Among the actions, the group decided to outsource its Data Center from the headquarters. This project has divided the group's data into two data centers located in France, one of which has a latest generation modular energy efficiency index (PUE or *Power Usage Effectiveness*) of 1.23 thanks, among other things, to the free cooling method. This technique means that the data center aisles are cooled using air from outside at temperatures of up to 23° C, and it also uses the heat emitted by equipment to raise the temperature of the room, if necessary. This performance clearly exceeds the standard PUE of 2 for traditional data centers.

In addition, the group manages its data storage units by minimizing energy consumption while improving processing performance. The group has thus adopted a scalable and eco energy technology based on full flash technology that makes it possible to use more data while reducing the complexity and cost of managing the underlying infrastructure.

In addition to its impact, digital technology also plays a major role in accelerating the environmental transition and is one of the levers for controlling energy consumption and greenhouse gas emissions. This is particularly true for very consumer sectors such as the real estate sector, especially on topics driven by the Smart Building Alliance such as BIM for design build deconstruction activities and such as Smart Building technologies for the building operation business. The teams are thus made aware of the contribution of IT technology to the various real estate business lines within a holistic and effective CSR approach.

Downstream: The carbon impact of projects following their acquisition, during their use

The search for energy performance

Energy efficiency of buildings...

The 2024 fiscal year saw the ramp up of RE2020 operations within production. These projects correspond to a level of performance higher than the RT level (around RT-20% for multi occupancy housing; source IFPEB) with in particular:

- An increase in the performance of the building envelope: In particular, by reducing the Bbio indicator by around 30%, leading to the strenghtening principles of bioclimatic design (orientation of the building, passive solar contributions, nature based solutions, insulation, etc.);
- Reducing primary energy consumption, in particular by strengthening the Cep indicator, which includes consumption of heating, cooling (air conditioning), domestic hot water production, lighting, ventilation and distribution aids, lifts, traffic lighting and car parking for collective buildings. In fiscal year 2024, these projects at the RE2020 performance level accounted for 88% of the surface area launched in worksites (deliveries over a 3-year period) and all meet consumption below the average levels of 75 kWh/sq.m.year in detached house and 85 kWh/sq.m.year in multi-occupancy housing (corresponding to a 15% to 20% increase in performance compared to RT 2012 operations). On average, the projects launched during the year have a primary energy consumption of 66.48 kWh/sq.m.year.
- Use of renewable energies, in particular through the introduction of a CEP indicator, introducing a cap on the consumption of energy from non-renewable sources of 55 kWh/sq.m.year in detached house and 70 kWh/sq.m.year in multi-occupancy housing, resulting in the significant use of renewable energies on projects initiated by the group.

The compliance of each group operation with these criteria is assessed by an independent design firm.

A7/A8 Austerlitz	Plateforme Montbartier	Quartier Iconic
The group is carrying out the A7A8 project, totaling 128,500 sq.m of floor area in the Austerlitz station district in Paris. This project will include the largest private photovoltaic roof in Paris, with 3,400 sq.m of photovoltaic panels.	The potential of logistics platforms in this area is also valued, with the systematic study of photovoltaic solar potential, like the platform delivered to Montbartier, certified LEED at Silver level, which has a photovoltaic roof of 6,600 sq.m, whose annual production is reinjected on the network.	In addition, the 25,000 sq.m of housing and retail in the iconic district delivered in 2024 in the city of Agde, are supplied by a marine geothermal power plant.

Location of projects

Mobility is the main source of CO2 emissions. of acquirers (average individual GHG inventory of a person in France). To achieve this, Kaufman & Broad develops a strategy on project location, innovative mobility solutions for the occupants of its buildings.

The location of a project directly influences emissions from daily transport. Kaufman & Broad mainly develops its business in urban and suburban areas.

Since 2021, the group has been assessing pedestrian potential and cycling potential indicators around the sites of all projects.

... environmental performance over the entire life cycle of the building

This new generation RE2020 also reconciles the energy performance of buildings when they are used with a strong limit on greenhouse gas emissions over the entire life cycle of the project. The group has thus extended its high performance design actions to all its projects, with the aim of reducing greenhouse gas emissions from products delivered in the construction and use phase by its customers.

The use of low carbon and renewable energies

Kaufman & Broad is working on the energy mix to improve the energy and environmental performance of its facilities and reduce the environmental impact by reducing the use of fossil fuels. Energy production can be carried out by air water or air heat pumping, geothermal energy, photovoltaic or solar thermal panels, geothermal energy, the use of biomass, etc.

In 2023, as part of the application of the provisions of the Manual of Environmental Specifications and Procedures (a reference set up by the group that applies to all programs under design), the group generalized the systematic study of a non fossil and low carbon energy vector on new projects.



100%

I.E. programs launched * less than one kilometer away from public transport.

96%

Housing programs launched * in an urban unit * *.

* Programs whose technical progress changed during the year.

** Classification via INSEE 2020 referencing.

Implementation of the Mobility as a Service approach

The group is developing partnerships to offer complementary - or even alternative - solutions to the practice of individual cars. Some of these solutions also promote the practice of physical and sporting activities for occupants:

Facilitating access to public transport	The location of programs in urban or suburban areas with access to public transport for users.
Shared and widely used parking	Offer buyers parking spaces in the form of a right of use to move from a property economy to a sharing economy between different users.
Short-term carpooling incentive	Short carpooling is a car sharing system applied to daily commuting that reduces the use of individual cars. The partner (service - application) addresses users directly and may be communicated by the union.
Quality of parking bikes, electric bikes and shared electric bikes ⁽¹⁾	Offering an alternative, environmentally-friendly solution by including parking for bikes and e-bikes for users. Offering a self-service, shared e-bike service for users. On its initiated projects, the group systematically provides for at least one bicycle parking space for each dwelling (2 places from Q3) in a safe, secure and enlightened premises.
Electric and shared cars	Kaufman & Broad regularly integrates a shared electric car solution into some of its projects, and systematically equips its infrastructure buildings dedicated to electric vehicle charging.

Raising customer awareness of the impact of their acquisition

Energy Performance Diagnosis (EPR) makes it possible to identify the energy performance and carbon performance of housing in the use phase and thus classify a housing from an ecological point of view. This constitutes added value for the buyer, as low-energy housing is also less expensive in terms of maintenance. The group systematically promotes this information to all clients.

Beyond compliance with the regulations in force, the real energy performance of buildings depends on the habits of the occupants. Depending on their lifestyle and the choices they make, they may or may not be able to optimize their housing in terms of energy savings. For example, blocked ventilation outlets or a pierced exterior wall can partially cancel out the good energy performance of buildings. This behavioral factor becomes more significant if housing is technically designed to be more economical. Kaufman & Broad provides clients with an owner's guide upon delivery. It presents the environmental and technical particularities of the building and the housing, as well as the best practices to adopt on a daily basis so that the use of the property is safe, sustainable and efficient.

Logistics platforms as well as offices are delivered with building technical management technology (GTB), which enables consumption to be monitored and any losses to be optimized.

Finally, Kaufman & Broad has put forward on its website the ADEME carbon calculator allowing prospects to simulate their carbon footprint, in particular through their future use of a building that is energy efficient and efficient in terms of greenhouse gas emissions.

5.2.1.5.4. Objectives related to climate change mitigation:

Main objectives:

Kaufman & Broad is committed to the Science Based Targets initiative (SBTi) to implement its carbon reduction targets. Kaufman & Broad's methodology and targets for reducing greenhouse gas emissions were validated by the SBTi in 2022 on a 2° C WB trajectory and updated in February 2025 to align with a more ambitious 1.5° C trajectory. These updated public targets are:

- Reduce GHG emissions from scopes 1 and 2 by 46.2% by 2030 compared to the base year 2019.
- Reduce scope 3 GHG emissions from purchased goods and services, use and end of life of products sold for homes and offices by 46.2% by 2030 compared to the 2019 baseline year.

The scope of these targets includes emissions and removals from land use changes and bioenergy.

In addition, the group has set a second objective on reducing its Scope 3 carbon intensity emissions in order to smooth annual production changes, on the same scope and with the same methodology as the Scope 3 objective validated by the SBTi:

- Reduce scope 3 GHG emissions of purchased goods and services, use and end of life of sold goods by 46.2%, per square meter sold and delivered, for homes and offices by 2030 compared to the 2019 baseline year.

The group notes for this second objective:

- A -3% reduction in GHG emissions compared to 2019: All of the operations delivered in 2024 still complied with the "RT2012" standard prior to the group's main decarbonization actions,
- A reduction in GHG emissions of around 50% on projects launched in 2024, which will be deliveries in 2 years to 3 years, in line with this second objective 2030.

(1) Kaufman & Broad integrates on all its new projects a bicycle parking location for the housing type 1 and 2 (1 and 2 rooms), and 2 bicycle parking spaces from the housing type 3 (3 rooms and more). These bicycle rooms comply with the K&B bicycle room charter, which provides for the functionality of these spaces and the security of bicycles. To go further, the group has been able to set up additional services on certain projects to enable residents to use bicycles and scooters. At the Residence Côté Village in Saint Jean de Vedas, Kaufman & Broad has put in place an alternative solution: Offering self service 5 electric bikes to housing users with the possibility of booking via a mobile app.

05 Non-Financial Performance Statement

Environmental information

Scope and methodological details:

Targets related to scopes 1 & 2 cover 100% of these scopes, both in the reference year and in subsequent years.

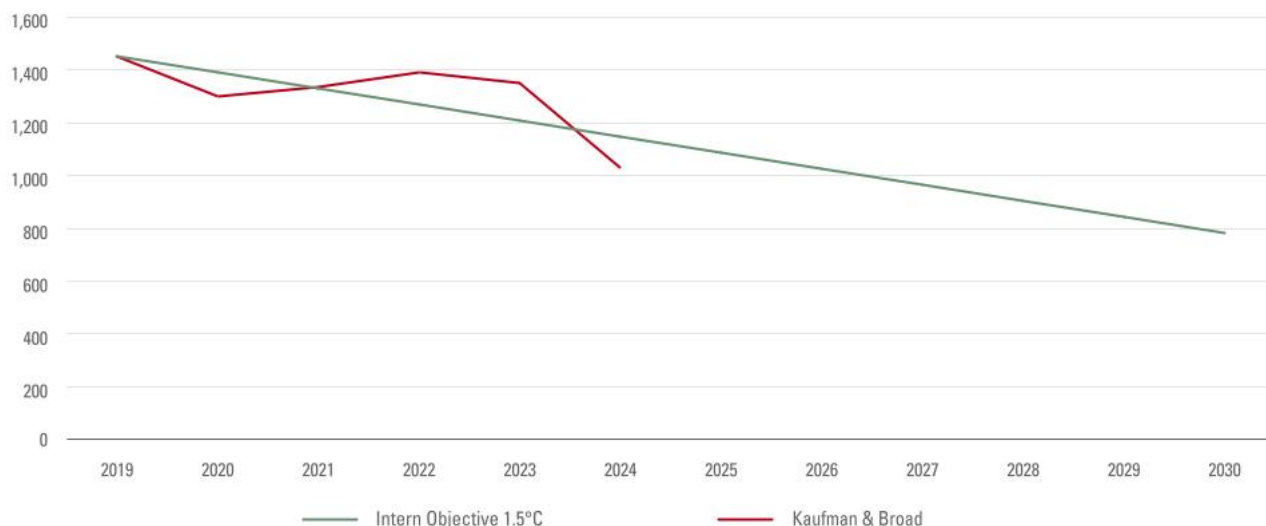
The scope of the objectives related to scope 3 includes on the one hand the construction phase which includes in the items of purchase of goods and services (the construction of projects is a service that the group purchases from specialized companies), as well as the phases of use and end of life of the products sold (included in the life cycle assessment of the building components).

In terms of product typologies, scope 3 targets include housing and office projects and exclude logistics activity (in accordance with the SBTi methodology), due to its irregular nature from year to year. Historically, the volumes of housing and office projects are stable and constitute a large part of the surface area delivered by the Company, unlike logistics projects that are produced at a variable frequency and volumes in square meters, per project, quite large. This exclusion helps to maintain comparability and a clear view of changes in the impact of most of the group's business.

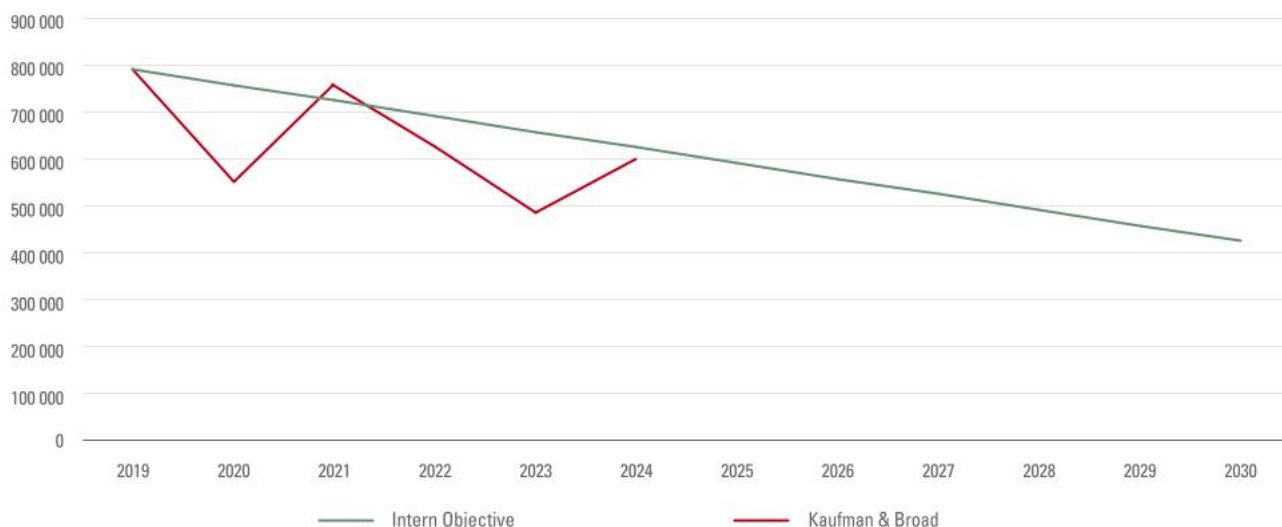
Monitoring of GHG emissions, compared with the reference year 2019, for the objectives validated by the SBTi:

Emission items	Emissions in 2019 (base year) (TCO2eq.)	Coverage rate of objectives compared to the total Scope	Emissions in 2024 (reporting year) (TCO2eq.)	Coverage rate of objectives compared to the total Scope	Reduction of emissions in relation to the base year
Scope 1	1,380	100%	970	100%	30%
Scope 2	70	100%	48	100%	-31%
Scope 3	790,736	77%	600,322	95%	-24%

Commitment aligned with the 1.5° C trajectory, validated by SBTi: *Reduce GHG emissions from scopes 1 and 2 by 46.2 %*



Commitment validated by SBTi: *Reduce Scope 3 GHG emissions by 46.2 %*



Other objectives:

- At the level of its logistics business, Concerto, a logistics subsidiary of Kaufman & Broad, is committed through the Charter of Mutual Commitments between the French State and members of the Afilog association (players in logistics real estate for the environmental and economic performance of French logistics real estate) to:
- all of its new real estate projects are moving towards carbon neutrality by 2040. In order to improve the carbon measurement of this specific asset class, the charter members have undertaken to define a benchmark for calculating and assessing warehouse GHG emissions based on the Life Cycle Analysis methodology;
- dedicate an average of 50% of rooftop surfaces used in photovoltaic solar power generation to all registered permits.

5.2.1.5.5. Transition plan: climate change adaptation policies, actions and objectives

5.2.1.5.5.1. Adaptation to climate change for the group's direct business scope

In developing its transition plan, Kaufman & Broad has incorporated a specific approach related to adaptation to climate change.

The group thus assessed the exposure of its sites to the main climate risks using the R4RE Bat Adapt (Resilience for Real Estate) tool. This analysis is made in particular in the context of the assessment of the group's real estate commitments (CAPEX) on the aspect of adaptation to climate change of the European Taxonomy.

To date, this assessment has not resulted in the identification of significant risks. It will be renewed for all new locations.

In terms of location choices, the group has set itself the following objectives:

- Not to lease new premises that are highly exposed to climate risks due to their location,
- Encourage the implementation of adaptation measures when moving in the event of average exposure.

5.2.1.5.5.2. Adaptation to climate change on the group value chain

Promoting adaptive measures in the project design phase:

The design of the group's buildings aims to integrate and specify adaptive provisions to reduce their vulnerability. A risk analysis on the R4RE Bat Adapt (Resilience for Real Estate) tool is systematically planned for each project when it comes to the Commitment committee.

Based on the results of this Risk Study, the Project provides for adaptive measures. Some measures are applied across the MSPE (internal environmental benchmark) to 100% of projects:

- Clear shades and roofs (high altitude), as far as possible compatible with urban architectural requirements,
- Adapting nature based solutions to adapt to climate change, particularly in the design of landscaped spaces related to buildings.

The thermal and bioclimatic design studies carried out on each program include a summer comfort component, with the measurement of a "degree hours" indicator and a ceiling value target.

Soil studies carried out on all projects by specialized design offices qualify the risk of "clay shrinkage and inflation" and provide for appropriate geotechnical provisions.

Objectives:

As part of the impact in relation to its value chain, the group has set the following two objectives for the scope of the projects launched during the year:

- Generalize the conduct of a climate risk analysis for all projects,
- Implement adaptive measures for all projects that have detected a significant exposure to climate risk in order to mitigate it and adapt the building,
- Regarding the risk of heat waves, the group relies on the "DH" or Degree Hours indicator of the RE 2020, which measures over the life of the building the cumulative duration of hours of thermal discomfort for users. Thermal discomfort is defined as exceeding a certain temperature level within the building, to reach a level considered detrimental to the comfort of users, i.e., more than 28° C during the day or more than 26° C at night. The group aims to achieve a DH° summer comfort indicator of less than 1200 for all projects launched.

Monitoring and controlling adaptive risks when building projects by suppliers and service providers:

In the context of adaptation to climate change, the group is also vigilant:

- The potential increase in exceptional climatic phenomena, which could lead to unexpected technical constraints: For example, particularly harsh winter conditions or periods of summer heat waves that would lead to work stoppages for several days (or even weeks), which could lead to delivery delays affecting the recognition of the group's revenue and margin, see also section 4.2.2.10. "Climate related risks".
- A possible increase in the cost of energy and a possible strain on certain resources that could lead to additional costs for the group, in particular as a result of an increase in environmental taxation, higher corporate expenses (increase in the cost of materials and increasingly stringent regulatory standards, particularly in terms of safety and the environment). Significant changes in the prices of raw materials (mainly cement, steel and wood) used in the construction of buildings could have an impact on the group's construction costs, without this now appearing as a reality. See also sections 4.2.2.2. "Risks related to construction costs" and 4.2.2.6. "Program management risks". The group is also developing the integration of biosourced materials as well as second life materials into the group's real estate projects, strengthening the diversification and resilience of supplies from suppliers and service providers; see also section 5.2.5. "Use of resources and circular economy".

Optimizing the duration of the project and adapting the construction schedule to weather conditions, as well as optimizing raw material purchasing costs, are issues that are integrated into the group's processes and project management.

The group monitors weather related interruption days at each site. The monitoring of these statistics helps monitor the potential impact of climate change.

5.2.2. Reduction of pollution

5.2.2.1. Assessment of pollution impacts, risks and opportunities

The scope of the analysis of pollution risks, impacts and opportunities includes directly owned or occupied sites, project sites, products and the main dependencies to the group's suppliers.

- Group direct operations:
 - Risk regarding office buildings used for the property development service business. These buildings are selected to offer working conditions that comply with or exceed standards. Products used that may pose pollution risks concern ink cartridges, batteries and computer equipment. The vehicles used, particularly thermal ones, also generate combustion products and particles.
- Upstream of the group value chain:
 - Impact related to the components needed to build new buildings: Their construction involves components produced by European suppliers. These components comply with current standards and the group's contractual standards for the exclusion of hazardous products.
 - The group promotes real estate projects that develop on already artificial land. The latter are transformed into land recycling and/or rehabilitation/intensification operations. The main risks and impacts associated with operations on sites that have already hosted operations are identified:
 - Impact associated with the removal of pollutants that may be contained in old and dangerous components on buildings to be deconstructed or cleaned for rehabilitation. Risk associated with the process of removing hazardous materials.
 - Impact associated with the treatment of soil pollution on land where the group is developing real estate projects. Risk associated with the process of removal and/or management of polluted soil.
 - Risk of water pollution with chemical substances, for example during the restoration of old industrial wasteland, managed by contractors and construction companies commissioned. A management plan is drawn up as well as prevention and safety processes and measures imposed under the environmental policy and the Kaufman & Broad Green and Low Nuisance Building Charter.
 - Risk related to the handling of machinery, products and components by suppliers and service providers at their production sites (particularly the construction sites of real estate projects).
- Downstream of the group value chain:
 - Properties handed over to customers include constructive measures adapted to possible exposure to pollution (air, soil and acoustics, for example) known to their environment as well as components that comply with current regulations.

5.2.2.2. Policies and actions at the group's premises to reduce pollution

At the level of the scope directly operated by the group

In the context of office activities, the group's policy is to identify, reduce, collect and sort waste and to guarantee appropriate treatment for waste that may present pollution risks.

Among the actions implemented, ink cartridges are specifically collected at all Kaufman & Broad sites by a professional for appropriate treatment and recycling. Since 2020, the head office has also been equipped with collection points for used batteries and cigarette butts for employees.

In 2024, the group collected the following quantities of hazardous waste at its agencies:

- Waste electrical and electronic equipment (WEEE): 0.13 tonnes collected, 100% of which was recycled,
- Cells and batteries: 0.04 tonnes collected and directed to recycling centers. 83% of this mass had conditions for effective recycling.

To reduce mobility related pollution, the group implements the following policies and actions:

- The development of alternatives to individual cars,
- The ongoing transition to electric models,
- Limiting the mass increase of vehicles,
- Training in eco driving.

The fleet of gasoline, bioethanol and diesel thermal cars, although sharply reduced, consumed 426,919 liters in 2024. The group has thus identified the following indicative pollution volumes:

- 0.39 tonnes of nitrogen oxides (Nox),
- 1.83 tonnes of carbon monoxide (CO),
- 0.15 tonnes of hydrocarbons (HC),
- 0.09 tonnes of ammonia (NH3),
- 23.86 tonnes of nitrous oxide (N2O),
- 14.03 tonnes of methane (CH4),
- 0.71 tonnes of tire particles.

For more information on the group's mobility policies and actions, please refer to section 5.2.1.5.1.1 "Policies and actions related to the group's direct activities" - GHG emissions related to employee mobility.

5.2.2.3. Policies and actions on the upstream of the value chain in terms of pollution reduction

Pollution reduction policy for materials and components

The group's policy is to involve suppliers of components and materials that it manages to identify (rank -2) in excluding substances that may be hazardous to health or the environment. The responsible purchasing department identifies the main tier- 2 suppliers and can establish framework agreements in which the K&B Supplier Ethics Charter is systematically included, providing for the exclusion of hazardous products identified in the REACH regulation. In 2024, the group set up an alert procedure for suppliers who find a breach of agreements relating to the exclusion of hazardous products. For the past year, 100% of framework agreements with second tier suppliers incorporate the K&B Supplier Ethics Charter.

Management of hazardous waste on old buildings to be deconstructed or renovated

The Company's actions and processes provide that before any intervention on an existing building, a body is designated to diagnose hazardous materials (including asbestos and lead, for example). This makes it possible to integrate this parameter into the consultation phase of companies, with a view to filing a plan for the withdrawal of dangerous products with the Regional Directorate of Enterprises, Competition, Consumption, Labor and Employment (DIRECCTE). Kaufman & Broad's purchasing department uses a deconstruction firm. It is asking a company specializing in asbestos removal, whose role is to submit a plan for the removal of hazardous materials to the Labor Inspectorate and the Regional Health Insurance Fund.

In 2023, the group introduced paperless procedures for monitoring hazardous waste. The Trackdéchets tool made it possible to identify 2024 88 dematerialized forms for 130 tonnes of hazardous waste removed from the existing housing stock in order to be treated in adapted centers.

For example, the Carré d'Alincourt project in Tours resulted in the removal and processing of around 20 tonnes of potentially hazardous products.

Soil and subsoil pollution management at project sites

The group's policy is to treat sites whose soil may be polluted in order to make them compatible with the destinations projected as part of real estate operations. Prior to any acquisition of land, the group's action is to carry out, through specialized and independent design offices, a historical, documentary and memorial study on the activities that may have been carried out on the land, then to the development of a diagnosis of soil and subsoil pollution. If this diagnosis is unfavorable, a company is then responsible for decontaminating the site for a rehabilitation compatible with the intended destination of the program. The group is particularly vigilant if the project is on risky soils, such as clay soils, or if the land is located on industrial wasteland (see section 4.2.2.9. "Pollution risks").

Example: As part of the "Les Reflets de l'Ourcq" project of 216 housing units under construction in Bobigny, the group called on the AIC Environment research office, whose diagnosis revealed the presence of oil pollution, PCBs, sulfates, soluble fraction and antimony. These lands (approximately 7290 m³) were removed by a specialized company and treated in a specialized center for this type of hazardous waste of the type ISDI 3x3/biocentre/ISDND.

Control of operations at polluted sites and soils

The group's activity leads to a reduction in soil pollution and the treatment of hazardous components on old buildings rehabilitated or deconstructed. This action involving the control of processes enabling the removal or control of existing pollution is considered to be a very positive green opportunity for the environment. This opportunity materialized with the creation in 2020 of the subsidiary Aménagement & Territoires, an expert in the transformation of former industrial wasteland whose buildings and soils could be polluted.

Example: the development of the General Stores district is being developed in Reims by the group's subsidiary, Aménagement et Territoires. The management of polluted sites and soils has enabled the group to initiate the conversion of this former wasteland. The project was awarded the Fleet Fund and is also part of the France Recovery Plan, designed to clean up and rehabilitate unexploited urban areas.

Environmental pollution risk

Action taken by the group to manage the risk associated with environmental pollution during operations on brownfields: For sites identified by the French State as SIS (Information Sector on Flights) or former industrial sites, the group provides the administration, as part of the authorization procedure, with a file attesting to the compatibility of the decontamination carried out with the construction project. This is the ATTES-Alur, a document drafted by an approved technical study office, attests to sufficient decontamination and lists the precautionary measures that must be implemented as part of the construction project. These measures may concern the prohibition of the infiltration of rainwater into polluted soil (groundwater pollution), or on the contrary the prohibition of removing polluted water from the groundwater. Other measures may concern land management or the establishment of pipelines that are watertight to all pollution. The Project Manager undertakes to apply these measures within the framework of the administrative authorization.

In addition, following the action of Kaufman & Broad's Human Resources Department, since 2022 the technical teams have followed the "Management of polluted sites and soils" training provided by the specialized research office AIC Environment.

Management of pollution risk by suppliers construction companies

The group's policy is to encourage suppliers, particularly those involved in construction projects, to take part in pollution risk management. Among its actions, the group has adopted a Green and Low Nuisance Building Charter, which applies to all worksites and requires suppliers to:

- Non use of hazardous materials or materials that may present a risk of pollution, such as:
 - Persistent organic pollutants (POPs; substances listed in Annexe I or II to Regulation (EU) 2019/1021),
 - Mercury and mercury compounds; asbestos and asbestos compounds,
 - Ozone depleting substances (ODS; as defined in Annexe I or II to Regulation (EC) No 1005/2009),
 - Hazardous substances in electrical and electronic equipment (WEEE),
 - Chemicals covered by REACH (including carcinogens; persistent, bioaccumulative and toxic substances).

- The exclusive use of VOCs labelled Class A or A + products (Volatile Organic Compounds) for indoor batches (paints and varnishes, ceiling slabs, flooring, including adhesives and associated sealants, indoor insulation and treatments of indoor surfaces such as those used against moisture and mold). Products containing VOCs will be stored in a protected place, preventing any contamination of the environment (watertight soil, room ventilation, closed containers).
- Measures to avoid soil and water pollution: In particular by sealing storage areas, using less polluting products, regulatory labelling of containers, controlling and collecting effluents, setting up equipment washing areas and retention bins, connecting to the networks of worksite facilities and the presence of an emergency response kit to absorb or neutralize any accidental spillage (fuel, oil, grease, solvent, acid, paint, varnish, etc.).
- Measures to prevent and control air pollution: In particular, by raising awareness among companies of working methods to reduce dust projections, watering soil and dust in very dry weather, daily cleaning of roads and worksites, dust extraction, the use of tools with dust filters and the strict ban on flaring.
- Visual pollution prevention measures: By maintaining the fences, shedding waste sorting dumps, periodically cleaning the site's surroundings and washing the wheels of outbound equipment (concrete and equipped with a sludge retention basin and a device allowing oil and grease to be retained) to limit dirt on the public highway that could make the track slip.
- Measures to prevent noise pollution: By choosing methods and tools for low noise levels, using less noisy equipment as listed in Article 5 of the Decree of March 18, 2002 and respecting the levels of phase 2 of eligible levels, radio communication between crane operator and ground teams and noise task planning.

5.2.2.4. Policies and actions on the downstream of the value chain in terms of pollution reduction:

Quality and safety requirements for new building components

The environmental objectives covered in the Kaufman & Broad Green Low Nuisance Charter, annexed to the works contracts, as well as in the Supplier Ethics Charter, exclude products that may pose a pollution risk and reinforce product safety by imposing, in particular:

- Non use of pollutants or hazardous products covered by the regulations, in particular persistent organic pollutants (POPs); substances listed in Annexe I or II of Regulation (EU) 2019/1021, hazardous substances and chemicals covered by the REACH regulation; and a whistleblowing procedure for detecting non-compliance;
- Limiting the risk of water and soil pollution during construction;
- Products labelled Class A or A + for VOCs (Volatile Organic Compounds) for indoor batches (paints and varnishes, ceiling slabs, flooring, including adhesives and associated sealants, indoor

insulation and indoor surface treatments, such as those used against moisture and mold), for the benefit of indoor air quality for customers and users.

These provisions apply to all transactions.

In 2024, the group also undertook a review of the identification of plastics used in suppliers' materials, with the aim of identifying possible ways of reducing these substances.

Finally, the Kaufman & Broad buyer's booklet highlights best practices for customers in maintaining indoor air quality, for example:

- The need for adequate maintenance and maintenance of ventilation to ensure air renewal,
- The use of healthy and eco-friendly cleaning products.

5.2.3. Water and marine resources

Water scarcity is a global issue that affects a significant portion of the population. The management of water abstraction, clean water consumption and sanitation is one of the 17 UN Sustainable Development Goals (SDGs). In this context, Kaufman & Broad recognizes its role in preserving the water cycle and saving water consumption through its projects and activities.

5.2.3.1. Identification of impacts, risks and opportunities related to water and marine resources

The theme "Water and marine resources" was the subject of a materiality analysis by the group.

The scope of the analysis of impacts, risks and opportunities on water includes sites directly owned or occupied by the group, project sites, products and the upstream and downstream value chain.

The impacts, dependencies, risks and opportunities identified on the water theme are:

- Scope directly operated by the group:
 - Assessment through the location of the group's sites (offices) with regard to water stressed areas (areas historically subject to significant drought episodes, these are identified on the basis of the drought intensity history available on the VigiEau national basis). The group has not identified any risk or significant impact: No agencies directly located in crisis areas.
- Upstream of the group value chain:
 - Risk and impact of water dependence of building components: At this stage, the group has not identified any major dependence. Available alternatives are identified for certain components that may present a potential future vulnerability, such as the use of concrete plants that substitute for those located in areas of water stress. Alternative products and construction methods are also identified.
 - Risk identified in relation to water withdrawals from groundwater (water withdrawals): The group complies with the provisions of the Water Law and in particular the regime of declarations and authorizations. In 2024, none of the projects launched during the year were submitted for authorization. The proportion of projects affected by the authorization regime is, in general, very minority or zero and the probability of a negative impact occurring is perceived to be limited.
 - Risk relating to the presence of proven wetlands on the sites of real estate projects: A risk relating to the non detection of a potential wetland or the process of qualification of the potential wetland is also identified. The group applies a process for qualifying potential wetlands.

- Downstream of the group value chain:

- Impact relating to the consumption of water resources in areas under water stress, i.e. areas historically subject to significant drought episodes. In 2024, none of the projects launched during the year were located in crisis zones.
- Risque identified with regard to the refusal of urban planning permits due to the scarcity of water resources: The group nevertheless has a wide scope of intervention in France, resulting in the ability to avoid these areas of water stress.
- Opportunity relating to the reduced and optimized water requirements of products (housing, office buildings, etc.) made and delivered compared to existing products on the market. All of the group's real estate production receives water saving equipment that allows for lower water consumption than existing real estate. In addition, a majority of projects lend themselves to the sealing reduction strategy implemented by the group and favorable to the water cycle. Some operations even allow absolute soil de-sealing. Please refer to section 5.2.4.2.2.

This analysis was carried out internally, with the consultation of business line experts (technical departments, program departments, quality department, architecture and customer experience, CSR department) and external stakeholders.

5.2.3.2. Policies, actions and targets for monitoring and reducing the group's water consumption

Management of water consumption at directly operated sites

The sites directly operated by Kaufman & Broad include offices and commercial spaces. The group applies a policy for monitoring water consumption at its directly operated sites. The group's actions include:

- Each manager is made aware of how to control water consumption,
- Monitoring consumption enables alerts and action plans to be put in place if overconsumption is identified on a site,
- The topic of preserving water resources is one of the topics covered by the green committees set up at the group's main sites.

In addition, the group has set itself the objective of keeping water consumption below the threshold of 40 liters per employee per day (corresponding to the national average water consumption of offices, according to the Chamber of Commerce and Industry). The water consumption of the agencies is presented below:

	Average workforce*	Water consumption (m³)	Liters per employee per day
2024	661	3,906	27.4
2023	758	5,184	31.1
2022	857	5,379	28.5
2021	820	6,386	35.4

* Average headcount for the year, permanent, fixed term and work study contracts.

Monitoring water stress

Each year, the group monitors its premises in areas known as "water scarcity" (also known as "water scarcity" or "water scarcity" in the most extreme cases).

Water stress is a critical situation that occurs when water availability is below water demand (Source: UN).

For this assessment, the group uses the VigiEau tool published and updated by the French Ministry of Environmental Transition and Territorial Cohesion. This tool maps water stressed areas in France based on historical data on the severity and duration of drought events, climate and water use.

The group identifies its premises located in zones known as "reinforced alert situation" or "crisis situation" based on the drought risk scale on the VigiEau tool. This identification covers all group premises and is carried out once a year by the group's CSR and Innovation Department. In 2024, only one potentially affected office (located in Perpignan) was identified. Its use ceased during the year.

Measures in the event of a water alert situation

If a group site were affected by a heightened alert or crisis situation, measures would be put in place for the premises concerned, including:

- Reminder of government instructions to the teams concerned,
- Organization of an exchange with the teams and managers in place in order to raise their awareness of the subject and remind them of best practices and instructions in the event of a reinforced alert or crisis,
- Posting of best practices in terms of saving water resources on site,
- Implementation of additional adaptive actions depending on the situation,
- Lowering the water consumption target per employee is lowered to 25L per day.

5.2.3.3. Policy and actions to preserve water resources upstream of the value chain

5.2.3.3.1. Preserving aquatic environments

The group's policy is to apply the so-called "Water Law" procedures at all its project sites. During the development of a real estate project, actions are taken to promote the consideration of issues related to water and aquatic environments (flood zones, wetlands, groundwater and groundwater, streams, pond or lake). For this, the group calls on independent experts, whether they are projects subject to declaration or authorization. The main actions are:

- Identifying and delimitation of potential wetlands at project sites (soil and botanical surveys). The tests carried out aim to identify the possible presence of hydrophilic vegetation as well as the hydromorphology of soils. If one of the two criteria is confirmed, the Wetland is proven and the project incorporates its preservation (in whole or in part with compensatory measures in compliance with the regulations relating to installations, structures, works and activities),
- Studies on soil geology and hydrology, e.g. piezometers,
- The process for managing or removing a groundwater in the construction phase,
- More occasionally, the management of an energy exchange with the environment (geothermal on tablecloth),

The amount of these studies and any resulting recommendations is included in the balance sheet of these transactions.

For example, the "Dialogue operation located north of La Rochelle includes the construction of a set of 178 housing units equipped with a basement level. It is developing on a land with an industrial past (former electrical plant and barracks). Considering that the level of the groundwater is between 2 and 3 meters deep, the project required the implementation of a temporary reclamation of the groundwater during the construction phase of the subsoil estimated at 8 months under an authorization and declaration under the Water Law. Measures have been put in place to drive the project without impacting the water resources of the land, namely:

- The implementation of a settling system associated with an active carbon filter before water discharge,
- Preserving the insulation of water tables to ensure that no pollutants are introduced during work,
- Prevention of groundwater pollution (which may occur through water infiltration),
- Prevention of accidental pollution: Storage of consumable products from the worksite under maximum safety conditions, implementation of retention bins in areas where polluting products are stored, areas of maintenance, washing, handling, etc., recovery of discharges from worksite sanitary facilities, no direct discharge of valve water into the natural environment.
- The maintenance, on an ongoing basis, of equipment to combat accidental pollution from all sources.

5.2.3.3.2. Protecting and saving water resources on worksites

The group's policy is to collaborate with its partners and aims to involve its suppliers in implementing actions to reduce consumption and protect water resources on worksites. The risk of groundwater pollution is increased in the case of the rehabilitation of industrial wasteland as defined in section 5.2.2 "Reduction of pollution".

Among the actions taken, the group has generalized a Green and Low Nuisances Construction Site Charter, a contractual document applicable to all works contracts that bind the group to the service providers responsible for the construction of its projects.

This charter provides for the following measures in favor of the preservation of water resources:

- The use of hazardous materials in the construction site is prohibited: POPS as defined in Annexe I or II to EU Regulation 2019/1021, mercury, asbestos, ODS as defined in Annexe I or II to EC Regulation 1005/2009, substances covered by the REACH regulation, and hazardous substances in electrical and electronic equipment,
- Reducing and monitoring water consumption on site,
- A machine washing area is set up, it is concretized and equipped with a retention basin,
- Runoff water is recovered in temporarily impermeable areas for this purpose,
- Effluents (oils, solvents and cleaning or degreasing products) are controlled and collected,
- Any polluting product must be stored in retention tanks provided for this purpose,
- For each batch, the company creates an emergency intervention kit to absorb or neutralize any accidental spillage (fuel, oil, grease, solvent, acid, paint, varnish, etc.),
- Tanks, barrels, cans and pots are labelled,
- Any effluent or product collected on site is either directed to a treatment company or pre-treated on site before being released into the network.

5.2.3.4. Policy and actions to preserve water resources downstream of the value chain

5.2.3.4.1. Preserve, restore the water cycle

The group's policy is to provide for technical and programmatic provisions promoting the management of rainwater at the plot and the preservation of water resources.

In terms of actions, the group applies its internal environmental framework to all real estate programs launched and provides for the following provisions:

- The soil de-sealing of 100% of outdoor parking spaces (excluding PMR spaces or technical impossibility),
- The positioning of non-impermeable surfaces at the bottom, in order to allow rainwater to be infiltrated (when the nature of the soil does not preclude it),
- The use of rainwater infiltration on the ground, depending on the potential of the project,
- A target of reducing the need for freshwater for the maintenance of outdoor spaces (particularly watering) by 50% compared to standard provisions, which may include:
 - The hydroeconomical design of the landscaping project (choice of native and adapted plant species in particular),
 - The use of non-drinking water networks, where applicable,
 - The implementation of a rainwater recovery solution,
 - The installation of green roofs,
 - The creation of infiltration nodes in development projects and also housing projects.

For example: As part of the Chelles Castermant project, the group carried out an operation on a plot of land of about 4,000 sq.m on a former activity site that was initially fully sealed. The operation allows the creation of 111 housing units while recreating approximately 1,000 sq.m of open earth surfaces allowing the infiltration of rainwater. The operation was supported by the Seine Normandie Water Agency, highlighting a green opportunity for the group.

5.2.3.4.2. Commit to reducing clean drinking water consumption in our projects

The water consumption of the inhabitants and the water needs of the projects are simulated for all new projects, over a lifetime (50 years per convention) as part of the life cycle analysis of the RE2020. This approach contributes to the integration and preservation of freshwater resources from the design phase of new operations (Kaufman & Broad can not monitor water consumption once operations have been delivered to its customers) and focuses, in particular on the generalization of water saving equipment and metering tools, as well as individualized monitoring of consumption:

- Individual water meters: Each dwelling is equipped with an individual water meter with remote reading allowing in the use phase billing based on actual user consumption and an incentive to save the resource.
- Hydroeconomical equipment: Since 2022, Kaufman & Broad has extended the use of hydroeconomical equipment to 100% of projects under construction via the MSPE (internal environmental benchmark). Flow rates for sanitary and watering equipment shall comply with the following ceilings:
 - ✓ Sink: 6 L/min
 - ✓ Sink: 6 L/min in residential and commercial
 - ✓ Shower: 8 L/min
 - ✓ WC: Double control 3L/6L (or 2/4L)
 - ✓ Urinals (tertiary): 1L flush or < 2 liters/cuvette/h
 - ✓ Other equipment, tertiary: -30% compared to baseline

The proper application of these provisions is reviewed by the decision-making committees on real estate transactions under the responsibility of the CSR Comex represented by the CSR Director. One off exemptions may be granted (express request from a customer, compliance with other regulations, etc.).

In addition, the amount of these provisions is included in the balance sheet of these operations.

The purchasing department Kaufman & Broad has integrated the maximum flow rates of water saving equipment into its supplier listing strategy.

5.2.4. Biodiversity and ecosystems

5.2.4.1. Biodiversity and ecosystem impacts, risks, dependencies and opportunities

The group collaborated with external biodiversity experts (ecologists) to identify biodiversity impacts, risks, dependencies and opportunities on its own activities and value chain. The group also took into account various reports from international institutions and organizations concerning impacts and dependencies as well as the analysis of biodiversity scenarios (including technical specifications of the Secretariat of the Convention on Biological Diversity, cross analysis on biodiversity issues in mainland France by the General Commissioner for Sustainable Development, etc.). The group is currently extending its approach to biodiversity risks, impacts, opportunities and dependencies through the consistency of its processes with scenario analysis approaches.

The scope of the analysis of biodiversity impacts, risks and opportunities includes sites directly owned or occupied by the group, project sites, products and the main relationships with suppliers.

Biodiversity impacts, risks, opportunities and dependencies are assessed in particular with regard to:

- Biodiversity sensitive areas:
 - Natura 2000 Areas; UNESCO Biosphere Reserves and World Heritage *world heritage*;
 - Key Biodiversity Areas (KBA), in particular the International Union for Conservation of Nature (IUCN) sites listed by the French committee;
- Other areas that may be identified or classified as biodiversity:
 - Other protected areas of a regulatory nature: National parks, national and regional natural reserves, prefectural biotope protection orders, geotope, natural habitats, etc.;
 - Protected areas of contractual types: Regional nature parks, other Natura 2000 sites, etc.;
 - Areas of importance for biodiversity, in particular other Nature Areas of Faunistic and floristic Ecological Interest (ZNIEFF) type 1 and 2;
 - Ramsar sites;
- Other areas with biodiversity issues: Wetlands, etc.
- Concepts of soil artificialization and sealing:
 - artificialization: Land and parcels allocated to the building, as opposed to natural, agricultural or forest non-artificial spaces;
 - Soil sealing versus soil de-sealing: Surface causing runoff of rainwater versus surface allowing infiltration of rainwater.
- On the group's direct locations
 - Impact on leased office buildings that house the group's teams (for more information on the map of agencies and branches, please refer to section 1.1.1.2. "Presentation of the Company"), with very limited materiality. None of these sites is located in an area identified as being sensitive to biodiversity and/or significantly affecting biodiversity. The group's processes provide for an annual audit.
 - Dependence on the consumption of bioethanol for the mobility of group employees. This energy consumption is part of the transition plan to decarbonize mobility, primarily from fossil fuels to electric vehicles. Bioethanol can be used as an energy carrier in the transition. Dependence is estimated to be low in relation to volumes consumed and existing alternatives.
- On the upstream of the value chain
 - Impact on the activities and processes of suppliers of 2nd rank (suppliers of materials and components): The group identifies sand used in the manufacture of concrete as well as bio sourced materials as resources requiring special attention (the group's policies and actions require the use of wood in accordance with Zero Deforestation and PEFC and FSC certified standards).
 - Impact of 1st tier suppliers' operations and processes (construction companies).
 - Dependence on materials and components derived from biodiversity: The assessment considers the resource of biosourced materials, particularly wood. The group notes that the resource does not appear to pose a high risk of climate change (decline in softwood mortality, scenario R1 _ B1 _ C2, of the IGN study, FCBA, May 2024) and that the sector plans to maintain or even increase production volumes (scenario C2, projections of wood availability and stocks and carbon flows of the French forestry sector, study IGN, FCBA, May 2024). The C3 scenario of the same survey highlights a possible moderate strain on the resource in the event of recurring extreme events (storms). These scenarios support the group in maintaining diversified constructive modes and in identifying and managing constructive modes that are alternatives in the event of tension on this resource.
 - Impact on Biodiversity related to the development of real estate projects:

The group operates mainly in France and carries out its real estate projects only in areas defined as constructible or urban. These areas are defined by the Local Urban Plans (PLU or PLUi) at the level of each city. These PLUs themselves set out the Territorial Coherence Schemes (SCoT). The SCoTs are tools that take into account the articulation of the socioeconomic needs of the territories as well as their resources and environmental parameters, in particular the fight against the artificialization of the soil and the protection of natural spaces.

Real estate operations are fully developed under administrative authorizations that have been fully obtained and served with all recourse. The process for obtaining administrative authorizations includes a case by case examination of the potential impacts of the project on the environment and particularly biodiversity in discussions with the authorities (fauna and flora, soil, water, air or cultural heritage). According to the significance of the project and the environmental sensitivity of the site, an impact assessment is required. Ecological diagnostics and fauna flora surveys (including protected species) are then developed by independent ecologists. When a risk of damage to biodiversity is identified, the group systematically transcribes in its operations the findings of impact assessment studies and the mitigation measures requested by the Environmental Authority so that no activity or site is material in terms of damage to biodiversity sensitive areas. Finally, obtaining administrative authorizations is conditional on environmental issues being taken into consideration in the project.

Assessing the impact of the group's activities on biodiversity also involves analyzing the nature of the land that is the subject of real estate projects. The cross analysis of the Office of the Commissioner General for Sustainable Development, based on scenario analyses, show that there is a strong link between the ZNIEFF (Natural Zone of Ecological, Faunistic and Floristic Interest) and the irreplaceable nature of biodiversity regardless of the scenario studied (S1, S5 or S10). These analyses also demonstrate a high under-representation of arable land and a high over representation of permanent crops in irreplaceable biodiversity mesh, which has been involved in risk analysis and monitoring.

The group thus monitors the nature of the spaces on which its projects are developing. In 2024, the group estimates that it initiated the development of real estate projects on 44 ha of land as follows:

Biodiversity Impact	Land already artificial	Original non artificial land: 16 ha	
		Arable land	Permanent crops, natural or forest space
44 ha of land purchased in 2024	28 ha	13 ha	3 ha
Excluding sensitive areas Biodiversity	63%	29%	8%
In sensitive areas Biodiversity	0%	0%	0%

- Risk related to the poor consideration of biodiversity issues in the process leading to the development and implementation of real estate projects. Existing processes seem to have an important level of maturity in this area.
- Impact related to land use change: The development of real estate projects, the group's main activity, is closely linked to the challenges of land use. A majority of the real estate space is on land that is already artificial and partially impermeable (see table above). Some of these projects reduce the soil sealing by recreating full land and permeable spaces, representing a positive impact (3.4 ha will be de-sealed on land acquisitions 2024) as well as a green opportunity developed below. On the other hand, some projects may develop on land with little or no sealing, such as non-artificial land (agricultural, natural or forestlands), which in the vast majority of cases do not constitute sensitive sites in terms of biodiversity or the irreplaceable nature of biodiversity.
- Risk relating to the non-compensation of building rights. The decrease in building rights on natural, agricultural or forest land may not be offset by the increase in building rights on already artificial land, as part of the strengthening of regulations on combating land artificialization.
- Opportunity for soil de-sealing: The conduct of projects enabling soil de-sealing can receive financing because of their contribution to the restoration of the water cycle and the reduction of the cost of developing and operating networks.

Impact/risks of sealing (ha)	Artificial land	Original non-artificial land: 16 ha	
		Arable land	Permanent crops, natural or forest space
44 ha of land purchased in 2024	28 ha	13 ha	3 ha
Surface without change in permeability	18	7	2
Sealed surfaces	6	6	1
De-sealed surfaces	3	-	-

- On the downstream of the value chain:
 - An impact related to the maintenance of outdoor green spaces by customers and users.

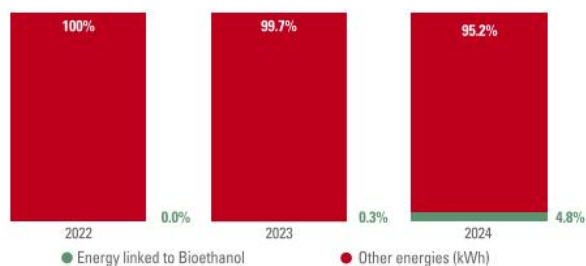
5.2.4.2. Biodiversity policy and actions

5.2.4.2.1. Biodiversity policy and actions in the group's premises and mobility

Kaufman & Broad's policy is to promote biodiversity at each of the major sites occupied. Actions include encouraging respect for biodiversity and the eco management of leased site spaces, particularly through green committees in conjunction with site managers.

Kaufman & Broad's policy also includes the use of low energy bioenergies as part of transition plans. Among the actions, bioethanol can intervene for the mobility of vehicles for which use does not allow immediate electrification, this energy is considered transitory in the context of the migration of fossil energies to the electrification of mobility.

The chart below illustrates the use of bioethanol compared to other energy sources over the past three years:



5.2.4.2.2. Policies and Actions regarding biosourced suppliers, materials and components

The group's policy is to promote the use of biosourced materials and components in its production, while ensuring that this does not have a negative impact on natural resources. In 2024, the proportion of biosourced materials included in the projects launched was estimated at 9 kg/sq.m.

To this end, the group's actions consist of:

- **impose high standards** on its suppliers in all specifications: Any wood material must be FSC or PEFC certified and comply with zero deforestation standards,
- **give preference to the local area**: Mainly use French or European softwood,
- **raise awareness among suppliers** of biodiversity issues, particularly through the K&B Supplier Ethics Charter. Suppliers certify as part of their adherence to this charter that the production cycle of materials, components or products does not affect biodiversity sensitive. The Supplier Ethics Charter also provides for a whistleblowing procedure in the event of non-compliance being detected. No proceedings have yet been initiated.

5.2.4.2.3. Biodiversity Policies and Actions in projects

The group's policy is to promote the preservation and development of biodiversity, which is also considered an element of the quality and sustainability of its production.

The group's processes stipulate that property project files, analyzed during decision-making committees, must include specific indicators in the assessment of the impact on soil and biodiversity conservation. Consideration of the natural and landscape context in the development of the real estate project is also addressed in decision-making phases. Data consolidation makes it possible to monitor the group's action for biodiversity and the reduction of soil sealing over time. This tool also makes it possible to evaluate the project against the "Do No Significant Harm" criteria of the European Taxonomy, particularly for the protection and restoration of biodiversity and ecosystems.

The group actively monitors biodiversity regulations and best practices through its membership of the Green Building Observatory.

The Company's environmental actions and processes in terms of biodiversity are broken down into 5 areas:

1. Identify impacts, risks and opportunities in areas with biodiversity challenges

The group's processes systematically incorporate the control of biodiversity risks and impacts and the identification of opportunities from the design stages.

An assessment of the project's situation in or near a sensitive area or area with a biodiversity issue is systematically carried out and is based on:

- based on a mapping analysis, in particular from the Geoportail.gouv sites (operated jointly by several national actors, including the National Agency for Territorial Cohesion - ANCT, as well as the National Center for Scientific Research - CNRS), the Wetlands Network and Key Biodiversity Areas, which identify the coverage areas of the main biodiversity protection areas. A very small part of the transactions may be involved. In 2024, the activity in sensitive sites with a biodiversity issue did not concern any of the land acquisitions or any of the surface areas initiated.
- possible additional field analyses, including soil and botanical studies to characterize possible wetlands.

The group's actions provide for the systematic intervention of an independent ecologist for any site:

- located in or within 200 m of a sensitive natural area
- or located in another area with biodiversity issues,
- or the development of warehouses in excess of 20,000 sq.m of ground area.

In this case, the expert performs a mission providing at least a diagnosis of the initial site and recommendations and recommendations for the proposed project in order to maximize the site's biodiversity potential.

2. Preserve and improve the existing

The group's actions in the area of biodiversity are also included in the internal environmental framework. The MSPE requires the identification of major trees on the site to be preserved and specifies protective measures to preserve major plant subjects during the construction phase (including their root systems).

The internal environmental process also specifies that all the group's operations must achieve a positive balance in terms of trees (major subjects of more than 5 m at maturity), in addition to a multi layer approach in the design of the landscaping project for the purpose of plant intensification. This approach contributes to a positive impact on biodiversity in the majority of projects and improves the adaptation of operations to climate change. As a result, the group's impact is positive on the density of major plant subjects.



512 The number of trees planted on projects delivered in fiscal year 2024.

The K&B MSPE specifies that the plant species contributed must meet the following criteria:

- non-invasive;
- low allergens (allergenic species classified as "high risk" are prohibited; the introduction of "moderate allergenic risk" species is limited to 25% of subjects);
- adapted to the climate and the field;
- mostly resilient to climate change;
- be able to build diversified vegetable strata.

For multi-occupancy housing:

Agora student residence- Normandie Agency	Harmonie project - Marseille Agency	L'Imperiale project - Ile de France Agency
In an effort to take biodiversity into account, the Agora project to develop 149 student housing units in Mont Saint Aignan provides for the integration of nests adapted to titters and rougesqueues, as well as cottages for bats. A consultation of the Bird Protection League (LPO) identified the nesting typologies to be implemented on the project according to the species in the vicinity. These wooden concrete nests were directly integrated into the building's facades.	As part of the Harmonie project, located in the 'La Duranne' district of Aix en Provence, Kaufman & Broad has implemented an innovative Environmental Obligation procedure accompanied by methodological monitoring in order to participate in the preservation of a species of orchid (ORE).	Delivered in 2024, this operation of 96 multi-occupancy housing units, located in Rueil Malmaison, was carried out while taking into account biodiversity issues on the site. As a result of the implementation of the project, approximately 330 additional sq.m. of full land were created on the plot, thus welcoming different vegetable strata within the plot. The measures put in place, the actions to be taken, but also an ecological management plan have been provided to managers and residents to ensure that this approach continues throughout the life cycle of the project.

For urban development projects:

As part of the restructuring of the General Stores site in Reims, an ecological inventory over four seasons was conducted by an independent ecologist in order to comprehensively identify the species of fauna and flora present on site. The diagnosis highlighted issues of low importance that were nevertheless taken into account, for example:

- The possibility of using the site as a passage area by species present in nearby Type II ZNIEFF, as well as the observation of a near threatened species near the land,
- Identification of a nationally protected reptile species,
- The presence of invasive flora species,

Improving the site's environmental performance results in

- The preservation of existing fauna and flora during the construction period (protection around trunks and root systems of trees, construction schedule adapted to the life cycle of the fauna),

- The establishment of diversified habitats and micro habitats serving as safe haven areas allowing certain species to remain on site (nesting, field hedges, reptile pierriers, insect hotels favorable to many beetles and diptera),
- The integration of vegetation media allowing the circulation of fauna between built areas,
- Monitoring soil withdrawals, management and treatment to combat the proliferation of invasive species,
- The composition of a plant palette consisting mainly of local species or adapted to the site's climatic conditions,
- The establishment of an ecological management plan for the maintenance of all the green spaces of the project (no use of phytosanitary products, reasonable size of trees and shrubs, implementation of differentiated management, etc.).

For the Commercial business line:

Austerlitz project (A7/A8) in Paris	Amédée in Bordeaux
Within the iconic Austerlitz Railway Station renovation project, the group produces a multitude of products including approximately 55,000 sq.m. of office space, 6,500 sq.m. of hotel space as well as 29,000 sq.m. of retail space and other spaces (associative premises, delivery areas, parking spaces, etc.). An important place has been given to the biodiversity theme in the project that will house green spaces with a total surface area of 24,000 sq.m. These spaces will be spread over different strata of the plot, including: • 1500 sq.m of roofs dedicated to urban agriculture, • 3,500 sq.m of terraces promoting biodiversity: These terraces will accommodate herbaceous vegetation of local non-allergenic, non-invasive and climate appropriate species. Requiring little watering and fertilizer, they are intended to serve as a refuge for the fauna and will be complemented by nearby nests.	The Amédée project, located in Bordeaux and delivered in 2022, is part of an eco neighborhood aimed at the Biodiversity label, the first international label to take biodiversity into account in building and renovation projects.

3. Limit soil sealing, particularly in sensitive areas in terms of biodiversity

The group's policy aims to monitor and limit changes in land use, particularly in biodiversity sensitive areas.

The group's processes are based on Kaufman & Broad's environmental standards (K&B MSPE), which require practices that promote the reduction of soil sealing:

- 100% of the projects carried out include a green space, with priority given to natural land,
- The Biotope coefficient is simulated for each of the group's projects during the design phases. Compensation actions can be implemented (such as green roofs and terraces for example),
- All outdoor parking spaces are designed in a permeable way.

These actions help to reduce soil sealing. They are also an economic opportunity because some operations can value their contribution to reducing the cost of rainwater management by local authorities and network operators. The reader is invited to refer in particular to the opportunity related to the soil de-sealing, developed in section 5.2.4.1 of this Chapter.

4. Limit soil artificialization and sealing, see the soil de-sealing of land by recycling land:

The group's actions also focus on the evolution of its business model to carry out more virtuous projects for the soil de-sealings as well as the reduction of artificialization. The subsidiary Aménagement et Territoires (A & T), created in 2020, specializes in the conversion of wasteland. In addition to the positive impact on biodiversity related to permeation and plant restoration, the rehabilitation of these wasteland acts as a "carbon sink" thanks in particular to the planting of soil.

As a result, the resorption of the wasteland benefits the entire surrounding area, creating value for stakeholders and for Kaufman & Broad.

Example:

The general stores rehabilitation program carried out by A & T aims to become the first center dedicated to the creative and entrepreneurial industries in the region with 4,000 sq.m dedicated to creativity and innovation. It seeks to initiate a new attractiveness with a qualitative and inclusive space bringing together 1,300 new inhabitants and 4,500 students. This program also aims to create an exemplary neighborhood from the point of view of sobriety and biodiversity. The transaction is also involved in a biodiversity certification process (Effinature certification). The site's layout allows a 132% increase in permeable surfaces (20,332 sq.m) with 30% green roofs planned.

Reims program - Magasins Généraux	Before renovation	Planned after renovation	Overall impact
Artificialized surface area	39,000 sq.m	27,000 sq.m	(-) 30%
Number of trees	4	1,700	1 tree/9 sq.m of green surfaces

5. Designing with nature:

In addition to its aesthetic and pleasure functions, nature is considered a system in which each project must integrate and interact. For each project, consideration is given to their integration into green (flora), blue (water), brown (living soil), turquoise (wetlands) and black (light pollution control) frames. Since 2023, MSPE K&B has required the systematic use of an ecologist for any project located within or within 200 m of a protected natural area. In addition to this internal process, a landscaper and/or ecologist is regularly involved in designing the program to study landscape integration. The integration of the project is also particularly studied in the event of recommendations from the French Building Architects (ABF) on heritage issues.

The design of building landscape systems also incorporates their resilience to climate change:

- Resilience to drought: MSPE K&B aims to reduce water needs by 50% through the water saving design of outdoor spaces, the choice and layout of essences, the use of non-drinking water networks or the implementation of a rainwater harvesting solution (this system is widespread in single-family homes). The reduction in water requirements for projects concerns outdoor spaces as well as water consuming equipment in buildings. MSPE thus imposes maximum speeds for all equipment in line with best practices.
- Resilience to heat waves: The design of the building landscape system incorporates the challenges of combating the urban heat lot, the comfort of summer and the optimization of luminous inputs in winter, as well as the hygrometric regulation on the scale of the plot.

In 2024, the group updated its standards for the design of outdoor spaces in order to strengthen the consideration of biodiversity, adaptive solutions based on nature and the preservation of the water cycle.

Regarding logistics buildings, the subsidiary Concerto has committed for all warehouses to plant champagne hedges composed of trees and shrubs on two rows covering a linear at least equivalent to 50% of the property limit and in line with the local green frame. At least 50% of the hedgerows linears are composed of pollinator friendly species.

The MSPE K&B also requires each project to include at least one mechanism that is favorable to the reception of biodiversity (such as nests, cottages, inheritance passes, insect hotels, etc.).

5.2.4.2.4. Consideration of biodiversity in the downstream value chain

The group's policy aims to raise its customers' awareness of biodiversity issues through the explanation of design choices that favor biodiversity as well as recommendations on the responsible maintenance of outdoor spaces.

The group's actions include the communication of an Owner's Guide to all customers. This guide contains maintenance recommendations and green gestures that promote biodiversity. This guide highlights the important role of gardens in the quality of the living environment and proposes recommendations to preserve the water cycle and living soil and the ecosystems it hosts. They encourage the sustainable management of outdoor spaces.

5.2.5. Use of resources and circular economy

5.2.5.1. Identification of the impacts, risks and opportunities related to the circular economy

The scope of the circular economy risk analysis includes the group's directly owned or occupied sites, the sites of real estate projects entrusted to our suppliers and relations with them as well as the use of our products.

On direct operations

- Impact on waste produced in offices. The group carries out office activities at the various locations in France and works with its employees to reduce, reuse, sort and recycle office waste.

On the value chain

A - Upstream: Property development sites

The group carries out its real estate activity within the construction sector. The assessment of impacts, risks and opportunities is based on data from the building sector in France as well as statistics specific to the group's activity.

According to ADEME and REP Bâtiment, the construction industry produces 46 million tonnes of waste and rubble each year from demolition or decommissioning, three times more than household waste. More than 85% of the waste mass would come from decommissioning and rehabilitation works (excluding excavated land). It should be noted that the group promotes new real estate and rehabilitation projects on land that is already artificial for biodiversity, climate and carbon strategy issues in particular; this exposes it to operations generating the most waste (demolition, curing). The material recovery rate for the construction sector in France is 67%, all waste combined (2023, source: FFB).

Waste generated upstream of the value chain should also include the mass of excavated land that cannot be reused on site, when the real estate project provides for, for example, the construction of parking spaces in infrastructure. Thus, the group identifies the following impacts, risks and opportunities in the circular economy:

- Impact of waste produced on worksites. In order to monitor the profile of the waste generated, the group is attentive to the nature of its production on each of the real estate projects (surfaces demolished on already artificial land, share of parking spaces made in infrastructure in particular). The 2024 analysis estimates the volumes of waste generated by the real estate business as follows (based on cross sector data with the specificities of the projects developed by the group), per sq.m.:
 - 0.916 tonnes of excavated land not reused on site (estimated on the basis of the number of parking spaces under new infrastructure construction), of which 0.038 tonnes of so called "polluted" land; land excavations are mainly due to the construction of parking spaces in infrastructure (the group promotes sustainable mobility alternatives or complementary to the practice of the individual car especially for carbon issues and seeks to minimize the volume of parking spaces resulting in land excavations).

- 0.247 tonnes of demolition waste (selective deconstruction or rehabilitation; estimate based on deconstructed and rehabilitated surfaces). The group promotes development on already artificial land (in response to the issues developed in the Biodiversity section) as well as renovations (particularly in response to Climate issues). This leads him to intervene on old buildings that can be parked or deconstructed. These materials are mostly inert or banal, which can be recovered in this way, but some old buildings may contain hazardous materials.
- 0.022 tonnes of waste during the construction phases of the buildings (estimated on the basis of the surface area). The majority of this waste is non-hazardous. As such, the group prohibits hazardous materials in its tenders (see section 5.2.2.3. "Policies and actions on the upstream of the value chain in terms of pollution reduction"). This waste is mostly inert (or non-inert non-hazardous) and presents a sorting challenge to allow material recovery (including packaging of components supplied by second tier suppliers).
- Opportunities through real estate building rehabilitation activities, which allows to retain part of the structure of existing buildings, thus minimizing the volumes of waste generated.
- Opportunities through involvement in the circular economy sectors of construction, to supply or benefit from low carbon materials and components resulting from reuse or recycling.

B - Downstream: When using products

The group designs, commissions and sells residential, office and other real estate properties. In this context, the following impacts are identified:

- Impact related to the operation of buildings: They have premises adapted to the practice of waste sorting (the housing managed by NéoResid provide an incentive to reduce waste as well as a display of sorting instructions). This helps to improve the recycling rate.
- Impact related to the future renewal of certain components of completed buildings. Some elements, such as flooring, can be renewed during the life of the buildings. The group takes into account the lifespan of the various components in the analysis of the product's carbon life cycle, favoring the most sustainable components over the theoretical and conventional life cycle on which these studies are conducted (50 years). End of life assumptions for building components are also taken into account (module D systematically taken into account in the application of NF EN 15804 + A2/CN for the development of FDES). This approach encourages the use of components that benefit from reuse, recycling or, in the absence of recovery.
- Impact related to the scalability of building structures and the dismantling of building components. This approach gradually strengthens the compatibility of its achievements with the circularity logic of the matter.

Risk assessment takes into account discussions with experts, players and stakeholders involved in the circular economy in general and in particular within the construction sector.

5.2.5.2. Waste policies, actions and targets at Kaufman & Broad premises

As a property developer (non director builder), the waste generated directly by Kaufman & Broad is mainly office waste.

The group systematically applies a policy similar to site waste management to all its sites: Reducing and reducing waste and then developing reuse or, failing that, sorting for recycling the various flows.

Waste reduction actions

Kaufman & Broad implements actions to reduce waste at source, in particular through the removal of single use products (removal of coffee cups and plastic water bottles, meeting room water carafes, etc.) or the widespread validation of printing documents at the printer.

Kaufman & Broad is also committed to responsible IT equipment management by signing a sector position note on digital sobriety. The manufacturing of computer hardware is its main source of IT carbon emissions. Reducing equipment consumption and extending their lifespan are therefore identified as the most effective levers.

In order to avoid the proliferation of equipment for each employee, since July 2021 the group has systematically offered professional phones with the possibility of inserting two SIM cards. Employees can thus own a single phone for their professional and personal uses, thereby reducing the need for telephone equipment.

The group has also taken steps to extend the lifespan of its IT equipment. In collaboration with manufacturers or partners, the useful life of computers from 1 to 2 years has been extended to 3 years to 5 years (or more). This action significantly reduced the number of IT equipment reaching the end of life. In addition, conditions have been put in place for the recovery of computer equipment, mainly for Data Centers.

Reuse and re-employment actions

Where possible, Kaufman & Broad promotes the reuse and reuse of its end of life IT equipment by selling it to employees or partner associations for a symbolic amount. When the equipment is no longer usable, the group has entered into partnerships with companies with the aim of recovering it (restoration allowing it to be reused, or failing this, recycling or recovery).

Sorting and recycling actions

The group is committed to a policy aimed at generalizing sorting and recycling in all its agencies, in conjunction with a common service provider. This service provider also contributes to professional integration by creating long term jobs for people who are far from the job market and people with disabilities.

In fiscal year 2024, approximately 34 tonnes of waste were collected, of which 12 tonnes were recycled. The generation of remaining waste with no recycling potential is mostly recovered in the form of energy (incineration). In addition, the entire tonnage of cardboard paper collected and sorted by this service provider has been recycled in paper mills located in France.

The actions to reduce and control office waste also concern waste that may be hazardous as specified in section 5.2.2. "Reduction of pollution".

	Weight of waste collected (kg)	Weight of waste collected per employee * (kg/year)	Weight of recycled materials (kg)	Percentage of waste recycled during the year	Water saved (m³)	Emissions avoided (KgCO2eq.)	Energy saved (kWh)
2024	34,343	51.96	12,201	36%	397	3,187	79,446
2023	43,588	57.50	21,882	50%	721	5,148	145,911
2022	57,903	67.56	-	-	-	-	-

* Data provided by service providers.

* The weight of waste is relative to the average workforce over the fiscal year

Objective: The group has set a target of reducing office waste to a maximum of 60 kg/year per employee in 2025 and to a maximum of 55 kg/year per employee in 2030. At the same time, the group aims to achieve a 65% recycling rate for this waste in 2030.

5.2.5.3. Policies and actions to reduce, sort, recover and track site waste

As project owner, the group has a positive influence on its suppliers and service providers by means of environmental and social criteria integrated upstream when contracting works. The requirement to comply with all applicable environmental and social regulations and the Kaufman & Broad standards is also reiterated in the contractual clauses. The K&B Supplier Ethics Charter thus commits our value chain to promoting the circular economy, the sustainability of components and actions to reduce, sort and recover waste.

5.2.5.3.1. Reducing and reusing: Building rehabilitation

In line with the logic of reducing urban sprawl and reducing soil sealing, most Kaufman & Broad operations develop on land which has already been built on. The Kaufman & Broad teams are primarily studying the technical and economic viability of building rehabilitation and/or urban intensification scenarios from the existing building (for example, to elevate, elevate, extend) with regard to promotion or decommissioning scenarios.

A potential study to be rehabilitated (change of destination, rehabilitation, elevation) on land including buildings of more than 1,000 sq.m SDP is systematically carried out. The aim is to promote the most

economical approaches in terms of the mobilization of materials and resources - and therefore of CO2e emissions -) while ensuring the implementation of the best energy performance systems within buildings in the existing housing stock.

Among green business opportunities identified by the group, converting vacant or obsolete office space into housing is a strategic and operational priority. The building structure is usually preserved and adapted, thus minimizing the material flows and carbon footprint of the operation. A Product, Equipment, Materials and Waste Diagnosis (PEMD) is carried out on all remodeling of more than 1000 sq.m. SDP, with a focus on a player in the circular economy to identify any recoverable resources.

This global approach to rehabilitation is also embodied in commercial property through the "Revivalis ®" offer. This solution is aimed at building managers who wish to avoid a real estate discount due to obsolescence and benefit from both a revaluation of their real estate assets, significant reductions in energy consumption, upgrading to standards and customized restructuring of buildings.

Examples: with this in mind, the Kaufman & Broad is carrying out rehabilitation projects that make it possible to change the use of existing buildings while maintaining their structure and structure. This approach makes it possible to reduce some of the carbon emissions related to materials compared to new construction.

Potocki Hotel Project

The project launched by Kaufman & Broad on the Potocki Hotel, as Senior Project Manager at OSAE, illustrates the group's approach to preserving and rehabilitating existing assets. Classified as a historic monument for more than 30 years and decorated with its garden of 3,000 sq.m, this site has historically welcomed the offices of the Chamber of Commerce and Industry of Paris. The group wanted to extend the life of this monument through an ambitious renovation, particularly because of the particular typology of the hotel, whose façade and many salons are classified, constituting an architectural challenge of optimization of the available space. The operation aims to modernize spaces and improve the overall energy performance of the building, illuminate low ground floor surfaces, set up platforms for collaborative work, densify eligible

staff, provide services in parts with limited dimensions, create functional seals between surfaces that can accommodate the public and others reserved for staff, renovate and preserve existing joinery. In short: Adapt a building designed more than a century ago to the taste and environmental performance of the day. The renovations made to the building aim to achieve objective 2040 of the tertiary decree by reducing energy consumption by 50%, particularly through the use of geothermal energy. This project also targets several labels, two of which are specific to renovation, namely a carbon performance aligned to the "Efficient" level of the BBCA Renovation label, as well as BREEAM Refurbishment and Fit Out Very Good certification.

Lille Vinaigrerie project	Bois-Guillaume	Cour Saint-Mathurins
The Lille agency of Kaufman & Broad is currently working on the transformation of a former office building, which is due to lead to the delivery of a social hotel residence in early 2026. This property will have 182 bedrooms as well as common areas that will animate the ground floor.	At Bois-Guillaume (76), Kaufman & Broad renovates the site of the former CHU. This project aims to create approximately 400 housing units. It was designed in an ambitious environmental approach. An in depth ecological survey led to initiatives to preserve biodiversity. The program also offers solutions to encourage the use of electric vehicles on car sharing (charging stations, booking application, etc.) and is fully connected to an urban heating network using 80% renewable energy. Some of the buildings already present on the site as well as an old desacralized chapel of about 300 sq.m will be rehabilitated and transformed.	The group's Breton agency is developing a project located in Laval, in the department of Mayenne, aimed at transforming the plot of Hercé-Saint-Maturins (a site of approximately 4,700 sq.m) housing emblematic historical elements into a residential micro neighborhood while preserving the city's heritage. Among the key points of the project: • The rehabilitation of 31 housing units guaranteeing better thermal and hygrometric comfort, as well as the rehabilitation of the former thirteenth century chapel to accommodate tertiary premises, • The transformation of former offices into Real Solidarity Property Lease (BRS) housing units, • The completion of 19 new housing units in 2 wooden structure buildings.

Establishment of Kaufman & Broad's headquarters in the Highlight building

Kaufman & Broad chose to locate its headquarters in the Highlight building. This project consisted of the heavy renovation of a set of existing buildings by maintaining the structure of the building of 14 floors. With the addition of a new extension, Kaufman & Broad rehabilitated 17,600 sq.m of collaborative workspace while intensifying and de-sealing the plot. The project is part of a multi certification process. The rehabilitated building is:

- Certified in line with NF BT HQE "Renovation," according to the HQE framework
- Certified with the BBC Effinergie Rénovation label
- Well label.

Indicator: among the projects launched in 2024, two projects included rehabilitation works, representing 9.18% of the surface area launched during the year.

5.2.5.3.2. Reuse: Responsible decommissioning

When the restructuring of existing buildings is not relevant, a decommissioning process is then initiated. Kaufman & Broad promotes the vision of circularity that the building is to be considered as a bank of materials that can be reused, at least partially. The group has thus formalized the selective deconstruction process as part of an innovation brick which is produced and distributed internally. The MSPE K&B makes it mandatory to carry out a Production Equipment Waste Diagnostic (PEMD) prior to any intervention on a work of more than 1,000 sq.m SDP, giving priority to service providers involved in the circular economy of re-employment and in addition to the group's involvement in these same re-employment ecosystems, as described below for the use of the circular economy for construction materials.

Target: the group has set a target of over 80% of demolished surface areas being screened for "Materials and Waste" (PEMD) in order to identify resources that can be directed towards the circular economy. In 2024, 16 projects initiated were subject to PEMD diagnostics, representing 87% of demolished areas.

Among the environmental requirements that its suppliers must meet, the group requires the systematic use of the Trackdéchets tool for the dematerialization of the traceability of hazardous waste, asbestos or containing persistent organic pollutants (POP waste) when deconstructing buildings (these materials are prohibited under new construction).

5.2.5.3.3. Reusing materials in the design and production of new buildings

If a growing proportion of waste in the construction industry is now recycled, few are "reused", i.e. reused by not being or very little processed. However, many building materials can be recovered after disassembly for reuse, thereby significantly reducing the environmental footprint of buildings.

Based on an impact assessment carried out by the reuse booster using data from FDES (Environmental and Health Statement sheets), for 1,000 sq.m of surface area, reuse saves 44 tonnes of waste and 67 tonnes of CO₂ (and more than 1 million liters of water). These performances are fully in line with the targets of the National Low Carbon Strategy (SNBC) and the emission reduction commitments made by Kaufman & Broad.

A structuring market: An offer to be made clear, a demand to be developed

In terms of supply, many suppliers and demolition/deconstruction firms already offer materials on reuse platforms. It is on the demand side that the integration of re-employment is less mature: The possibility of resorting to re-employment is indeed very rarely integrated upstream.

Contractors rarely have the flexibility or resources to replace new materials with reuse materials. In addition, insurance companies are still struggling to take these materials into account in their guarantees. While the anti-waste law for a circular economy (February 2020) requires the public order to "ensure the use of reuse materials", this injunction still has a limited impact and no obligation is yet provided for private actors.

Keen to be more environmentally friendly, Kaufman & Broad implements a policy of reusing materials on its projects.

Example: Clésence Project in Compiègne (4,400 sq.m. of office space -2025 delivery)

Kaufman & Broad is currently developing the new premises of Clésence in Compiègne: 4,400 sq.m of office space designed to meet the current challenges of sustainability and usage that will be delivered in 2025. As part of this project, the group carried out a PEMD diagnosis that led to the initiation of the reuse process and the identification of the list of materials to be recovered. After a selective deconstruction of the Company's former headquarters, this approach continues at the same time:

- In situ: Materials recovered from the original building will be reused directly on site (doors, ceiling slabs, metal grids, or LED luminaires),
- ex situ: Some materials were directed to recycleries where possible. Not reused on site, they will be valued in other projects to extend their life cycle. For example, 10,000 tonnes of concrete and 105 tonnes of scrap were revalued.

Acceptability of reuse: Customer perception survey

Kaufman & Broad focuses on its customers' perception of reused materials in new buildings. An external service provider conducted a survey of 527 potential buyers representing its retail residential customers. Various examples of the use of reuse materials have been subject to their qualitative assessment, both in common and private areas.

Commitment to the Reemployment Booster Program

The group is a founding member and partner of the Booster of Re employment program, which brings together some thirty major project managers. This commitment aims to promote the use of reuse materials in works markets. The aim of this initiative is to structure demand, which is now shy and fragmented, in order to be able to take off the reuse that now represents less than 1% of the materials used in construction. Increase in this demand is necessary to achieve the various SNBC targets. This involves working with the "teammates" and "designers" of the worksites: Architects, designers, design offices, control offices, technical managers, committed companies and manufacturers. An online platform has been developed to centralize, massify and standardize needs for reuse materials, which are now difficult to identify for suppliers: False floors, false ceilings, door, luminaire, carpet, locksmithing, bulkhead, furniture, carpentry, plumbing, etc.

Operation of the ZAC La Vallée located in Châtenay Malabry

This large scale project addresses energy and circular economy issues. The design of the new eco neighborhood was designed following the closure of the École Centrale, to be exemplary and innovative in terms of design. For example, on the ZAC, the RéaVie association was commissioned to manage the reuse of materials and furniture from the deconstructed old school via a platform that also raises public awareness of waste management issues through participatory workshops.

5.2.5.3.4. Reduce, reuse, recycle: management of excavated land

Excavated land constitutes the majority of the potential waste/resources produced on the group's value chain (approximately 69% of the estimated waste production on the upstream of the value chain). The group implements a virtuous approach to this flow:

- **Reduce:** Excavated land is mainly produced by the realization of infrastructure parking levels for certain building projects. During the design phase, the group strives to minimize the number of parking spaces in the building. This involves, in particular, implementing complementary or even alternative solutions to the practice of individual cars and encouraging active mobility: In all these projects, the group carries out at least one bicycle parking space per dwelling (2 spaces from 3 rooms). The proximity and quality of public transport near the site makes it possible to optimize the number of parking spaces carried out in buildings with a target of a maximum space per accommodation within 500 m of a station.

Indicator: in 2024, on the scope of the projects launched during the year, the group produced an average of 0.62 parking spaces in infrastructure per unit of housing produced.

- **Reuse:** The group seeks to reuse excavated land as much as possible on the site of its excavation, as part of the development outside the real estate project. The MSPE therefore requires excavated land to be considered a resource and, as a result, to seek on all projects to maximize on site reuse before any evacuation.

Indicator: in 2024, the share of land reused on site for projects launched during the year was estimated at 23%.

- **Recycling:** The reuse of off site land can be studied when the action is useful for a development project *ex localisation* and the absence of any impact on the environment and health is demonstrated, in compliance with waste regulations.
- **Leave to land:** Excavated land is treated as a last resort in Inert Waste Storage Facilities if the nature of the land permits.

The signatories of this initiative have undertaken 150 projects (5 each year) to implement reuse materials from deconstructed old buildings. In early 2024, Kaufman & Broad renewed its commitment and also organized operational workshops led by the Re Employment Booster with its technical teams to promote re-employment in the design and prescription phases.

Circular Economy in Urban Development Operations

Kaufman & Broad's commitment to promoting the circularity of materials is reflected in its Aménagement et Territoires structure, which deals with land recycling as well as building production.

As part of the Reims Magasins Généraux, Aménagement et Territoires project, it was named winner of the DEMOCLES call for projects. This is a collaborative platform co financed by ADEME and Ecosystem aimed at improving practices in the prevention and management of second work waste resulting from heavy rehabilitation and demolition projects. Kaufman & Broad has thus benefited from the support of DEMOCLES as part of objectives taken on the reuse of materials relating in particular to the completion of a waste diagnosis, the integration of reuse in the drafting of market documents, the traceability of reused materials.

5.2.5.3.5. Reduce, sort and recover construction waste

As part of its Green and Low Nuisances Construction Site Charter, the group requires its suppliers and service providers on the production site to:

- reduction of waste at source for each operator, for example by carrying out cabling in the study phase, carrying out network summaries before execution plans, choosing suppliers limiting packaging, etc.
- traceability of all waste from worksites through a standard form (and paperless in the event of hazardous waste),
- the designation of a waste sorting area,
- sorting waste in seven streams: Paper, Metal, Wood, Glass, Plastics, Mineral Fraction (concrete, bricks, tiles, ceramics) and Gypsum,
- A quantified waste reuse, recycling or recovery target of 80% by mass on all worksites,
- Contractual sanctions in the event of non-compliance.

The group also sees its involvement in the "Extended Producer Responsibility of the Building Construction Products and Materials" (REP PMCB) as an opportunity. This involves the financing of eco organizations by an amount deducted from the cost of materials in order to develop the waste recovery channels of the construction sector. In this dynamic, the group has experimented with the appointment of a player dedicated to the sorting and recovery of waste on worksites to enable the PMCB REP channels to be supplied with recoverable waste and thus reduce the cost of worksite waste. The experiments on the Clamart site in 2023 and 2024, followed by the experiments on 3 sites in western France, initiated in 2024, highlight the ability to integrate a lot specific to the reduction, sorting and recovery of waste as part of the market file while controlling production costs.

Example: in 2024, the group launched two major projects to build two residential districts in Toulouse, comprising around 860 family housing units, 190 student and young worker housing units and 110 residential units in service residences for seniors. These two projects are developing on former car concessions, resulting in the demolition of a total surface area of 15,770 sq.m. The group has commissioned a service provider responsible for the management and sorting of site waste for better recovery. Among the measures planned on these sites: Raising awareness among the participants on the site through information meetings and communication tools, setting up sorting stations according to the progress of the project, monitoring the proper application of the instructions, monitoring the collection and rotation of sorting stations, directing waste to the right reuse, recycling or recovery channels and producing certificates of recovery.

More generally, suppliers comply with the group's circular economy requirements by the Production Director supported by specialized service providers whose mission is to reduce, sort and recover waste. The group can also be supported by the project master and on certain projects by an AEMO (environmental assistant with project management). In this case, AEMO is present from the first site meeting to raise awareness among the companies responsible for the main lots of compliance with the Green Building Charter at Low Nuisances. At the end of the project, it prepares a site review. Waste sorting is mandatory for all group worksites and is carried out in situ if the size of the worksite permits.

Indicators: the group estimates that it produces around 0.023 tonnes of non-hazardous waste per square meter of built SDP. Kaufman & Broad estimates that approximately 6,657 tonnes of site waste (construction phase) will be produced on the sites initiated in fiscal year 2024. A majority of this site waste is recovered.

Example: in 2024, the group delivered 50 housing units as part of the Clamart Trivaux operation. For this project, a service provider has been commissioned to manage waste sorting, the management of the rotation of dumps, the cleaning of life bases and traffic on the outskirts and inside the site. Approximately 146 tonnes of waste were collected during the project's second phase, of which 91% was recovered.

Technical teams were made aware of new expectations in terms of traceability and reduction of site waste through several national events:

- The Bootcamp Déchets de Chantier held in December 2023. This event served as a reminder of the requirement for the dematerialized traceability of all hazardous waste, the register of excavated land and sediment, the improvement of waste reduction and sorting actions at source by suppliers).
- The Keynotes of December 2023 and 2024 of the National Technical Committee once again highlighted the circular economy issues and objectives on the worksites.

Through its initiatives and experiments, Kaufman & Broad structures its management of construction waste and thus strengthens its commitment to sustainable resource management and a circular economy applied to construction projects.

5.2.5.4. Circular economy policies and actions when using products

The group is also involved in reducing waste downstream of its value chain. This involves sharing with customers the sustainability information of the components and equipment they can choose to customize their housing. The group has thus deployed an eco score on the component references presented in its Showrooms. This score is essentially based on the carbon footprint of each reference, taking into account the product lifespan mentioned in the Environmental and Health Data Sheet (FDES).

For example, PVC flooring has a less advantageous eco score than laminated wood flooring, which is more sustainable, biosourced and has less long term impact. The eco score allows customers to make informed choices to minimize the carbon impact associated with the customization of their housing. This approach is consistent with the asset value of the product ranges offered. The carbon impact of a product is directly linked to its sustainability: The more fragile a product is and the more frequent it requires replacement and therefore has a carbon impact on the building's lifespan.

The group carries out all its operations with household waste facilities or voluntary contribution terminals adapted to local instructions for sorting. The Neoresid subsidiary encourages residents of the residences it manages to reduce waste, reuse and selective sorting by displaying locally applicable instructions.

The owner's guide, given to each customer, includes in a section of "green gestures" explanations of the interest of sorting and the main sorting instructions.

Through these initiatives, Kaufman & Broad continues its commitment to the circular economy by facilitating responsible waste management and supporting its customers towards more sustainable and eco responsible choices.

5.2.6. European taxonomy

Pursuant to European Regulation EU 2020/852 of June 18, 2020 and its delegated acts (hereinafter the "Taxonomy" Regulation), Kaufman & Broad must publish for the fiscal year 2024 performance indicators reflecting the share of eligible and aligned revenue, investments (CAPEX) and operating expenses (OpEx) related to economic activities considered sustainable within the meaning of this regulation for six environmental objectives set out in Article 9 of Regulation (EU) 2020/852 namely:

- Climate change mitigation;
- adaptation to climate change;
- the protection and sustainable use of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protecting and restoring biodiversity and ecosystems.

An economic activity is considered "eligible" if it is included in the list of activities described in the acts delegated to the Taxonomy Regulation. An activity becomes "aligned" as long as it meets all the technical examination criteria, consisting of precise conditions and performance thresholds necessary to demonstrate a substantial contribution to one of the six environmental objectives without prejudice to the others ("DNSH") and this, in compliance with the minimum guarantees related to human rights, corruption, taxation and competition law.

Kaufman & Broad is one of the companies subject to this regulation, due to:

- ✓ Of its workforce: More than 500 people.
- ✓ The fact that the Company is subject to the obligation to publish a Non-Financial Performance Statement.
- ✓ The classification of its Real Estate and Construction activities as eligible for taxonomy, under one or more Taxonomy objectives.

The group is adapting its strategy, process and operational tools to comply with changes in European Taxonomy and to align its production with European Taxonomy criteria. The group also collaborates with various organizations to participate in the development of sectoral tools and practices aligned with European Taxonomy (participation in the working group on European Taxonomy of the Green Building Observatory for example).

Methodology:

Data related to revenue for the year are consolidated and reported by the Finance Department in detail by business and project. The accounting principles used for this consolidation are described in Chapter 7, section 7.1.5. "Notes to the financial statements" of this document. The reporting scope adopted for the European Taxonomy is identical to the group's financial consolidation scope. In order to determine its share of sustainable revenue as defined by the Taxonomy, the CSR and Innovation Department carries out the following analyses in stages:

- ✓ The analysis of the eligibility of its activities in accordance with Delegated Regulations (EU) 2021/2139 and 2023/2486 of the respective Commissions of June 4, 2021 and June 27, 2023,
- ✓ Assessment of compliance with minimum guarantees,
- ✓ Analysis of the alignment of activities with climate change adaptation and mitigation objectives through compliance with technical criteria.

Data collection and adaptation of tools to changes related to European Taxonomy

The group has incorporated the technical criteria of Taxonomy into the decision making committees through the KB Committee tool. The compliance of each development project with the European Taxonomy criteria for the "construction of new buildings" and "renovation of existing buildings" activities is assessed from the upstream phases of the operation that will be marked as "aligned" or "unaligned". This development enables the CSR and Innovation Department to automatically extract data related to business alignment and compliance with DNSH criteria.

Avoid double counting

The group has adopted the regulatory table of the European Taxonomy which makes it possible to directly identify the alignment by objective and by activity. When the revenue associated with an activity is aligned with several objectives, the group has chosen the climate change mitigation objective as its main objective. This method avoids double counting. The same methodology is applied to CAPEX and OpEx.

5.2.6.1. Eligibility analysis

In accordance with Delegated Regulations (EU) 2021/2139 and 2023/2486 of the respective commissions of June 4, 2021 and June 27, 2023, the group provides below a map of Kaufman & Broad's activities eligible under the current EU Taxonomy.

Business volumes	Definition (according to Appendix 1 EU Delegated Act)	Corresponding K&B activities	CCM	CCA	WTR	CE	PPC	BIO
7.1 Construction of new buildings	Real estate development for the construction of residential and non-residential buildings by bringing together the financial, technical and human resources necessary to implement real estate projects for subsequent sale as well as the construction of residential or non-residential buildings, complete, carried out on own account for subsequent sale, or on behalf of third parties.	CA: Real estate development of new buildings	Eligible	Eligible	Not eligible	Eligible	Not eligible	Not eligible
7.2 Renovation of existing buildings	Construction and civil engineering works or their preparation.	CA: Property development operations mainly involving major renovations and renovations of existing buildings CAPEX: Environmental improvement work on buildings owned by the group	Eligible	Eligible	Not eligible	Eligible	Not eligible	Not eligible
7.7 Acquisition and exercise of ownership of properties	Purchase of real estate and exercise of ownership of this real estate.	CA: Rents from owned service residences. Capex: Taking or extending long term leases on buildings leased by the group as a user OPEX: Maintenance fees and operating expenses of owned buildings	Eligible	Eligible	Not eligible	Not eligible	Not eligible	Not eligible
6.5 Transport by motorcycles, passenger cars and light commercial vehicles	The purchase, financing, leasing, leasing and operation of vehicles designated as belonging to categories M1 and N1, both falling within the scope of Regulation (EC) No 715/2007 of the European Parliament and of the Council, or to category L (two or three wheeled and quadricycle vehicles).	Capex: Contract entry or extension on company vehicles OPEX: Maintenance fees and operation expenses of company vehicles	Eligible	Eligible	Not eligible	Not eligible	Not eligible	Not eligible

CCM: Climate Change Mitigation

CCA: Adaptation to Climate Change

WTR: Water and Marine Resources

CE: Circular Economy

PPC: Pollution Prevention and Control

BIO: Biodiversity

Non qualifying activities within the meaning of European Taxonomy:

- Development activity: This is the activity of preparing land for construction as well as the conversion of wasteland into urban projects, in 2024 this represents 0.00% of the total revenue. This income mainly comes from the income of the subsidiary Aménagement et Territoires.
- Student residences management: This business represents 0.77% of revenue generated in 2024. This includes only the revenue generated by the Neoresid subsidiary through the management of residences that the group does not own.
- Showroom - Other: These activities accounted for 0.84% of total consolidated revenue in 2024. This includes the majority (0.65%) of revenue generated through the sale of options to personalize housing, but also land, MOD and Distribution of services.

Analysis of minimum social guarantees of the European Taxonomy:

In order to achieve the level of alignment with the European Taxonomy, operations must first comply with minimum social guarantees in connection with social and governance standards before being qualified as environmentally sustainable. Kaufman & Broad refers to the 4 key areas mentioned by the Sustainable Finance Platform: Human Rights, Corruption, Taxation and Fair Competition.

All of the group's activities are carried out in France in accordance with fundamental human and social rights at work.

Kaufman & Broad ensures that these rights and the following principles are respected:

- ✓ Labor standards according to the Organization's statement International Labor Organization.
- ✓ OECD Guidelines for Multi-national Enterprises.
- ✓ The United Nations Guiding Principles on Business and Human Rights.

This action covers the 4 key areas mentioned in the Final Report on Minimum Guarantees of the Platform on Sustainable Finance:

Human rights

The Company has implemented a human rights monitoring and alert process. At the level of its value chain, the group verifies the compliance of the service providers it uses as project owner with labor rights regulations, see section 5.3.2. "Human resources on the value chain". The Company has a CSE that monitors the health and safety of employees and third parties within the working environment. For further details, see section 5.3.1.1.5. "Health, safety and quality of life at work".

Corruption

The Company has established anti corruption processes. For further details, see section 5.4 of this chapter.

Taxation

The Company treats tax governance and compliance as important elements of supervision, and adequate tax risk management strategies and processes are in place. For further details, see section 5.4 of this chapter and section 4.1.1.2.2.1 "Business ethics and compliance".

Fair competition

The Company raises employee awareness of the importance of complying with applicable competition laws and regulations. For further details, see 4.1.1.2.2.1 "Business ethics and compliance".

Revenues eligible and aligned with European Taxonomy

Products aligned with European Taxonomy contribute to one or two of the following objectives: Mitigation of climate change and adaptation to climate change and meet the technical criteria for the absence of material harm known as "DNSH" for all Taxonomy objectives. For 2024, the group has not identified any alignment with the circular economy objective.

27.7% of revenue meets the contribution criterion for climate change mitigation.

Methodology used on the technical criteria for contributing to the climate change mitigation objective:

- Construction of new buildings:

The group has adopted as a performance criterion on primary energy demand: The achievement of the regulatory Cep for projects submitted to the RE2020, or the achievement of the regulatory Cep -10% for projects submitted to the RT2012.

For programs over 5,000 sq.m, the criterion used is the completion of a life cycle assessment. Despite the completion of its GHG inventory of its activity, the group considers that the achievement of the criterion is linked to the completion of a life cycle assessment specific to the program carried out by an independent research office. The performance of air tightness tests and thermal quality control is a criterion that is taken into account and considered to be achieved through compliance with RT2012 or RE2020.

The group believes that the share of its aligned revenues will continue to increase in the coming years due to: On the one hand, the coming into force of the RE2020, regulations that require the completion of a life cycle assessment by project; and on the other hand, due to the consideration and achievement of the criteria so as not to cause harm to other issues based on the vast majority of operations under design.

- Renovation business of existing buildings:

The criterion used was compliance with the regulations in force and in connection with renovation.

Methodology used on the technical criteria for contributing to the objective of adapting to climate change:

Regarding the objective of making a substantial contribution to adapting to climate change, the projects considered to be aligned with this objective: Carried out a climate risk analysis on the R4RE tool developed by the OID (Green Building Observatory) and implemented solutions that reduce the major risks identified on the project in question. The R4RE tool makes it possible to carry out a risk analysis in accordance with the criteria of the European Taxonomy, that is to say an analysis of multiple time horizons, hazards and climate scenarios based on the more recent work of the IPCC as well as an assumption of the life of 50 years of the project.

This criterion has been adopted in the same way for the construction activities of new buildings, but also for those of the renovation of existing buildings.

Methodology adopted on the technical criteria for the absence of material harm known as "DNSH":

The CSR department and the technical departments have included in the Environmental Specifications and Procedures Manual compliance criteria with the European Taxonomy so that all new projects are aligned with certain points of the regulations. Among these criteria are the DNSH of the European Taxonomy in connection with building construction and renovation activities that are not systematically integrated through the regulations in force. Based on the Taxonomy DNSH for construction and renovation activities, the following integrated objectives:

- DNSH Mitigating climate change: This criterion aims to achieve the environmental regulatory objectives in force, (RT2012 or RE2020 depending on the date of submission of project permits), in particular by respecting the maximum thresholds for primary energy consumption. (CEP Project <= CepMax)
- DNSH Adaptation to Climate Change: This criterion aims to carry out a climate risk analysis, as well as the implementation of adaptive measures for significant risks, see section 5.2.1. "Climate change".
- DNSH Circular Economy: This criterion is achieved in particular through the inclusion of a target of recovering site waste in market contracts, at a minimum of 70% by mass, as well as the implementation of a PEMD diagnosis for demolition of more than 1,000 sq.m of floor area. Regarding the consideration of the criterion of evolution of buildings, Kaufman & Broad homes and offices are adaptable by removing or adding partitions.
- DNSH Water: The generalization of water saving equipment with taxonomy compliant flows, see section 5.2.3 "Water and marine resources". This criterion also includes compliance with the regulatory provisions to be complied with under the Water Law, namely the discount of Declaration or Authorization if necessary.
- DNSH Pollution: The objective of this criterion is to integrate the systematic use of products classified as A or A + VOCs in the interior and to exclude hazardous products in the works markets on the one hand (in particular through the Supplier Ethics Charter and its notification procedure), on the other hand, to carry out studies relating to soil pollution in the event of risk, as well as to decontaminate the destination in the event of proven pollution. Finally, this criterion also includes the implementation of measures to limit noise, dust and pollutant emissions in the construction phase. These elements are integrated into the works markets, notably through the Kaufman and Broad Green and Low Nuisances Construction Site Charter.

5.2.6.2. Alignment of eligible activities with taxonomy

Share of revenue derived from products or services associated with economic activities aligned with Taxonomy:

Economic activities (1)	Code (a) (2)	Turnover (3)	Substantial contribution criteria										DNSH criteria ("Does Not Significantly Harm")						Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover in 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
			Proportion of Turnover 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)					
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
Construction of new buildings	CCM 7.1/CCA 7.1	€126,872,785	11.8%	YES	Yes	N/EL	N/EL	No	N/EL	Y	Y	Y	Y	Y	Y	Y	27.0%	-			
Construction of new buildings	CCM 7.1	€147,733,902	13.7%	YES	No	N/EL	N/EL	No	N/EL	Y	Y	Y	Y	Y	Y	Y	0.7%	-	-		
Renovation of existing buildings	CCM 7.2	€23,997,395	2.2%	YES	No	N/EL	N/EL	No	N/EL	Y	Y	Y	Y	Y	Y	Y	0.5%	-	T		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		€298,604,082	27.7%	27.7%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	28.5%				
Of which enabling		- €	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	0.0%	H			
O/w transitional		€23,997,395	2.2%	2.2%						Y	Y	Y	Y	Y	Y	Y	0.5%		T		
A.2.Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Construction of new buildings	CCM 7.1/CCA 7.1/EC 3.1	€754,812,176	70.1%	EL	EL	N/EL	N/EL	EL	N/EL												
Renovation of existing buildings	CCM 7.2/CCA 7.2/EC 3.2	€5,950,817	0.6%	EL	EL	N/EL	N/EL	EL	N/EL												
Turnover of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		€760,762,933	70.7%	70.7%	0.0%	0.0%	0.0%	0.0%	0.0%								69.8%				
A. TURNOVER OF TAXONOMY-ELIGIBLE ACTIVITIES (A.1+A.2)		€1,059,367,075	98.4%														98.3%				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
TURNOVER OF TAXONOMYNON-ELIGIBLE ACTIVITIES		€17,395,098	1.6%																		
TOTAL		€1,076,762,172	100%																		

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	27.7%	98.4%
CCA	11.8%	98.4%
WTR	0%	0%
CE	0%	98.4%
PPC	0%	0%
BIO	0%	0%

- CCM for Climate Change Mitigation
- CCA for Adaptation to Climate Change

- WTR for aquatic and marine resources
- CE for Circular Economy

- PPC for Pollution Prevention and Reduction
- Bio for Biodiversity and Ecosystem

05 Non-Financial Performance Statement

Environmental information

Capex: Capital Expenditure eligible for Taxonomy

Kaufman & Broad's developer activity induces investment and operating expenses eligible for European Taxonomy, due to their link to the activities of new building construction, renovation of existing buildings as well as the activity of acquisition and exercise of property ownership.

Kaufman & Broad intervenes in its projects as Property Developer, and the group therefore uses the services of various companies according to the stage of the program life cycle in question:

- Project design: Architects, masterpieces, design firms.
- Project production: Construction companies with different expertise.

The intervening companies hold their own production capital (cranes, concrete plants, wood construction plants, computers, etc.), these expenses correspond to purchases.

The group's capex thus correspond to structural costs (leasing of office premises for the group's operations in France; leasing or purchase of company or company vehicles); as well as, for the 2024 fiscal year, maintenance and renovation work on the walls of two service residences for directly owned students, identified in the eligible capex.

The group does not have any CAPEX (0% of annual CAPEX) related to economic activities related to the fossil energy sectors (natural gas, oil, coal or other fossil fuels).

Share of CAPEX derived from products or services associated with economic activities aligned with Taxonomy:

			Substantial contribution criteria								DNSH criteria ("Does Not Significantly Harm")											
Economic activities (1)	Code (2)	CapEx (3)	Proportion of Turnover 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx in 2023 (18)	Category enabling activity (19)	Category transitional activity (20)			
A. TAXONOMY-ELIGIBLE ACTIVITIES																						
A.1. Environmentally sustainable activities (Taxonomy-aligned)																						
Acquisition and ownership of buildings	CCM 7.1	€8,913,224	34.9%	YES	No	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.8%					
Acquisition and ownership of buildings	CCA 7.1	€1,039,505	4.1%	No	YES	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.9%					
Renovation of existing buildings	CCM 7.2	- €	0.0%	YES	No	N/EL	N/EL	No	N/EL	Y	Y	Y	Y	Y	Y	Y	1.1%		T			
Transport by motorcycles, passenger cars and commercial vehicles	CCM 6.5 /CCA 6.5	€389,030	1.5%	YES	No	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%					
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		€10,341,759	40.5%	36.4%	4.1%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	2.8%					
Of which enabling		- €	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	-	H				
O/w transitional		- €	0.0%	0.0%						Y	Y	Y	Y	Y	Y	Y	1.1%		T			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																						
Acquisition and ownership of buildings	CCM 7.1/CCA 7.1	€9,594,100	37.6%	EL	EL	N/EL	N/EL	N/EL	N/EL													
Renovation of existing buildings	CCM 7.2/CCA 7.2/EC 3.2	€508,000	2.0%	EL	EL	N/EL	N/EL	EL	N/EL													
Transport by motorcycles, passenger cars and commercial vehicles	CCM 6.5 /CCA 6.5	€422,775	1.7%	EL	EL	N/EL	N/EL	N/EL	N/EL													
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		€10,524,875	41.2%	41.2%	0.0%	0.0%	0.0%	0.0%	0.0%									20.9%				
A. CAPEX OF TAXONOMY ELIGIBLE ACTIVITIES (A.1+A.2)		€20,866,634	81.7%	77.7%	4.1%	0.0%	0.0%	0.0%	0.0%									23.7%				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
CAPEX OF TAXONOMY-NON ELIGIBLE ACTIVITIES		€4,658,748	18.3%																			
TOTAL		€25,525,383	100%																			

			Proportion of CapEx/Total CapEx	
			Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM			36.4%	77.7%
CCA			4.1%	80.1%
WTR			0%	0%
CE			0%	2.0%
PPC			0%	0%
BIO			0%	0%
- CCM for Climate Change Mitigation - CCA for Adaptation to Climate Change			- WTR for aquatic and marine resources - CE for Circular Economy	- PPC for Pollution Prevention and Reduction - Bio for Biodiversity and Ecosystem

05 Non-Financial Performance Statement

Environmental information

OPEX: Operating expenses eligible for Taxonomy

For fiscal year 2024, the group's mutual funds had a total value of €127,245,931.

The group's mutual funds eligible for the European Taxonomy correspond to the following items:

- ✓ Short term uncaptialized rents, at approximately €1,664,702
- ✓ Maintenance, repair and operating expenses of the buildings and assets we use, in the amount of €1,188,868
- ✓ The group did not record any R & D costs during the year.

The total OPEx eligible in 2024 is therefore €2,853,571, or 2.2% of the OPEX for the fiscal year.

As such, the group considers the portion of eligible mutual funds to be non-material and applies the exemption principle. The regulatory tables are therefore included for information purposes only.

Share of mutual funds derived from products or services associated with economic activities aligned with Taxonomy:

Economic activities (1)	Code (2)	OpEx (3)	Substantial contribution criteria										DNSH criteria ("Does Not Significantly Harm")				Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx in 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
			Proportion of Turnover 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)			
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Business volumes																			
Business volumes																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
Of which																			
O/w transitional																			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Activity																			
Business volumes																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																			
A. OPEX OF TAXONOMY ELIGIBLE ACTIVITIES (A.1+A.2)																			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OPEX OF TAXONOMY-NONELIGIBLE ACTIVITIE																			
TOTAL (A+B)																			

			Proportion of OpEx/Total OpEx		
			Taxonomy-aligned per objective		Taxonomy-eligible per objective
CCM					
CCA					
WTR					
CE					
PPC					
BIO					
• CCM for Climate Change Mitigation			• WTR for aquatic and marine resources		• PPC for Pollution Prevention and Reduction
• CCA for Adaptation to Climate Change			• CE for Circular Economy		• Bio for Biodiversity and Ecosystem

Details of the methodology used to complete the Taxonomy regulatory tables, specifying the proportion of revenue or CAPEX from products or services associated with economic activities aligned with taxonomy

The group has completed the regulatory model, in accordance with the provisions of Annexe II to Commission Delegated Regulation (Eu) 2023/2486 of June 27, 2023 "Models for PKI of non-financial enterprises".

- Regarding the column "Codes":
 - ✓ Codes are composed of the abbreviation corresponding to the objective to which the activity can contribute substantially, as well as the section number assigned to the activity in the appendix relating to that objective,
 - ✓ For Part A.1. Environmentally sustainable activities (aligned with taxonomy): Among the objectives to which an activity is eligible, the codes displayed in this section are only those to which the activity contributes substantially. The code shown in bold is that of the main objective chosen in order to avoid double counting.
 - ✓ For Part A.2. Activities eligible for Taxonomy but not environmentally sustainable (not aligned with taxonomy): The codes displayed are all the codes relating to the objectives to which this activity can contribute substantially.
- Regarding the columns Share of revenue/Share of capex in 2024:
 - ✓ The share of revenue/CAPEX shown per activity represents the revenue/CAPEX in connection with this activity and aligned with the objectives mentioned in the Codes section, as a proportion of the total revenue/total CAPEX of the group. The main objective chosen and marked in bold in the column "Code".
 - ✓ The share of revenue/capex A.1. For "environmentally sustainable activities (aligned with taxonomy)" represents the sum of the revenue/CAPEX aligned for the main objective, as a proportion of the total revenue/total CAPEX of the group.
 - ✓ Share of revenue/capex A.2. for "activities eligible for Taxonomy but not environmentally sustainable (not aligned with taxonomy)" represents the sum of the revenue/CAPEX eligible but not aligned for the primary objective chosen, as a proportion of the total revenue/total CAPEX of the group.
- Concerning the columns "Substantial Contribution Criteria"
 - ✓ Meaning of the items indicated:
 - YES: Activity eligible for Taxonomy and aligned with Taxonomy with regard to the environmental objective
 - No: Activity eligible for taxonomy, but not aligned with Taxonomy with regard to the environmental objective
 - EI - Eligible: Activity eligible for Taxonomy with regard to the environmental objective
 - N/EL - Not eligible: Activity not eligible for Taxonomy with regard to the environmental objective
 - ✓ On line A.1. For "environmentally sustainable activities (aligned with taxonomy)", when the activities contribute substantially to several objectives: The contribution percentage is only specified in the column of the main objective chosen, here it is the climate change mitigation objective (CCM). The contribution percentage is systematically reduced to zero for the rest of the objectives to which this activity contributes in order to avoid double counting.
 - ✓ On line A.2. For activities eligible for taxonomy, but not environmentally sustainable (not aligned with taxonomy), where the activities are eligible to contribute to several objectives, the eligibility percentage is only specified in the column of the main objective chosen, here it is the Climate Change Mitigation Objective (CCM). The percentage of eligibility is systematically reduced to zero for the rest of the objectives to which this activity could contribute, in order to avoid double counting.

5.2.6.3. Facility indexed to CSR criteria

After an initial issue of a *Green Loan* in 2019 to finance environmentally friendly and maturing projects, Kaufman & Broad issued a cash facility in 2024 indexed to non-financial criteria.

The rate is adjusted annually depending on whether or not certain non-financial criteria have been met:

- Scope 1 & 2 CO₂e emissions
- Scope 3 CO₂e emissions (SBTi scope) per sq.m.
- Share of revenue in line with European Taxonomy (mitigation)

5.3. Social and societal information

5.3.1. Corporate Human Resources

5.3.1.1. Company workforce

5.3.1.1.1. Building with employees: Group human resources policy

As part of its strategy, Kaufman & Broad enables its employees to:

- **becoming shareholders of the Company:** Every employee can make a direct contribution to the success of the Company by becoming a shareholder.
- **working in a positive environment:** A framework designed to foster the development of everyone's potential, with flexible organizational methods. The Company is also committed to providing favorable terms to facilitate access to Kaufman & Broad housing.
- **actively contribute to environmental and societal commitments:** As a responsible citizen, the group places these priorities at the heart of its mission.
- **participate in skills sponsorship initiatives**, such as:
 - Fondation Palladio: A think tank on the city of the future, supporting students and PhD students with scholarships;
 - Kaufman & Broad Endowment Fund: Employees can invest through skills donations or support partner associations through solidarity rounding. In 2024, 62 employees were registered on the dedicated platform;
 - The Espérance Banlieues Foundation: Support for educational initiatives in disadvantaged neighborhoods, including activities to discover jobs and site visits;
 - Operational reserve: Employees benefit from 10 working days a year to exercise their commitment as reservists.

Labels and recognition

Employees expressed their pride in belonging and their commitment by obtaining several labels:

- **Great Place to Work:** with 91% participation in the survey, over 8 out of 10 employees say they are proud to work for Kaufman & Broad. The certification, valid until September 2023, highlights the group's ongoing transformation, notably through its new highlight headquarters;

Employee shareholding at Kaufman & Broad

Employees have the opportunity to be shareholders of Kaufman & Broad through a compensation policy applicable to the group. For further information, please refer to section 3.2 "Group Compensation Policy" and section 6.2.2 "Employee shareholding" of chapter 6 of this document.

In addition, in order to promote the creation of savings under advantageous financial and tax conditions, Kaufman & Broad has set up a Company Savings Plan open to all employees. It includes four mutual

- **HappyIndex® Trainees and Alternance 2024:** an average of 74.5/100 for the youth experience, welcoming the quality of the assignments, the management and the culture of the Company;
- **LumApps DisruptorAward:** highlighting innovation and adherence to the Kolibri in house platform, used by 95% of employees;
- **Deloitte Best Managed Companies:** For the 3rd consecutive year, in 2024, Kaufman was named among the best French companies in terms of long term strategy, talent management, innovative capability, CSR policy as well as governance and financial management.



Focus on the 4 dimensions of Kaufman & Broad's corporate social model

Seniority	Employer's contribution to share purchase scheme
Less than 2 years	€875
More than 2 years but less than 5 years	€1,750
More than 5 years	€3,000

All measures aim to align the Company's vision with the objectives of shareholders and employees, while strengthening talent retention in a competitive environment. Among the long term compensation criteria applied to the Chairman and Chief Executive Officer is that of employee shareholding, the objective of which is to maintain it above 10%. For more information, see section 3.2.1 "Compensation policy for the executive corporate officer" of chapter 3.

Kaufman & Broad works in a development-conducive environment:

The duties assigned to group employees are performed in an environment that:

- Positive, dynamic and open to new ways of organizing work, promoting both the balance between personal and professional life and equality between women and men,
- Including teleworking. To meet the challenges of the collective agreement of July 31, 2019 on quality of life at work and professional equality between men and women, an amendment to the teleworking agreement of March, 16 2020 was concluded on September 17, 2021, which establishes that "teleworking is now an integral part of the organization of work within the group". The principle established is that all employees benefit from at least one day of teleworking per week. A Charter has also been drawn up on work-life balance and working from home. A new amendment was signed on January 29, 2024, which included the possibility of teleworking for work study trainees.
- Agile, enabling permanent adaptation to the Company's challenges
- Learning, with 10,246 hours of training attended by employees, a decrease of 45% compared to 2023. The training budget was adapted to the decline in activity in 2024,

The Great Place to Work survey highlighted the fact that seven out of ten employees consider that the Company offers them development opportunities useful for their professional development.

Upon arrival, the employee, regardless of his or her status (open-ended contract, intern, work study, etc.) benefits from a full integration program called *Welcome On Broad*. The aim of this program is to share the group's history and culture, its business lines and its products, take ownership of its operations and begin to develop its internal network. In 2024, 100% of new employees benefited from this integration process.

Each new employee is invited to:

- Take part in an integration meeting led by the Human Resources Department from the month of his arrival and find all the thematic training courses on the digital training platform *KB Factory* as well as on the corporate social network *Kolibri*. This meeting also allows the new employees of the month to meet and allows the Human Resources teams to retrieve feedback in a process of continuous improvement of the integration process.
- Follow the mandatory training modules.
- Follow the training modules, on Microsoft Teams, led by our external experts.
- Follow the training module on "Developing its impact on LinkedIn" led by the communication agency that accompanies us on the animation of Kaufman & Broad accounts on social networks.
- Take part in site visits and meet with "resources" employees. The latter are employees able to share key information and best practices, in order to facilitate the taking of a position.

In addition to the *Welcome On Broad* program, all work study trainees (newly recruited and already present) were invited to participate in an "alternating day" at the group's headquarters (Highlight building) or in distance for regional employees.

The *Great Place to Work* survey highlighted that nine out of ten employees report that "new employees are well received". On-boarding with the development of remote working poses a major challenge.

The trust built in human relations and the development of talent, thanks to individualized monitoring and personalized training cycles, now allows us to ensure team growth and the assumption of responsibilities internally.

38 Number of promotions in 2024

Internal mobility is used to support changes in the group, to disseminate know how and to build a network of relationships across the group's various agencies and entities. It is the result of a combination of several actions: Developing the skills of employees through the training and assignments entrusted to them, professional interviews, real time access to all of the group's opportunities via the intranet, and measures to support geographical mobility, favored by the establishment of Kaufman & Broad throughout France.

// Number of geographic transfers in 2024

In the case of geographical mobility, the employee receives financial support.

In the case of business line mobility, the employee has the opportunity to be supported through the introduction of training and an onboarding course in his new position.

To promote mobility, several actions have been implemented:

- Dissemination of 100% of internal vacancies via *Kolibri*;
- Systematic review of all internal applications;
- Each internal candidate is received;
- 100% of candidates are debriefed and answered.

Kaufman & Broad is a responsible citizen, contributing to the Company's environmental and societal challenges

Nearly 8 out of 10 employees consider, in the *Great Place to Work* survey, that "My professional activity has a particular meaning for me: I do not consider it just a job" and also nearly 8 out of 10 employees "appreciate the corporate citizenship contribution of their Company".

Kaufman & Broad is also concretely the possibility of being citizen collaborators. In a world where social, societal and environmental impacts are becoming increasingly acute, it is fundamental for Kaufman & Broad's management to align the group's commitments with employees' values. Thus, 78% of employees say they are proud to work for the Kaufman & Broad group.

As a developer of real estate projects, Kaufman & Broad allows each employee, within the framework of their expertise, to provide adapted responses, alongside local authorities, to climate and social emergencies.

Since 2022, several training and systems have been put in place to strengthen the notion of "responsible employee":

- 100% of HR recruiters took the "Recruitment without discriminating" training. Recruitment thus becomes a lever for diversity within the Company
- 100 % of employees equipped with a Company car are required to take eco driving training (it is also available to other employees) and can benefit from the Green + Pack described in section 5.2.1.5.2.1. "Policies and actions related to the group's direct activities". An **eco-driving module** has been implemented and adapted to the vehicle used by each employee, with performance indicators.

Finally, among the priorities of the Diversity Policy, the **Being a woman at Kaufman & Broad** goal reflects the Company's commitment to gender equality. With this in mind, specific actions are carried out to raise employee awareness. In 2024, **71 employees** participated in the ISO XY workshop. This workshop aims to:

- Raise awareness among all teams on preventing and combating sexual violence, harassment and gender based behavior.
- Prevent and manage these situations by establishing a responsible working framework.

Kaufman & Broad employees are encouraged to own a K&B home

Kaufman & Broad has always wanted to facilitate the sale of housing to its employees whilst preserving the interests of the Company and its shareholders. To this end, the group allows employees to benefit from specific discounts governed by the following rules:

- In the case of seniority of less than or equal to 3 years, the discount is 5%
- In the case of seniority of more than 3 years, the discount is 7%.

This procedure applies to all companies within the Kaufman & Broad group, and to all employees therein. It specifies the rules to be followed and the necessary approvals. This procedure is available on the group's intranet.

The employee also benefits from any commercial offers available at the time of purchase.

Employees are also financially encouraged to sponsor sales

5.3.1.1.2. Social review: workforce data

The economic context of new housing and the resulting decline in activity led to an adaptation of the group's workforce: Non replacement of resignations and departures made in the context of dismissals for personal reasons or contractual terminations, and implementation of the mobility leave negotiated with the social partners in the Forward Management of Jobs and Skills agreement dated June 19, 2023. An amendment dated June 6, 2024 was signed to strengthen the section on measures implemented for seniors.

This agreement makes it possible to implement mobility leave with the Social and Economic Committee when economic circumstances so require or when a business line is transformed. The agreement provides for the employee's departure and support conditions, which can be improved in the context of the information consultation of the CSE to be implemented.

Total headcount at December 31 ^{(A) (B)}	2024	2023	2022
Men	316	325	378
Women	325	376	406
TOTAL	641	701	784

Managerial staff at December 31 ^{(A) (B)}	2024	2023	2022
% of managers	79.7	77	73.6
% of female managers	43.8	45.6	40.9

(a) Through the economic interest grouping comprising all group entities in France since January 2008. Employees are made available to each group Company according to their requirements. Staff costs are allocated to each legal entity according to the volume of business generated by each legal entity within the group.

(b) Published data relate to GIE and do not include NéoResid. The latter stood at 28 employees at December 31, 2024, 37 at December 31, 2023, and December 29 at 31, 2022.

Breakdown of workforce by business line

Breakdown of registered employees by function at December 31	2024	2023	2022
Land development	104	110	127
Program	82	85	91
Technical & Customer service	163	180	204
Marketing/sales	97	113	132
Regional support functions	76	94	110
Central support functions	119	119	120
TOTAL	641	701	784

In 2024, Kaufman & Broad recruited 87 employees, including 75 on permanent contracts (119 hires, including 98 on permanent contracts in 2023).

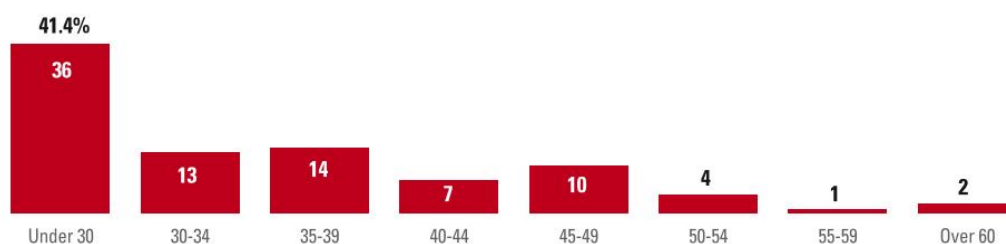
Number of entries



Number of entries by socio professional category



Number of entries by age group



These hires represent 77 executives and 10 employees. Of the 87 employees hired on fixed term and permanent contracts in 2024, 36 were under 30 at the time they joined the group, representing 41.4% of the hires.

In 2024, the group signed 49 new apprenticeship or professionalization contracts. As of December 31, 2024, the group had 69 work study trainees, thus constituting a pool of young people prepared to join the teams according to opportunities.

Departures

	2024	2023	2022
Number of departures (resignations, contractual terminations, dismissals, PE terminations and retirements)	147	201	169
Of which number of resignations (permanent - fixed-term contracts)	34	56	102
Number of dismissals (permanent - fixed term)	28	31	5

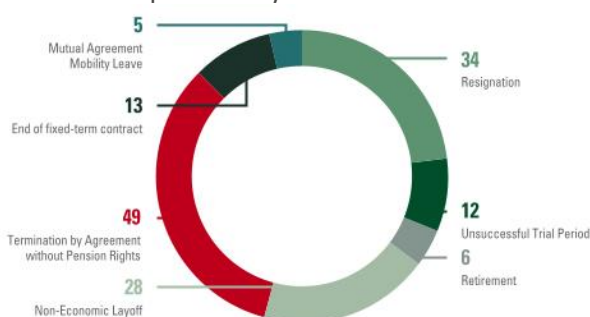
The collective agreement providing for economic mobility leave, valid for 3 years, provides in advance for all the conditions applicable to this type of departure. This system, with the support of the Social and Economic Committee, has allowed us to continue adapting the workforce to the reality of the activity.

The resignation rate fell in 2024 to 4.91% compared to 7.19% in 2023. For employees under 30, the resignation rate was 8.79% in 2024 (8 resignations), compared with 15.60% in 2023.

In an economic downturn combined with the appeal of Kaufman & Broad, employees are less inclined to change businesses.

Departure interviews are systematically conducted during resignations in order to analyze the causes of departures and implement appropriate action plans to strengthen the group's ability to retain talent, particularly young people under the age of 30.

Number of departures by reason



In 2024, the organizations were stabilized and the promotion and transfer rate is now 7.08%.

Temporary workers

In 2024, the use of temporary workers remained very low: Temporary employment contracts accounted for 1.03% of the workforce (0.95% in 2023) for an equivalent of 6.87 people in the year (7.24 in 2023). The average duration of assignments was 12.91 days (14.09 days in 2023).

Turnover rate

The group's turnover rate continued to fall in 2024, after the decrease observed in 2023, reaching 15.10%. This reduction is due to the adjustment of our workforce to the economic situation, as well as the non systematic replacement of departures.

5.3.1.1.3. Compensation policy

Principles

Kaufman & Broad's Compensation policy is designed to help achieve the group's objectives. It must also be a lever for recognizing the performance and commitment of employees. Social and economic performance are closely linked.

Kaufman & Broad offers each of its employees a Compensation policy that combines external competitiveness with internal equity, and which rewards both individual and collective performances. The group strives to ensure fair compensation that prohibits discrimination in order to guarantee equal pay levels for equivalent positions and profiles.

The salary policy is adapted during annual salary reviews, which are carried out as part of a structured and homogeneous process based on a factual and objective assessment of contributions and performance. This review is carried out with all managers and the Human Resources Department.

Since 2022, the Human Resources Department has co built tailor made training to help top management better understand the subject of the compensation of their teams: "Building the compensation of your employees". The objectives are:

- Understand and adopt an objective analysis model for employees. The ambition is for this model to be shared by all employees and HR referents to become a decision-making aid when preparing HR reviews.
- Training, through practical cases, by generating feedback from reviews for employees. Return to employees is a key moment that needs special attention.

In 2023, this training was rolled out to 100% of managers who participate in HR reviews during which salary decisions are made. In 2024, 22 managers took this training module. Today this module is integrated into the training course for all group managers.

Individual balance sheet

Kaufman & Broad provides each employee with a clear and transparent report on changes in their compensation and components. This Individual Social Report focuses on all the measures put in place around employees, such as training, group savings plans, employee shareholding, cooptation bonuses paid to associations referenced by Kaufman & Broad as part of its sponsorship policy.

Compensation structure

The compensation structure is identical for all employees: A fixed compensation, a variable compensation and a long term incentive compensation consisting of the free shares granted.

Each employee is interested in the Company's performance through both their variable Compensation and the award of Bonus shares. The culture of variable Compensation is thus firmly anchored within the group.

Focus on the different types of Compensation:

- Fixed compensation is subject to an external benchmark with an external firm for managerial staff and an internal analysis of the consistency of compensation based on the business lines and experience in the position;
- Variable compensation is distinguished according to the levels of responsibility and the business lines.
- Senior executives and business managers receive annual variable compensation based on target objectives. This variable compensation is composed of quantitative criteria for 70% of its value and qualitative criteria for 30% of its value, except in specific situations. A performance calculation scale is established, and is capped at 120%.
- Property developers, program managers and sales staff receive quantitative variable compensation based on annual targets. Other employees are eligible for an end-of-year bonus, the amount of which is negotiated with union representatives during mandatory annual negotiations.
- Long term incentive compensation consists of free shares, in accordance with a plan approved by the Shareholders' Meeting. Kaufman & Broad has opted for a Universal Plan allowing all employees to benefit from it. Individual distribution is based on a breakdown by employee category and level of responsibility.

Average annual compensation⁽¹⁾ and social contributions

(In euros)

	2024			2023		
	Men	Women	Total	Men	Women	Total
Employees	61,928	40,122	44,637	63,439	42,649	46,605
• of which base salary	35,042	31,360	32,122	33,434	32,160	32,402
Managers	91,199	67,663	80,916	93,704	64,911	81,116
• of which base salary	70,434	55,182	63,770	69,802	52,205	62,109

This compensation is presented excluding the compensation of corporate officers which is included in section 3.2.3 "Compensation of non-executive corporate officers".

The group's overall average gross annual compensation (excluding employer contributions) was €73,138 and was stable compared to 2023 (€73,157), with gross base salary declining slightly compared to 2023 for employees (-0.9% in 2024 vs. +0.1% in 2023) and continuing to rise for managers (+2.7% in 2024 vs. +2.6% in 2023).

The diversity of the group's business lines results in a dispersion of Compensation, depending on the business line. These averages are therefore indicative and should be interpreted with caution.

(1) Total gross annual compensation as a proportion of the average annual workforce.

The amounts of social contributions paid for 2023 and 2024 were €28.09 million and €24.74 million, respectively. They contribute in particular to the financing of:

- Health: Medical appointments, work stoppages, maternity and paternity leave, etc.
- Retirement: Basic pension and solidarity allowance for the elderly.
- Family: Family allowances, housing assistance (APL, ALF and ALS), back to school allowance, etc.
- Unemployment: Unemployment benefits, help with obtaining a driving license, help with mobility.

5.3.1.1.4. Training and skills development

Presentation of KB Factory

Created as part of the agreement on job and career management ("GEPP") signed on February 16, 2021, KB Factory is the platform dedicated to developing the skills of Kaufman & Broad employees.

It supports employees throughout their career paths and supports the group's transformation in the face of major strategic challenges.

KB Factory implements a structured training program, structured around several axes:

- a Welcome on Broad integration program, the aim of which is to give a quick understanding of the Company, its culture and its ambitions.
- Mandatory career paths:
 - Built on the basis of the competency framework by business line.
 - Updated in consultation with the social partners
 - Molded specifically for technical skills such as: (I) urban planning law, (II) management of polluted sites and soils, and (III) Control of tax packages
- Soft skills training
 - Development of cross-functional skills essential to management and collaboration: (I) leadership, (II) assertiveness, and (III) speaking
 - Access to an e-learning platform for self training: Time management, collaboration, stress management, meeting management.

In addition to individual employee development, Kaufman & Broad places particular emphasis on training around three major strategic challenges:

- Artificial Intelligence: Acculturation and training in the use of new technologies
- CSR: Integration of environmental and societal issues into the group's business lines
- Customer experience: Training dedicated to improving customer relations and the services offered

The e-learning platform, accessible to everyone at any time, offers a wide range of training courses in different formats:

- Digital modules (e-learning)

Incentives and profit-sharing

Through successive agreements, since 2020 Kaufman & Broad has set up a company profit sharing and incentive scheme. These agreements provide for the possibility for employees to invest the sums earned through the KB Actionnariat of the PEE ESP. The 3-year incentive agreement was renewed on September 3, 2024.

Employee catering

In respect of catering, the group pays a contribution to employees' meals (restaurant tickets, employer contribution to the RIE and meal allowances), which amounted to €715,404 in 2024.

- Business line skills modules focused on customer relations
- Internal Tools Usage Tutorials
- The 3 mandatory training courses for which an overall rate of achievement of more than 94% is observed:
 - GDPR at Kaufman & Broad
 - Ethics at Kaufman & Broad
 - IT security
- Training modules on soft skills, management, telecommuting or leadership.



Key indicators and training performance 2024

In 2024, 98% of employees received training, representing 10,246 hours of training, broken down as follows:

- 6% in e-learning
- 94% in synchronous (face to face or remote).

In 2024, 98% of the workforce, or 710 employees, were trained, compared to 94% in 2023. These calculations are based on the average workforce, including permanent, fixed term and alternate employees. For information, in 2024, the average number of employees was 725.92.

	Average number of training hours/employee trained	Average number of training hours/employee	Training hours	Proportion of average workforce trained	Proportion of the payroll
2022	20.01	23.41	15,340	85%	1.16%
2023	22.33	23.73	16,655	94%	1.40%
2024	14.11	14.43	9,621	98%	0.95%
EVOLUTION 2023/2024	-37%	-39%	-42% ^(a)	+4%	-33%

(a) The decline was due to (I) the transition to shorter and interactive formats, (II) optimization of pathways to maximize impact, (III) prioritizing training to a wider audience with a logic of efficiency and agility (+4% of employees trained in 2024 compared to 2023).

05 Non-Financial Performance Statement

Social and societal information

Impact of training by business line

The areas of training accounting for a maximum of hours and trainees trained are: Business expertise, internal tools and soft skills.



BUSINESS EXPERTISE

27 % of trainees

32 % of hours



SOFT SKILLS

10 % of trainees

28 % of hours

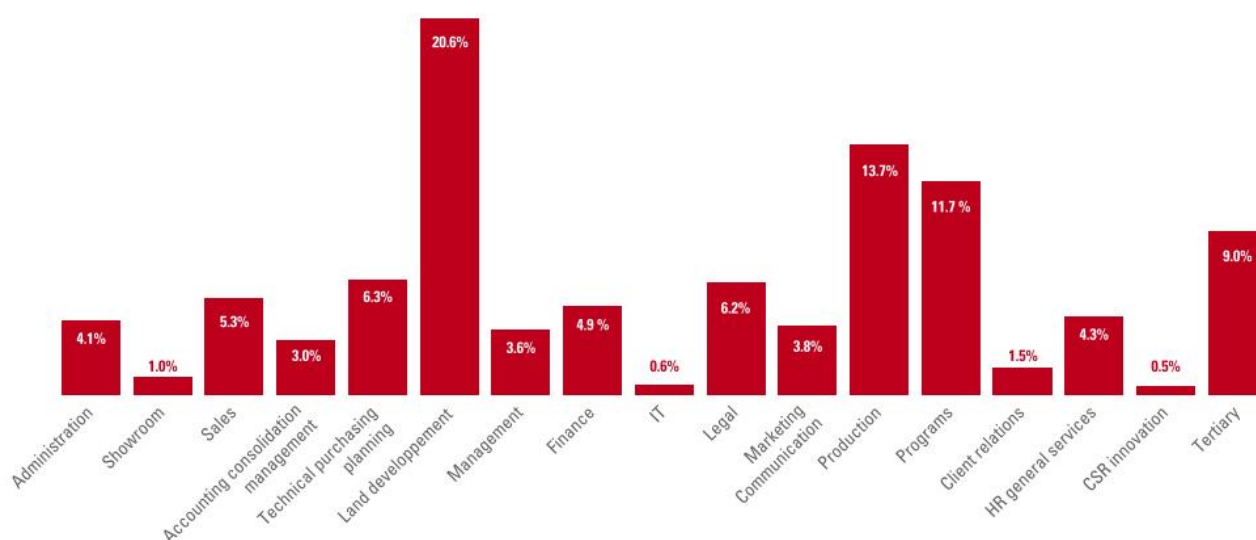


INTERNAL TOOLS

30 % of trainees

18 % of hours

These figures highlight that employees in the operational business lines are more trained. The following graph shows the breakdown of training hours by business line and shows that 57.6% of the hours relate to the operational teams: Sales, design and technical procurement, land development, production, program and commercial property.



In addition, some sectors exceed a training rate of 100%, which is explained by:

- a strategic desire to strengthen skills in certain businesses lines
- A turnover requiring the training of new entrants

5.3.1.1.5. Health, safety and quality of life at work

Health at work and social protection

Kaufman & Broad's objectives are to guarantee its employees, as well as their loved ones, quality health protection, in order to provide them with financial security in the event of difficulties.

Since January 1, 2020, healthcare and welfare plans have been governed by two collective bargaining agreements adopted on December 16, 2019. They comply with the requirements of a 100% Responsible Plan.

With regard to personal risk, all employees benefit from extensive coverage covering death, education, accidental death and disability. With regard to healthcare costs, employees benefit from coverage offering some of the most competitive services on the market.

The cost of contributions relating to the mutual fund is distributed as follows:

	Total rate	Breakdown	Interest rate 2024	Amounts 2024
Employer share	4.59%	60%	2.75%	106.26
Employee share		40%	1.84%	71.1

The monitoring of absenteeism due to illness is used to assess the quality of life at work as follows:

Absenteeism by reason	2024	2023
Illness	4.1%	2.61%
Commuting accidents	0.24%	0.11%
Maternity	1.18%	0.87%
Family events	0.28%	0.37%
TOTAL	5.80%	3.96%

The rate of sick leave increased between 2023 and 2024. Long sick leave (i.e. employees who have more than 100 working days of sick leave during the year) accounts for 54.8% of sick leave.

Since 2024, Kaufman & Broad employees have had access to a stress management platform called *Be good*.

Workplace safety

Safety is at the heart of Kaufman & Broad's concerns. As part of the *Great Place to Work* survey, 96% of employees said that "the security requirements are met".

The group ensures compliance with safety regulations both for third parties and for its own employees. To this end:

- The CSE has a Health, Safety and Working Conditions Commission (CSSCT) which is responsible for dealing with issues in this area;
- A single document has been drawn up for each institution, defining physical and psychosocial risks and an annual action plan. This document is submitted for advice to CSSCT members.
- Work premises are adapted to ensure the health and safety of employees:
 - They comply with specific standards concerning, inter alia: Ventilation and sanitation of premises, lighting, heating, noise protection, fitting out of computer stations, tobacco protection, sanitary facilities, restoration of staff, signalling of danger areas in case of intervention, first aid equipment.
 - Technical and security facilities and systems are maintained and checked periodically. All agencies are regularly subject to an evacuation exercise (fire risk).
 - Ergonomic studies of workstations are carried out in order to tailor the workstations of the employees concerned, and to train them in actions and postures.
 - 100% of employees who go to worksites have personal protective equipment and a procedure, which is circulated annually to the employees concerned, is posted on the intranet, recalls the mandatory rules to be followed on a worksite.

In 2024, six workplace accidents were recorded with an accident severity rate of 55.1% and a frequency rate of 10.48%, of which five with lost time and 10 commuting accidents, of which five with lost time. 353 calendar days of absences related to work related accidents and 226 calendar days related to commuting accidents. In 2024, no occupational illness or worksite accidents were recorded involving group employees.

Working time

All part-time situations correspond to the part-time chosen.

At December 31, 2024, 12 employees were employed on a part-time basis, four of whom were employees and eight were managers. Women make up 91.7% of these employees. They work from 20 to 30 hours a week, or one job at 4/5th (mainly representing parental leave).

In addition, three employees benefit from work-life balance adjustments.

Support for parenthood:

- Maternity leave: Since March 1, 2020, maternity leave has been maintained in salary by Kaufman & Broad without any seniority condition. Before leaving on leave or a month before returning to the company, an appointment is organized with the manager and HR. If the employee so wishes, the child's affiliation on the health insurance contract can be made from birth, at no additional cost. In addition, in 2024, 100% of women returning from maternity leave received an individual increase.
- Paternity leave: 100% of male employees who had a child received paternity leave. They take 28 days of paternity leave.

In addition, each parent may take parental leave up to a maximum of 3 years.

Work-life balance

On September 30, 2024, a new agreement was signed entitled "Agreement on quality of life and working conditions and professional equality between women and men". This new agreement, which replaces the one of July 31, 2019, sets out the principles guaranteeing personal and professional balance.

1. Telecommuting

Kaufman & Broad supports the new forms of work organization to benefit from the quality and balance of the different life times while accompanying the group's performance.

In particular, there is a Charter on the balance of different living times and teleworking conditions that has been put in place with the support of staff representatives.

Every year, each group employee is encouraged to express his or her views on the balance between his or her professional and personal life and on working conditions in teleworking.

2. The right to disconnect

This agreement on quality of life and working conditions also provides for "a rational use of digital tools and the right to disconnect". To this end, a Charter has been drawn up and made available to all employees.

In addition, by an agreement of June 16, 2022 on the organization of work within GIE Kaufman & Broad, the trade unions and management concluded a collective company agreement that "reinforced the already existing guarantees in favor of employees holding an annual package in days, particularly with regard to the right to rest and the monitoring of the workload".

This agreement includes a full article on "how to exercise the right to connect". There is thus an obligation to disconnect during legal rest times (daily and weekly rest).

Employees are not required to read or respond to professional e-mails, messages or phone calls outside their working time, during their holidays, rest periods and absences, regardless of their nature.

It is also recommended that employees:

- Consider when to send an email, message or contact an employee by phone,
- Do not seek an immediate response if it is not necessary,
- Set up an electronic message of absence, indicating how another member of the Company can contact in the event of an emergency during absences.

3. The particular attention paid to over solicitation depending on the person involved in the increased use of working hours

Training and awareness-raising actions are organized for managers and all employees to inform them about risks, challenges and best practices related to the use of digital tools. To this end, a specific course is deployed and accessible via the digital platform.

4. Awareness raising on information volume management (good practices in the use of e-mails and remote tools)

When employees are able to effectively use the tools, it optimizes their usage, facilitate their conditions of use, and improve working conditions in this aspect.

Each employee is asked about their work/life balance during their annual individual professional review.

5.3.1.2. Dialogue with employees and social dialogue

5.3.1.2.1. Dialogue with employees

As indicated in the "Agreement on the Quality of Life at Work and Equality between Women and Men in the Workplace" signed with employee representatives on September 30, 2024, the group has set up a system of annual interviews and undertakes to monitor their achievement in order to best build employees' careers. Each employee receives an annual review from the first year of their career, enabling them to express their short- and long-term career goals.

Opportunity for sharing, the professional interview allows:

- Assess skills, assess performance over the past year and set new targets;
- Define training courses that would not already be offered as part of the KB Factory courses;
- Reflect on career development;
- Set targets.

The rate of completion of professional interviews for 2024 remains very positive, at 97.5%.

The training report is presented annually to employee representatives and is monitored during the implementation of the skills plan.

Social dialogue

The group respects the collective representation of employees and freedom of association. The social climate within the Kaufman & Broad group is based on a principle of mutual construction between management, employees and their representatives, and those with a neutral attitude towards the various trade union organizations.

The group encourages the individual expression of employees, in particular through the coordination of employee representative bodies, the establishment of a local HR organization and the promotion of tools

such as engagement surveys. The group takes an attitude of listening to them, and more specifically, during appraisal interviews that are conducted every year by managers. In accordance with the law, the group provides employee representatives with the necessary resources to carry out their duties. This includes:

- A dedicated room;
- Delegation hours;
- The possibility of communicating to all employees and a dedicated e-mail address.

In March 2023, new elections were held for the Social and Economic Committee (hereinafter the "CSE"). Following these elections, employees are represented in the CSE by 15 elected representatives (9 executives, 6 employees), 5 more than in 2018.

The SEC has set up 3 commissions:

- The Health, Safety and Working Conditions Commission (hereinafter "CSSCT");
- The Social and Cultural Activities Commission;
- And, since September 2020, a Mutual Commission.

The unions are represented by two union delegates, one from the National Union of Concierges Guardians and Real Estate Employees Force Ouvrière (FO), the other from the National Union of Housing Planning and Property Administrators of the Confederation Française de l'Encadrement - CGC (CFE CGC).

The management and representatives of the SEC meet monthly, as part of regular meetings. The management and members of the CSSCT meet every three months.

Trade unions and management meet at the time of the Mandatory Annual Negotiations each year and whenever necessary in accordance with the legal obligations and negotiation priorities defined by the group.

Summary of collective agreements

In 2024, the trade unions and management unanimously signed the following collective agreements:

- Agreement on quality of life and working conditions and professional equality dated September 30, 2024
- Agreement on telecommuting dated January 29, 2024
- Amendment No. 3 to the mandatory collective healthcare plan dated March 1st, 2024
- Amendment to comply with the profit sharing agreement dated September 3rd, 2024
- Company agreement on the management of jobs and career paths (hereinafter "GEPP") dated June 6, 2024
- Wage negotiations (agreement dated September 11, 2024).

Over the years, the Kaufman & Broad group has concluded agreements mainly concerning the organization of work, Compensation and working conditions that contribute to the smooth functioning of the Company and its performance.

The main agreements are:

- Employee profit sharing agreement of June 25, 2020;
- Company agreement relating to the shareholding of June 25, 2020;
- Company agreement on telecommuting dated March 16, 2020 and its amendment No. 1 dated September 17, 2021;
- Collective agreements of December 16, 2019 relating to the Health and Personal Protection plans and its amendment No. 1 dated January 18, 2021;
- Collective agreement of September 4, 2019 on the management of jobs and vocational training courses;
- Agreement of July 31, 2019 on quality of life at work and professional equality between women and men;
- Collective agreement of September 19, 2017 relating to the right to disconnect;
- Agreement of June 16, 2022 on the organization of work within GIE Kaufman & Broad;

5.3.1.3. Equal opportunities and treatment: Diversity and inclusion

All employees, applicants for employment, internships or company training are protected against discrimination at work. Identifying a distinction between employees (or between candidates for employment or access to an internship or company training period) is discriminatory when it is based on one of the 23 criteria stipulated in the Labor Code.

The group is committed to recruiting and promoting employees to match their profile with the requirements of the proposed positions, without any other discriminatory criteria, namely age, disability, ethnicity, marital status, gender, sexual orientation or social origin.

Furthermore, the group is committed to working and communicating to raise employee awareness of the need to share common corporate rules that enable everyone to flourish and to combat possible situations of discrimination and harassment. Any failure to comply with the Code of Ethics and applicable laws and regulations exposes the employee in charge to disciplinary sanctions provided for by the group. Employees who witness or have denounced discriminatory acts may not be punished, dismissed or discriminated against.

Kaufman & Broad is only present in France, a country that has ratified and transposed into its labor law the eight Fundamental Conventions of the International Labor Organization. As a result, the group complies with all the provisions contained in these agreements concerning freedom of association and the right to collective bargaining, non-discrimination in employment and occupation, the elimination of forced or compulsory labor and the effective abolition of child labor.

5.3.1.3.1. Gender equality

- Kaufman & Broad is actively committed to gender equality in the workplace. Each year, the group presents an action plan to employee representatives detailing the measures taken to meet this commitment. In 2024, several priority areas were strengthened:

Representation and classification

At December 31, 2024, women represented 50.7% of the group's workforce and 43.8% of management positions, a slight decrease of 1.8 points compared to 2023. Since 2014, individual and collective reviews have been conducted with line managers to ensure fair career monitoring. These systems make it possible to identify female talent, recognize their potential and support their access to positions of responsibility.

Training and Professional Development

The group has increased access to training for all its female employees, particularly through a digital platform. This tool encourages local women and women with family constraints to learn, offering them tailored training, regardless of their job, especially for non managers.

Work-life balance

Kaufman & Broad responds favorably to 100% of requests for flexible working time, regardless of gender. This flexibility enables employees to better reconcile their professional and personal responsibilities.

Recruitment and access to key positions

In 2024, 16.67% of new hires were women in key positions, reflecting the group's desire to improve their representation at all levels of the organization.

Equal pay

During salary reviews, in connection with the annual agreement on mandatory negotiations, a comparative analysis of the compensation between men and women is systematically carried out. This exercise makes it possible to identify and gradually correct wage differences for equivalent positions.

In this context, and in accordance with Law no. 2018-771 of September 5, 2018 on the freedom to choose one's professional future, Kaufman & Broad measures annually its performance in terms of equal pay through the Gender Equality Index. In 2023, the group obtained a score of 88/100, well above the minimum threshold of 75 points set by legislation.

Collective agreement for quality of life at work and equal opportunities

On September 30, 2024, Kaufman & Broad signed a collective agreement with all the trade unions, structured around three major axes:

• Equal opportunity

The group renews its commitment to real equality in:

Recruitment and career development, work-life balance, career management, compensation, preventing and combating sexual violence, harassment and gender based behavior.

• Well-being and quality of life at work

The agreement provides for measures adapted to changes in work, including:

Respect for the right to disconnect, flexible working methods that promote a balance between personal and professional life, the fight against discrimination, the implementation of a system of donations of days off for employees with seriously ill or dependent relatives.

• Societal and environmental commitment

The group affirms its role as a responsible player through:

Employee protection, a strengthened CSR approach, a strong commitment to its partner companies to promote ethical and sustainable practices.

With these commitments, Kaufman & Broad continues to integrate professional equality as a strategic lever at the heart of its HR policy and sustainability.

5.3.1.3.2. Generational diversity

As part of its commitment to professional integration and job retention, Kaufman & Broad continued its policy in favor of young people and seniors through the agreement of June 6, 2024 on the management of jobs and vocational courses. This agreement, initially negotiated on June 19, 2023 and strengthened in 2024, is based on four strategic priorities:

Promoting the sustainable integration of young people under the age of 30

The group considers that the integration of young people is a key lever for capturing the emerging skills needed for the company of tomorrow. This policy concerns both young graduates entering the labor market, as well as work study trainees.

To ensure sustainable access to employment, Kaufman & Broad is committed to maintaining a minimum of:

- 15% of employees under the age of 30 on permanent or fixed term contracts (excluding work study trainees),
- 4% of work study contracts.

2024 results:

- As at December 31, 2024, Kaufman & Broad had 108 young people under the age of 30, of whom 5 were on fixed term contracts.
- 36 new hires of young people in 2024, representing 41.38% of new hires on fixed term or permanent contracts.
- The proportion of young people in the permanent workforce is 16.22%.
- 49 new hires on apprenticeship or professional training contracts, enabling the group to reach 9.7% of its workforce on work study contracts, more than double the initial target (4%).

Maintaining and promoting the return to employment of seniors

The group is also committed to supporting the retention and return to employment of employees aged at least 57 (or 55 for people with disabilities).

2024 Results:

At December 31, 2024, employees aged 55 and over-represented 17.32% of the total workforce, compared with 17.12% in 2023.

Transfer of knowledge and skills

In order to preserve and transmit internal skills, Kaufman & Broad has set up KB Factory, a program dedicated to the transmission of knowledge and the support of experienced employees in the training of new generations.

Mobility leave scheme

In the context of adapting the workforce to operational and economic realities, a mobility leave was introduced to support the employees concerned towards a stable job.

This system provides for:

- 6 to 12 months off,
- Customized support from a specialized firm,
- Access to appropriate vocational training.

2024 results:

In 2024, only one mobility leave was initiated, compared to 14 in 2023. Of these 14 cases, 4 resulted in a breach of contract in 2023 and 10 in 2024. All beneficiaries returned to stable employment outside the group.

Commitments and outlook

With these actions, Kaufman & Broad reaffirms its commitment to intergenerational diversity, by facilitating the integration of young people, the retention of seniors in employment, and the transfer of skills to ensure lasting momentum within the Company.

Breakdown of registered employees by age at December 31	2024	2023
Less than 24 years	16	16
25 to 29 years	92	103
30 to 34 years	91	106
35 to 39 years	95	84
40 to 44 years	80	110
45 to 49 years	89	80
50 to 54 years	67	82
55 to 59 years	74	75
Aged over 60	37	45
TOTAL	641	701

5.3.1.3.3. Policy to promote the employment and integration of individuals with disabilities

Kaufman & Broad is actively committed to promoting the inclusion of people with disabilities and promoting their access to employment. This policy is based on several strategic levers aimed at guaranteeing equal opportunities and improving the quality of life at work for these employees.

Group representation and commitment

As of December 31, 2024, the group had 10 employees with disabilities in its various entities, compared with 4 in 2010, illustrating a continuous improvement in the integration of these talents.

This policy is based on four priority areas:

Inclusive recruitment

- Promote access to employment for people with disabilities by raising awareness among recruiters and managers.
- Integrating Diversity as a Selection Criterion in Recruitment Processes.

Maintaining employment and adapting working conditions

- Ensure individualized monitoring of employees with disabilities.
- Adapt workstations and implement specific adjustments as needed.

Accessibility of working environments

- Improve the physical accessibility of the premises (mobility, adapted equipment).
- Strengthen the digital accessibility of tools and platforms used internally.

Awareness raising and collective engagement

- Encourage employees to work with Etablissements et Services d'Aide par le Travail (ESAT), particularly in relation to waste management within the group's premises.
- Implement awareness campaigns to foster a more inclusive work environment.

Strengthening Inclusion Policy with AGEFIPH

In 2024, Kaufman & Broad entered into a partnership with AGEFIPH to conduct an internal diagnosis of its practices in terms of the integration and retention of people with disabilities. In this context:

An anonymous questionnaire will be sent to all employees in order to identify avenues for action to improve the integration of workers with disabilities or who are experiencing health difficulties.

The results will make it possible to define concrete measures, adapted to the realities of the field, to strengthen the accessibility, support and awareness of the teams.

Through these actions, Kaufman & Broad reaffirms its desire to build an inclusive work environment, where every employee can evolve under suitable conditions and benefit from the same career opportunities. Continuous improvement of these systems remains a priority for the group, in line with its commitments in terms of social responsibility and equal opportunities.

5.3.1.3.4. Indicators and targets human resources

Group commitments/objectives	Results 2024	Next Steps/Improvements
Obtain Great Place To Work certification by 2026	Obtained in 2023	Continued certification and monitoring of improvement criteria
Developing an employee social commitment policy	Stable participation rate in solidarity rounding and commitment to sponsorship actions	Strengthen internal communication to encourage participation
Completion rate of professional reviews > 90%	97.5% achieved in 2024	Maintaining commitment and monitoring the quality of interviews
Train more than 75% of employees each year	98% trained in 2024	Monitor the impact of training on skills
Maintain a policy of retention and return to work for people aged at least 55	17.32% of employees are 55 years and older	Continue actions to support and transmit knowledge
Recruit 4% of young people on work study contracts in the group's workforce	9.7% of work study employees	Largely exceeded target, followed by the move towards permanent contracts
Get 90/100 to the Gender Equality Index in 2026	Score of 88/100 in 2023	Continue corrective actions to reduce pay gaps
Maintenance of employee shareholding at least 10 %	10.17% of employee shareholders at November 30, 2024	Monitoring employee participation to maintain commitment

5.3.2. Human resources on the value chain

The business model published in sections 5.1.2.2.2. of this chapter and 1.1.1.2 "Presentation of the Company" of chapter 1 presents a summary view of the group's value chain.

1. Upstream:

Suppliers of 1st rank: Construction Companies. The group entrusts the implementation of its projects to specialized construction companies, via general company or separate unit leasing contracts (construction, plumbing, electricity, etc.). These companies, which are mostly registered in France, are mainly mobile businesses, with their production sites being mainly the sites for carrying out real estate projects. Construction sites are subject to strict safety and anti-concealed work regulations. Service providers and professionals (architects, design firms, lawyers, insurance companies, etc.) are also considered to be 1st suppliers. The group identifies:

Risks:

- A risk for suppliers construction companies relating to safety issues on construction sites (in particular for workers involved in the construction of the main work and the completion of the closed and covered work) and the fight against concealed work, also concerning their use of subcontracting.
- Risks related to various issues specific to other suppliers of 1st rank only intellectual professions (architects, design firms, etc.): work intensity, insecurity employment, such as hard working hours.

Impacts:

- A positive impact relating to the inclusion of business ethics and social and environmental responsibility issues in the group's responsible purchasing policy; as well as the purchase of services that allow production to be aligned with the sector's environmental transition issues that could lead to an increase in the skills of stakeholders;
- An impact related to the environmental transition of the group's real estate projects (abandonment of the implementation of fossil energy solutions, use of components, materials and equipment benefiting from environmental data, etc.) requiring increased skills.

As the group's activity takes place exclusively in France with partners that are mostly French, no major risks related to child labor or forced labor have been identified.

Suppliers of 2nd rank: suppliers of building materials (cement, concrete, floors, wood modules, coatings, etc.), components (electrical equipment, plumbing equipment, carpentry, etc.) and equipment (energy systems, elevators, etc.). They produce and market the materials, components and equipment that construction companies purchase from them and assemble to meet the group's specifications. Most of these are French and international groups with registered offices in France. The latter may also have an upstream value chain depending on the nature and complexity of their materials, products and equipment. The group identifies:

Impacts:

- An impact related to the environmental transition of the group's real estate projects (decrease and phase out of the purchase of fossil energy equipment, use of components, materials and equipment benefiting from environmental data).
- An impact by taking into account the issues of business ethics and social and environmental responsibility in the group's purchasing policy;
- A positive impact through the purchase of services allowing production to be aligned with the environmental transition challenges of the sector that could lead to an increase in the skills of players in the building sector.

2. Downstream:

The group's customers are often end-users, such as owner occupiers or companies acquiring their own offices. Alternatively, they may be real estate investors, individuals or real estate investors, who rent space to end-users. During the life of the facility, companies may intervene in maintenance and maintenance operations requiring appropriate security measures. The group identifies:

Impacts:

- A positive impact by taking into account the issues of business ethics and environmental performance of transactions carried out in the monitoring of customer relations.

Risks:

- A hazard for workers involved in the work carried out. The materiality of the risk is low, particularly as a result of real estate production entirely in France; asset management businesses with few controversial issues, the transmission to the customer of digital information on the building as well as a file of subsequent intervention on the work, etc.).

5.3.2.1. Human resources policies for the value chain

Safety, especially on worksites

Safety is a major issue on construction sites. As a Non-Performing Builder, Kaufman & Broad entrusts the design and monitoring of the execution of the works to specialized service providers, such as architects and independent design and control offices, forming the project's project management team. This team monitors the work and ensures the regulatory and contractual compliance of construction companies with the transaction. The group verifies that these service providers comply with their administrative and legal obligations, particularly with regard to insurance, social security contributions and registration in the Trade and Companies Register.

Kaufman & Broad, as Project Manager, designates an independent Safety and Health Protection (SPS) Coordinator for each project from the design stage. The Safety and Health Protection (SPS) Coordinator designated by Kaufman & Broad must have professional experience provided by certified training bodies or a degree and have specific training as SPS Coordinator (updated every five years). In the design phase, the SPS Coordinator identifies the risks associated with the worksite and the risks associated with subsequent work on the worksite, and informs the various companies involved on the worksites of the risks they incur. As part of this scheme, companies are also required to establish their Project Specific Safety and Health Protection Plan (PPSPS). Based on this, the SPS Coordinator is responsible for developing a General Health and Safety Coordination Plan (PGCSPS) that harmonizes the measures included in the PPSPS. The SPS Coordinator is also responsible for establishing an Ultimate Project Intervention File (DIUO) that takes into consideration security issues.

In the execution phase, the SPS coordinator controls risks, shares instructions with companies and ensures compliance with safety prevention instructions.

Kaufman & Broad may be both Master of Design and Master of Design and/or "internal" execution. This is generally the case in single-family home programs in communities as well as in programs whose organizational, strategic, financial or technical issues require it. The group then assumes responsibility not only for the design and development, but also for the construction and progress of the project.

Access to worksites is subject to the group's prior authorization and the wearing of personal protective equipment. The control and renewal of these equipments is centralized.

The risk of serious bodily injury on a worksite cannot be completely ruled out despite compliance with applicable regulations and the monitoring of the group's procedures. If this risk should arise, an internal process has been set up to organize the reporting to the regional technical and agency

departments in order to be able to monitor the subject in conjunction with the companies involved. According to the severity, the Legal Department, the Quality Department and the General Management would also be informed and involved in monitoring.

In addition, the group is particularly vigilant with regard to the use of subcontractors by its suppliers and compliance with legal provisions in terms of social, environmental and personal safety. In particular, the contract signing procedure requires a systematic check that the subcontractors that the suppliers would involve are up to date with their social security contributions. Legal representatives must also certify in honor that they do not employ any illegal workforce. Non-compliance may result in a breach of contract.

Kaufman & Broad also recalls its security requirements in its Supplier Ethics Charter. Partners and stakeholders must ensure the safety and health of their employees in the performance of their duties, particularly through the strict application of rules governing worksites. They must also make their employees aware of them if necessary. This attention must concern employees as well as temporary employees, employees of suppliers and subcontractors on worksites and more generally any person likely to be close to worksites and in particular local residents, or end-users of construction.

Risks related to the value chain are detailed in sections 4.1.2. "Insurance" and 4.2.2.3. "Risks related to relations with suppliers".

Preventing hidden work on worksites

Kaufman & Broad strives to prevent hidden work, a risk that could impact the group's image and regulatory compliance. In accordance with Article D.8222-5 to 7 of the Labor Code, the group requires administrative documents from the joint contracting companies (social certificates, legal declarations, etc.), to be provided every six months until the end of the contract.

A framework contract with a dedicated platform facilitates the collection, verification and archiving of the documents needed to combat hidden work and ensure company compliance. In addition, Kaufman & Broad regularly entrusts a service provider (usually the SPS) with monitoring missions to ensure that workers on worksites correspond to the declared staff.

The Supplier Ethics Charter appended to all contracts sets out the group's main requirements:

- Do not use illegal work,
- Do not use concealed work,
- Respect the labor law in force.

Selection of supplier companies and responsible purchasing

Kaufman & Broad's policy is to generally choose all of its companies and suppliers through tender. Kaufman & Broad also selects its suppliers and desired products based on a number of extra financial criteria. Indeed, the group joined a sector wide initiative - and participated in continuous improvement workshops in 2024 - aimed at defining and collecting certain indicators related to suppliers' ethics, governance and social and environmental information. This platform concerns the most significant technical commitments. This questionnaire, called "Business Ethics & Sustainability Prequalification", invites suppliers to provide information on:

- Governance
- Health and safety at work
- Environmental policies
- CSR commitments through certifications or labels
- The CSR commitments of their own suppliers and/or subcontractors

This questionnaire, confidential for principals, is mandatory and presented to the validator (s) and/or signatory (s) of the market.

Kaufman & Broad has generalized tools enabling the paperless processing of tenders via online filing of documents and electronic signature of contracts. This has made it possible to reduce the volume of paper files and to provide more responsiveness by monitoring files and online reminders, for the benefit of suppliers as well as the group.

Kaufman & Broad also centralizes purchasing and standardizes supplier selection procedures, especially for the second work, while the main work remains managed by each agency. This centralized referencing of second tier suppliers (components) strengthens relations with sustainable suppliers through framework contracts and ensures a uniform quality of services throughout the country. It is also a way for Kaufman & Broad to master product quality, to be able to guarantee the same level of delivery and a common image of programs throughout the country.

Respect for fundamental rights

The group supports the principles of the United Nations Global Compact relating to human rights, labor standards and the environment and ensures compliance with the principles it defines, in particular the fundamental rights resulting from the Universal Declaration of Human Rights, the dignity and value of the human person, the privacy of employees and the equal rights of women and men.

In the framework of its Supplier Ethics Charter applied to all its partners, Kaufman & Broad requires its suppliers to respect and promote fundamental rights, particularly those covered by ILO conventions. Suppliers therefore undertake not to use forced or compulsory labor as defined in Conventions C29 and C105 of the International Labor Organization (ILO). Suppliers also undertake to implement the provisions on the elimination of child labor and the protection of children and adolescents, as defined by legislation. In particular, they undertake not to employ persons who have not reached the minimum age required to work under legislation or, failing that, by ILO Conventions C138 and C182.

Diversity and the fight against discrimination

The group encourages diversity of profiles and backgrounds in compliance with its non-discrimination commitments. The group is committed to combating all forms of discrimination. Kaufman & Broad calls for the Supplier Ethics Charter to combat all forms of discrimination.

Freedom of association and the right to bargain

The group encourages the individual expression of employees, in particular through the coordination of employee representative bodies. Kaufman & Broad calls on its partners in its Supplier Ethics Charter to respect the collective representation of employees and the freedom of association of their employees.

Working hours and compensation levels

Kaufman & Broad is committed to improving the quality of life at work and at home, in particular by ensuring compliance with legal rules on working time and compensation. The group requests, in accordance with its Supplier Ethics Charter appended to its contracts,

- Comply with applicable minimum wage legislation,
- Pay employees their salaries on a regular basis,
- Comply with applicable legislation on working time.

The security of operations on marketed products

Kaufman & Broad entrusts an independent Safety and Health Protection Coordinator (CSPS) with the completion of a subsequent intervention file on the work (DIUO) taking into account security issues. This file is systematically sent to the customer (trustee in case of co-ownership, institutional investor or lessor).

Supplier dependency

In fiscal year 2024, the top ten suppliers accounted for 26.1% of the flows invoiced by suppliers, and the top supplier accounted for 12.6% of these.

5.3.3. Local residents and affected communities

The group's activity consists of developing real estate projects - housing in a majority way - aimed at meeting the basic needs for dignified housing, as defined in the "social floor" of the United Nations Sustainable Development Goals (SDGs).

These projects adapt to demographic and social changes, taking into consideration the challenges of poor housing, reducing inequalities, as well as the specific needs of students and seniors.

Assessing the impacts, dependencies, risks and opportunities related to communities potentially affected by the group's business takes into consideration:

- A positive impact through real estate projects designed and implemented by the group. All projects obtain planning authorizations in accordance with regulations developed through transparent and participatory processes. These projects meet basic housing needs, in particular by offering affordable, accessible, social or regulated housing. This also includes responses adapted to societal changes taken into account in the master plans for regional planning, such as the decline in household size, student housing needs or for seniors.
- A positive impact in connection with the design of real estate projects as close as possible to the regions, favoring contracting with medium-sized suppliers based locally, enabling a strong local presence, contributing to the economic development of the regions.
- An impact on the upstream of the value chain by the activity of suppliers on the project site: Construction projects carried out by suppliers may have a temporary impact on the environment of local residents, particularly in terms of noise, dust or logistics flows specific to the site. These issues are anticipated and addressed through the Kaufman & Broad **Green and Low Nuisance Construction Site Charter (CVFN)**, which is systematically applied to all of the group's worksites to limit pollution.
- Opportunities relating to the possibilities of developing real estate projects that respond to socio demographic changes, and in particular:
 - Removal of poor housing: In 2023, 1,098,000 people were deprived of housing and 3,421,250 people were living in precarious or fragile conditions (source: Fondation pour le Logement des défavorisés).
 - Housing for active students and young people: The increase in the duration of studies and the extension of single life generated increased demand, with an additional 250,000 students between 2018 and 2023, reaching 2.935 million.
 - Small types of housing: The need to develop adapted housing is reinforced by the reduction in the size of households (from 2.42 occupants per household in 1999 to 2.16 in 2021, source: INSEE).
 - Housing for seniors: The increase in life expectancy (from 77.8 years in 1994 to 82.3 years in 2024) increases the need for adapted housing and specific real estate.
- A risk related to the acceptability of real estate projects, resulting in dependence:
 - To local authorities, to the extent that they issue building permits,
 - To local residents of operations and/or entities having an interest in acting on the project with regard to possible appeals on the authorization making it possible to implement the project.

5.3.3.1. Facilitate access to housing in the territories

The group is attentive to the market and has an internal organization enabling it to adapt and develop its products quickly.

Since the late 2000's, in a context of housing crisis and economic crisis, Kaufman & Broad has seen its customer base evolve and has adapted its offering accordingly to offer affordable housing of equal quality. The group has also anticipated and integrated the new issues taken into consideration the regional planning and urban planning documents in order to change its offering (limitation of urban sprawl, metropolization of territories, urban intensification, etc.). The group then expanded its offering of individual and multi-occupancy housing to first-time buyers and investors by offering more compact and functional products while preserving useful space.

The table below reflects the types of group buyers over the last three fiscal years as follows:

Purchaser type in number	2024	2023	2022
Investor	12%	13%	31%
Block	73%	78%	56%
First-time buyers	12%	7%	8%
Second-time buyers	3%	2%	5%
TOTAL	100%	100%	100%

Innovate to make home ownership more affordable: housing through Real Solidarity Property Lease

Kaufman & Broad's policy is to innovate and become involved in the development of innovative real estate structures that serve the accessibility of its products. Several programs in tense areas are marketed under the Real Solidarity Property Lease (BRS). The BRS principle is to separate land from buildings. Real estate is carried by a

Facilitating home ownership

To support first time buyers, the group is developing homes at controlled prices, sold around **20% below market prices** (less than **€4000/sq.m. including tax in the Paris region** and less than **€3000/sq.m. including tax in the regions**).

These programs, located on the outskirts but well-connected to city centers via public transport, meet the solvency criteria of first time buyers while being attractive to investors. Through its know how, Kaufman & Broad designs compact housing that is pleasant to live, while respecting its standards of quality and environmental performance.

Solidaire Foncier Organization (OFS) over the long term and leased at a low price to the buyer of the building. This allows a reduction in the purchase price from around 25% to 35% for the benefit of modest resolvable households, thus being able to access the property.

Expand the supply of affordable rental housing for low income households

Kaufman & Broad also works closely with social landlords to help build intermediate rental housing and social rental housing (rental housing for lower income households). Rents, as well as the appointment of tenants, are subject to government regulations. Access to social housing is subject to resourcing conditions, as these housing units have a tax system dedicated to their specific financing and are managed by bodies approved by the State. These may include housing units

- PLAI, financed by the Prêt Locatif Aidé d'Intégration, allocated to tenants in a situation of economic insecurity. According to a survey by the National Agency for the Control of Social Housing (ANCOLS) in March 2024, 24% of households have an income level below or equal to the ceiling of PLAI rental housing,
- PLUS, financed by the Rental Loan for Social Use correspond to low rent rentals; eligible for 54% of French households (source: ANCOLS),
- PLS, financed by the Social Housing Loan, awarded to prospective tenants who are not eligible for moderate rent but do not have sufficient income to house themselves in the private housing stock; eligible for 70% of French households (source: ANCOLS),
- LLI, intermediate rental housing also allocated to people whose incomes are too high to be eligible for social housing, but too low to housing in the private park.

To meet the need to implement social housing programs (particularly in areas outside major cities, i.e. social zones 2 and 3, Pinel B2 and C), the group has created a dedicated structure, Kalilog, to propose a national response to these challenges. For the group, this business is the realization of an opportunity with a positive societal impact that allows a new diversification and complementary development for 100% social sale-before-completion projects. Kalilog enables communities to reach the 25% social housing threshold imposed by the SRU Act, while promoting the maintenance of young households, families and seniors in their area

Indicator: in 2024, 68% of the group's housing orders were subject to resource terms for buyers or tenants (versus 66% in 2023).

Offer student and senior serviced housing

Kaufman & Broad integrates socio demographic issues into its strategy by developing service residences for seniors and students.

• Seniors residences - Cosy Diem

Designed in conjunction with the Toulouse Gérontopôle, these residences promote the autonomy and conviviality of seniors. Apartments are ergonomic and secure, while common areas (restaurant, library, gym) encourage interaction between residents and with the urban community. These residences, located in the heart of the city, also support intergenerational diversity through spaces open to the public, such as restaurants.

• Student residences - NéoResid

NéoResid currently manages 14 residences on behalf of investors and aims to manage 8 new projects by 2030 of which two operations are already under construction. This includes new or renovated buildings, offering over 1,000 student housing units and young people with adapted services: Coworking spaces, catering, laundry, gyms. These projects are responding to growing demand, due in particular to the extension of studies, the break-up and metropolisation of territories.

Residences encourage eco-friendly behavior and encourage students to maximize their positive impact on the environment through the collective's power, thereby contributing to a responsible environmental and societal approach.

Depending on the type of project, the group may acquire and renovate student service residences to improve their energy and carbon performance.

Example: the group was part of the table tower relating to the acquisition of the walls of a student residence in operation by NéoResid in Amiens. An energy renovation operation was initiated following the acquisition of the building, including the replacement of heating and domestic hot water production systems in order to improve the energy and carbon performance of the facility.

The positive evolution of the indicators in the "Development of service residences" table below reflects the deployment of the group's strategy.

	Number of units built at completion in 2024	Revenue in 2024 ^(a)	Total revenue in 2024 ^(b)	Number of units built at completion in 2023	Revenue in 2023 ^(a)	Total revenue in 2023 ^(b)
<i>Development of service residences</i>						
Senior residences	180	28,846	3%	27	31,207	2%
Student residences	329	28,386	3%	145	10,960	1%
Intergenerational residences	89	9,626	1%	118	13,382	1%
TOTAL	598	66,858	7%	470	55,549	4%

(a) In € thousands.

(b) Excluding JVT.

5.3.3.2. Developing local employment and economy

With its presence in major cities, Kaufman & Broad has over the years strengthened its regional network by establishing itself in major cities, notably through the acquisition of companies such as Serge Mas Promotion, Safaur and Seri Ouest. This strategy enables the group to diversify its projects while contributing to the economic dynamism of the regions.

As a developer builder, the group plays a significant role in creating jobs, generating economic opportunities in the areas where it operates. Kaufman & Broad favors the use of local suppliers and companies, thereby enhancing regional know how and strengthening local economies. According to a study by the Banque des Territoires (Outlook 2020), each new home built contributes to the creation or maintenance of 2.4 jobs, divided between 1.2 direct and 1.2 indirect jobs.

The group is also committed to professional integration through the inclusion of integration clauses in its markets, allowing people who are unemployed or in difficulty at work to participate in worksites. Insertion clauses have been included in the markets for the "Perle du Parc" programs in Chatenay Malabry and "Compagnons du devoir" programs in Strasbourg, representing a total of over 10,000 hours of professional integration.

In 2024, 6,623 integration hours were carried out on delivered worksites.

5.3.3.3. Establishing dialogue around the real estate project

Regulatory Compliance and Public Participation

All projects developed by Kaufman & Broad are subject to administrative approvals in accordance with urban planning documents developed using participatory procedures. These processes include public debates and consultations prior to the development of development plans, as well as public surveys or electronic participations when they are approved.

Consultation with local stakeholders

Recognizing the impact of urban projects on the living environment, uses and mobility, Kaufman & Broad organizes, as far as possible, consultation meetings with local residents prior to the filing of the building permit. Usually initiated by the municipality, these meetings aim to inform residents, discuss the progress of the project and consider their returns.

To integrate citizens into the real estate project, the group also collaborates with associations specialized in the participation of inhabitants, taking into account the history of the places and the urban project, and facilitating exchanges between the group, residents and elected officials. Thus, since 2020, an operational partnership with the Empreintes Citoyennes association has allowed the development of the "Urban Approach (H)", promoting urban development open to dialogue and attentive to the expectations of the territory and its actors. This collaboration, where the association plays a mediating role, also includes training Kaufman & Broad employees on societal issues related to real estate development, thus strengthening models of virtuous collaboration.

These proactive approaches make it possible to anticipate and defuse potential tensions related to new real estate projects by prioritizing exchange from the design phase.

Peugeot and Citroën projects in Toulouse

These two land recycling projects in Toulouse are being developed on two old industrial wasteland totaling more than 5 hectares. These highly impermeable land was occupied by car concessions, in a residential environment. Kaufman & Broad and the town hall held consultation meetings in 2022 and 2023 with local residents and project stakeholders. These discussions enabled certain improvements to be made to projects at the design stage, particularly in urban, architectural and plant planting issues.

Ozalie Gardens project in Mayenne

Kaufman & Broad and the City Hall organized a meeting with local residents that allowed the presentation of the project, which is part of a particular urban context. Kaufman & Broad has therefore been able to demonstrate the qualities of its project to take into account the specificities of the sector, being within an ABF scope, with an intergenerational social residence programming in wood. The group also presented and exchanged on the choice of treatment of fences and neighboring plants for the management of separative limits during meetings with local residents and presented the provisional timetable of the operation. Regular emails are sent to participants to exchange information with stakeholders in the work phase and to inform local residents about the key stages of the project.

Transparency of urban planning authorizations

In accordance with legal requirements, all urban planning authorizations obtained by the group are visible on the sites concerned. Documents relating to these authorizations are available to the public upon request from the competent authorities. Third parties, such as associations or local residents, have a period to contest these authorizations based on their compliance with local urban planning regulations and the French Urban Planning Code.

Implementation of preventive interim measures

To protect local residents and the group, Kaufman & Broad frequently initiates preventive summary proceedings when launching operations in dense urban areas. Prior to the start of the work, this system allows an independent expert to check the condition of the neighboring properties. Depending on the mission defined by the court, this procedure may continue during the work, offering local residents the opportunity to report any damage or nuisance related to the site, in order to make the necessary corrections.

Managing and reducing pollution during construction

Aware of the potential impacts of worksites on local residents and staff, the group is implementing measures to reduce nuisances such as waste, wastewater, noise, dust, the visual appearance of the site and health risks. Kaufman & Broad requires its suppliers to take these issues into account, either through contractual clauses or through internal initiatives such as the "Green and Low Nuisances Construction Site" charter. The group may also be assisted by an Assistant for Environmental Works Management (AMOE).

Local residents have contact within the group to report possible nuisances. In addition, in some operations, a cleaning company is mandated to maintain the immediate vicinity of the site on a regular basis.

5.3.3.4. Sustainable involvement with local authorities

Program Integration to Urban Community Policies

Kaufman & Broad is committed to working closely with local authorities to ensure that its real estate projects integrate harmoniously with public land and city planning policies. Each program is designed in consultation with municipalities, thus contributing to local initiatives and the preservation of heritage. The locations are selected according to qualitative criteria, such as the quality of the land, accessibility, proximity to public facilities, shops, public transport and services.

The phasing of programs can thus be linked to the opening of new public services or equipment. For major projects, Kaufman & Broad diversifies its businesses lines in order to adopt a vision of urban logistics, and to create a dynamic economic aspect.

Dôme Course in Toulouse

15 minutes walk from the Capitol, on the left bank of the Garonne, Kaufman & Broad delivered a residential project located a few steps from the Historical Monument of the Dome of the Grave and the Raymond VI Garden. Inspired by Fernand Pouillon's original work, the Cour du Dôme residence creates a dialogue between contemporary writing and Toulouse's architectural heritage to better reveal each other. She borrows her silhouette with the imposing dimensions of the former hospital she took its place, while expressing a certain delicacy thanks to the fine work of the corniches and designs in façades. Respectful of the surrounding buildings, and anxious to promote the heritage of the city, the operation is adorned with tiles, traditional bricks as well as Caylus stones, typical of the region. Taking the heritage dimension into account in the project and the quality of the dialogue with the Architect of French Buildings was at the heart of the operation by Kaufman & Broad.

The group also contributes systematically and on all projects to the financing of public facilities through development taxes, and on certain operations through arrangements such as the Partenarial Urban Project, a method of financing contracted with the community allowing the financing in whole or in part of the public equipment needed to operate the projects carried out. Kaufman & Broad is called upon to develop and improve the attractiveness of the neighborhoods in which the group operates. As part of the Green Lodge project in Villepreux, a gymnasium and school were built and then handed over to the city, as part of an urban partnership project associated with this operation of over 500 homes.

5.3.3.5. Support for organizations related to building more virtuous cities

The group supports several independent organizations linked to research, innovation and action towards a more virtuous city integrating environmental and ecological transition issues. Not calling into question the international scientific consensus on climate change is one of the group's criteria for support. The organizations supported are:

- Institut Français pour la Performance des Bâtiments (IFPEB): An alliance of economic players that strive to implement, thanks to operational knowledge, the means of an ambitious and efficient energy and environmental transition for real estate and construction compatible with the market.
- Bâtiment Bas Carbone Association (BBCA): The association works to reduce the building's carbon footprint and highlight good practices and exemplary buildings. Its objectives are to: Raise awareness of the urgency of reducing the carbon footprint of buildings; develop knowledge of low carbon buildings; encourage low carbon construction.
- Fibois France Association: Association bringing together the 12 regional interprofessional forest wood industry in France. The association's mission is to develop interregional actions related to forests and wood material by promoting consultation and the exchange of information between regional forests; by promoting and supporting the establishment of tools, services and actions in a local, regional, interregional framework; by representing regional forests with national partners in the forest and wood sector.
- Green Building Observatory (OID): An association that actively participates in the ramp up of ESG themes, particularly on taking biodiversity into account in new real estate and adapting buildings to climate change. The OID brings together more than 80 members and partners across its entire value chain.
- Re-use booster: A structure bringing together public and private project owners and designers to encourage, promote and facilitate the integration of re use materials into new buildings and renovations of buildings.
- Paris & Co: Agence pour l'innovation, le développement économique et l'attractivité de Paris), Pôle Ville durable: Incubation program (two annual calls for applications), activity to monitor and analyze innovation associated with Ville Durable.
- Palladio Foundation: The purpose of the Palladio Institute is to stimulate reflection and debate among all actors and stakeholders in the city of tomorrow and to award scholarships for students and doctoral students. The group sits on the panel of auditors.

5.3.3.6. Endowment, donations and sponsorship fund

Kaufman & Broad Established an Endowment Fund. It is a non-profit entity created to serve the group's sponsorship policy to finance charitable actions, carry out public service missions and offer employees the opportunity to take part in them. The Kaufman & Broad Endowment Fund chooses to commit to quality of life and education. The Kaufman & Broad Endowment Fund aims to help women, men and children build a future through access to education and knowledge, health, sport, arts and culture. These convictions and values guide the actions of the Kaufman & Broad Endowment Fund in supporting each project.

In 2024, for example, the Kaufman & Broad Endowment Fund supported:

- the **Ecole à l'hôpital** association which offers thousands of young patients aged 5 to 25 the opportunity to continue their schooling in hospital or at home. Thanks to qualified volunteer teachers, the association offers individual and free education in over 40 hospitals in Paris and Ile-de-France.
- the association **Helen Keller International**, a humanitarian organization whose mission is to fight the causes and consequences of child blindness and malnutrition by creating quality programs based on experience and research.

5.3.4. Customers and end-users

The Company's customers and users are most often:

For housing:

- Individuals who will be occupying homes (houses and apartments) they acquire, including first time buyers (first purchase of a main residence),
- Individuals who make an investment by buying a home (house, apartment, student residence lot, etc.) for rent and income. The end user is then a tenant household (individual, family, student, senior, etc.)
- Institutional investors:
 - Social landlords, public or private legal entities that purchase housing lots or programs for rent from households under means conditions. The end user is then a tenant household (individual, family, student, senior, etc.).
 - Real estate companies that purchase conventional housing (including residences services for students, seniors, family housing) with a view to renting them to individuals. The end user is then a tenant household (individual, family, student, senior, etc.).

For commercial property:

- Real estate companies that purchase:
 - From office buildings to rent them to a single user or to several corporate users. End-users are employees of tenant companies,
 - Commercial cells in building feet to rent them to users and merchants,
 - Hotels, to operate directly or lease them to hotel operators. End-users are the hotel's guests.
 - Logistics buildings. End-users are the tenant logistics companies.
- Proprietary companies occupying their office premises (offices, logistics, hotels, commerce, etc.).

The group does not identify any types of customers or end-users for which the products marketed would present a material risk of harm, chronic diseases, privacy protection, data protection, discrimination, accessibility, aggressive marketing and sales strategy.

5.3.4.1. Certification and labelling policy, actions and objectives

The group's policy is to consider labels and certifications as a guarantee of quality for the group's stakeholders, which demonstrates the quality of its programs, and in particular the energy, environmental and societal performance of the buildings carried out.

Housing

Certified homes add value to buyers in terms of comfort in use compared to regulatory levels, particularly in terms of thermal, energy and environmental performance, acoustics, health and safety.

The group's policy is that all housing projects launched include quality and environmental certification by an independent third party accredited by COFRAC. COFRAC is the French national accreditation body recognized internationally by the International Laboratory Accreditation Cooperation (ILAC), the International Accreditation Forum (IAF) and the European Co operation for Accreditation (EA).

In this context, the group has appointed Environmental Certification Managers for each agency. Certification is checked by the Land, Commitment and Acquisition Committees.

Project management is implemented by the operational teams by following the Symphonik internal processes (reference framework for the management of the group's real estate operations). The role of the Quality Architecture and Customer Experience department is to ensure the proper implementation of processes and compliance with the desired levels and quality requirements.

Objective: achieve a level of 100% of housing projects delivered certified by an independent third party accredited by COFRAC.

Regarding the Commercial business line

The Kaufman & Broad group's action is to develop projects designed to have the lowest possible extended carbon footprint over the building's life cycle. The group designs modular spaces that respond to new ways of working and also to the challenges of building convertibility. The group strives to develop programs that actively contribute to the wellbeing, comfort and safety of users. These certifications or labels are adapted to each program according to expectations. For each commercial building, the group aims at least double or triple environmental certification by accredited independent third parties.

Certification NF Habitat, NF Habitat HQE	E + C- label
BREEAM certification	Effinergie + label
LEED certification	Bio-sourced Building Label
WELL or Osmoze certification	Biodiversity label
Low Carbon Building Label (BBCA)	Certification Effinature

Objective: achieve a level of 100% of tertiary projects delivered with at least double certification.

"Highlight" project

The Highlight commercial property operation, which has been the group's headquarters since 2022, received Well Core & Shell certification. This certification guarantees a number of parameters related to comfort of use (indoor air quality, hygro-thermal and acoustic comfort, comfort of natural and artificial lighting, biophilia, etc.), contributing to employee health, well-being and productivity.

5.3.4.2. Kaufman & Broad customer support and experience in housing: Providing personalized follow up to each of the customers

The group's policy is to support its customers in all phases of the real estate project.

The actions concern:

- The marketing phase, via adapted sales methods (traditional sales offices, pop up BV offices, Boutiks , use of digital tools to visualize customized arrangements, etc.)
- The phase subsequent to the acquisition of a property through the customer relationship service in the construction and delivery phase and the customer service from 4 months to 10 years after delivery.

For further details please refer to Chapter 1 section 1.1.2.2.4 "Customers".

5.3.4.3. Continuous improvement in customer satisfaction

The group has always cultivated a sense of quality and the sustainability of its achievements. Employees remain the guarantors for this quality-focused culture, which is expressed through construction and also through client satisfaction and support. Among the group's actions, the Customer Experience Department has deployed an internal tool to ensure continuous improvement in service quality and customer satisfaction.

Customer Satisfaction Survey

The Customer Satisfaction Survey aims to refine the satisfaction measurement by systematically interviewing all home buyers at four specific points in their customer journey:

- After the notary signature;
- After the site visit;
- 3 months after the delivery of the accommodation;
- One year after the delivery of the accommodation.

The results of these surveys are used to identify the main leverage points for satisfaction and dissatisfaction in order to further analyze them and then develop internal processes to improve client satisfaction and manage the performance of the various departments involved. These satisfaction surveys and analyzes are carried out by BVA, a recognized independent third party expert that ensures the traceability and reliability of the results. The results are analyzed according to the type of buyers, products, and across all of the group's agencies. To ensure alignment between the group's strategy and the improvement projects implemented, the results are presented once a year to the CODIR and CODIREL members. Regional Directors, Agency and Customer Relationship Directors have access to the BVA platform enabling them to monitor customer satisfaction results and customer verbatims on an ongoing basis and at least quarterly. In addition, the variable Compensation objectives for Management Board and Extended Management Board members now include a component linked to the results of this client satisfaction survey.

Following the initial satisfaction surveys, working groups were formed to rewrite the client experience by constantly promoting client orientation and seeking the same level of quality in all agencies. This work resulted in the drafting of the customer journey in a readable and transparent manner, which is now communicated to all new home buyers through a document entitled "Essentiel" which was updated in 2024. These surveys also identified site visits and deliveries as key moments for client satisfaction, prompting audit work and recommendations to improve the handling of buyers at these particular moments. The methodology applied makes it possible to identify points of vigilance and to monitor the group's commitments in its client journey (e.g., acceptance of plans, number of orders, etc.).

The group's objective is to systematically solicit all households purchasing a home to obtain their opinion on at least four key stages of their customer journey.

Customer space

The group has rolled out a digital customer platform: Klient 360. It makes it possible to record all documents signed with customers and all correspondence received and sent to customers. Linked to the customer space, this tool has established itself as a collaborative asset serving Kaufman & Broad's customer relationship.

Klient 360 turned out to be structuring for:

- Maintaining the link with our customers,
- Keep our customers informed by email about the current context and the possible extension of response times,
- Facilitate collaboration and information sharing between teleworking employees.

Developed internally by the IT Department's teams in consultation with operational staff, Klient 360 is now the interface for communication with customers: It allows for a complete monitoring of interactions between the group and its acquirers at all stages of the journey and to historize each of the requests made. This tool also makes it possible to streamline relations between the business lines, so that everyone can provide the necessary response elements to satisfy clients as promptly as possible. Thus, all agency managers and customer relations receive full reporting on the progress of customer requests and the ability of their agency to respond quickly. When a request is made by a customer from its dedicated area or via the e-mail address of its customer service, the request is identified and directed to the most qualified interlocutor to respond. The group therefore monitors lead times, allowing it to demonstrate its ability to process requests and respond to clients.

And for greater transparency towards our customers, Klient 360 has become the document library that pushes information into KB's new customer space.

The teams concerned have been made aware of this, and this work has made it possible to develop online training materials that are accessible to all employees.

Whilst the quality of client relations, dialogue with clients and innovation are all essential to meeting client expectations, Kaufman & Broad remains aware that client satisfaction is also influenced by many other aspects: The quality of the work carried out by suppliers and compliance with delivery deadlines, pricing accessibility, the skills and qualities of Kaufman & Broad employees in contact with clients, the environmental performance of products, etc. These related issues and the policies implemented by the group in this area are developed throughout this report.

5.3.4.4. Customer data protection

The group's policy aims to ensure the protection of its customers' personal or sensitive data. The control procedures and actions implemented for this purpose are detailed in sections 4.1.1.2.2.2. "Security of information systems and protection of personal data" and 4.2.5.5. "Risks related to the protection of personal data" of this document.

5.3.4.5. Accessibility of real estate programs

The group's policy is to promote the possibility for all users to circulate, locate, communicate in buildings, access premises and use equipment with the greatest possible autonomy.

The group takes accessibility issues into account with its design partners from the design phase to provide for the appropriate technical arrangements and arrangements in common areas as well as in housing, such as the organization of spaces, door widths and equipment. The group thus integrates production into its objectives:

- At least 20% of the housing units accessible from the ground floor or by lift (generalized for all buildings from 3 floors) are designed in an accessible way. Purchasers of these homes may apply for reversible alterations and do not question the possibility of a person visiting the apartment with a disability.
- The rest of the dwellings on an evolutionary principle: They allow access and movement of a person in a wheelchair in the stay and toilet and can be made accessible by carrying out simple works that do not impact the structure or the networks.

5.3.4.6. Combating financial vulnerability

The group wishes to prevent any financial vulnerability for its customers by adopting the following measures:

- **Price transparency:** The group provides clear and detailed information on selling prices and optional services, enabling customers to make informed decisions.
- **Financing independence:** The group does not take part in the preparation of customer financing applications. They are invited to consult banks of their choice, either directly or through an independent broker. Although the group may offer a relationship with brokers or partner banks, customers are under no circumstances obliged to accept these proposals.

This approach aims to ensure that each customer obtains funding tailored to their personal situation, without undue influence on the part of the group.

5.3.4.7. Responsible marketing and sales policy

The group develops a responsible marketing and sales strategy that is respectful and takes into account sustainable development issues; as well as justified and evidence based environmental claims.

5.3.4.8. Equal opportunities in purchasing and renting

The group applies a non-discriminatory policy for prospective buyers or tenants and excludes any discriminatory criteria such as origin, gender, age, sexual orientation, etc. Néoresid, a subsidiary of Kaufman & Broad for the management of student residences, can take into account objective criteria in the selection of tenant candidates, such as their financial situations, the selection process excluding any discriminatory criteria.

5.4. Governance Information - Business Conduct

5.4.1. Compliance and Ethics at Kaufman & Broad

Adopting responsible behavior towards all its stakeholders is one of the cornerstones of the Kaufman & Broad group's CSR strategy. The group's policy prohibits any form of corruption, whether active or passive, in the conduct of its business. The group and its employees undertake to comply strictly with the law and to combat corruption. The group has a Legal Department which is responsible for regulatory and legislative matters, whether corporate or operational, in conjunction with the Internal Audit Department.

The group's Code of Ethics, updated in 2024, formalizes the principles to be followed by employees, covering fundamental rights, responsibilities, business conduct and relations with stakeholders. For more information on the system described by the Sapin II Act and ethics training, please refer to section 4.1.1.2.2.1. "Business ethics and compliance".

The protection of personal data has been identified as a significant risk for the group. It is therefore the subject of a dedicated development in section 4.2.5.5.

5.4.2. Combating tax evasion, money laundering and the financing of terrorism

The group's business is entirely located in France, with all its companies registered in France. The regular tax audits did not reveal any irregularities. The group and its employees carefully monitor payments to detect any irregularities and report suspicious transactions. Notaries, who authenticate property transactions, ensure the lawful origin of the funds. Criminal liability may be incurred for money laundering, including attempts.

Business ethics and compliance policy and actions are developed in Chapter 4, Section 4.1.1.2.2.1, and in particular:

- Fight against corruption and influence peddling
- Combating tax evasion, money laundering and terrorist financing
- Code of Ethics and Internal Regulations.
- Information Systems Security and Personal Data Protection

5.5. Report by one of the Statutory Auditors, appointed as an independent third party, on the verification of the consolidated non-financial performance statement

This is a free English translation of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Year ended November 30, 2024.

To the shareholders,

In our capacity as Statutory Auditor of your group (hereinafter the "Entity") appointed as independent third party, and accredited by the Cofrac (*Accréditation Cofrac Validation /Vérification, n°3-1884 rév2*, scope available at www.cofrac.fr), we have undertaken a limited assurance engagement on the historical information (observed or extrapolated) in the consolidated non-financial statement, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the year ended November 30th, 2024 (hereinafter, the "Information" and the "Statement" respectively), presented in the Group's management report pursuant to the legal and regulatory provisions of Articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*code de commerce*).

Conclusion

Based on the procedures we performed as described under the "Nature and scope of procedures" paragraph and the evidence we obtained, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Preparation of the non-financial performance statement

The absence of a commonly used generally accepted reporting framework or of a significant body of established practices on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, summarized in the Statement and available on the Entity's website or on request from its headquarters

Inherent limitations in preparing the Information

As stated in the Statement the Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the entity

Management of the entity is responsible for:

- selecting or establishing suitable criteria for preparing the Information,
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators, and the information set out in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy),
- preparing the Statement by applying the entity's "Guidelines" as referred above, and
- designing, implementing, and maintaining internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the Board of Directors

Responsibility of the Statutory Auditor, appointed as independent third party

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- The compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code,
- The fairness of the historical information (observed or extrapolated) provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e., the outcomes of policies, including key performance indicators, and measures relating to the main risks.

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to report on:

- the entity's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the French Duty of care law, and provisions against corruption and tax evasion law),
- the fairness of information set out in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy),
- the compliance of products and services with applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with the Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French National Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) applicable to such engagements, in particular the professional guidance issued by the Compagnie Nationale des Commissaires aux Comptes, "*Intervention du commissaire aux comptes - Intervention de l'OTI - Déclaration de performance extra-financière*"⁽¹⁾, supplemented, where applicable, with our own procedures⁽²⁾, acting as the verification program, and with the international standard ISAE 3000 3000 (revised)⁽³⁾.

Independence and quality control

Our independence is defined by the provisions of Article L. 821-28 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

Means and resources

Our work engaged the skills of 6 people between November 2024 and March 2025 and took a total of 3 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted around 10 interviews with people responsible for preparing the Statement.

Nature and scope of the work

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information:

- We obtained an understanding of all the consolidated entities' activities and the description of the main related risks,
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector,
- We verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III of the French Commercial Code as well as information regarding compliance with human rights, anti-corruption and tax avoidance legislation, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code,
- We verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the main risks,
- We verified that the Statement presents the business model and a description of main risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, products or services, as well as policies, measures and the outcomes thereof, including key performance indicators related to the main risks,
- We referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented,
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in the Appendices. Our work was carried out at the consolidating entity's headquarters,
- We verified that the Statement covers the consolidated scope, i.e. all the entities within the consolidation scope in accordance with Article L. 233-16 of the French Commercial Code,
- We obtained an understanding of internal control and risk management procedures the entity implemented, and assessed the data collection process aimed at ensuring the completeness and fairness of the Information,
- For the key performance indicators and other quantitative outcomes that we considered to be the most important, presented in the Appendices, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
 - tests of details, using sampling techniques, in order to verify the proper application of definitions and procedures and reconcile the data with supporting documents. This work was carried out at the entity's headquarters and covers 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests,
- We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities' activities.

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidance of the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*), a higher level of assurance would have required us to carry out more extensive procedures.

Paris - La Défense, 19 March 2025

KPMG SA
François Plat
Partner

(1) *Avis Technique - Intervention du CAC - Intervention de l'OTI - Déclaration de performance extra-financière – Actualisation décembre 2024*

(2) *The procedures of KPMG France's ESG Center of Excellence relating to the verification of Extra-Financial Performance Declarations as independent third party.*

(3) *ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information*

Appendix 1

Qualitative information (actions and outcomes) considered the most important

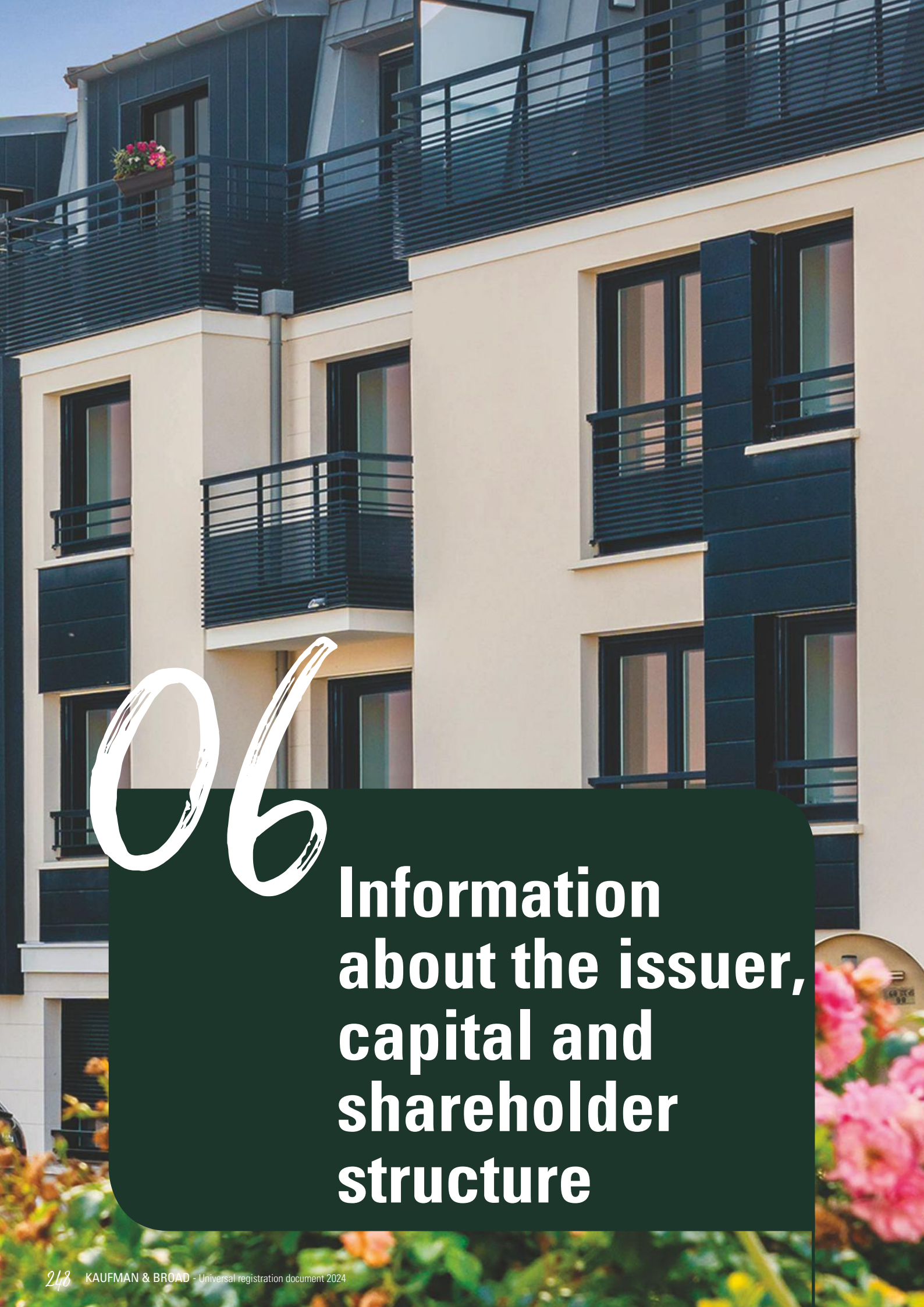
Employee loyalty and talent retention

Ability to anticipate and innovate in the products and services offered

Customer satisfaction (contractual compliance and customer support)

Availability of quality and competitive suppliers

Key performance indicators and other quantitative outcomes considered to be the most important	Level of assurance
Workforce at 31/12	Moderate.
Average workforce	Moderate.
Turnover rate	Moderate.
Number of hires and departures on permanent contracts	Moderate.
Absenteeism rate by reason over the calendar year	Moderate.
Percentage of employees trained over the calendar year	Moderate.
Proportion of housing subject to income conditions with social objectives	Moderate.
Share of revenues related to student residences	Moderate.
Share of sales related to senior residences	Moderate.
Degree of dependence of the group on the top 10 suppliers	Moderate.
Degree of dependence of the group on the largest supplier	Moderate.
Greenhouse gas emissions (Scopes 1, 2 and 3)	Moderate.
Proportion of projects located in crisis zones (drought)	Moderate.
Quantity of hazardous waste treated during the year	Moderate.

A modern, multi-story apartment building with a light beige facade and dark blue accents. The building features several balconies with dark blue metal railings. A small flower box with pink and red flowers is visible on one of the balconies. The building is set against a clear blue sky. In the foreground, there are green plants and pink flowers.

06

Information about the issuer, capital and shareholder structure

6.1	General information concerning the capital	250
6.1.1	Share capital	250
6.1.2	Rights, privileges and restrictions attached to shares	250
6.1.3	Capital authorized but not issued	250
6.1.4	Non-equity securities	250
6.1.5	Other securities giving rights to capital	250
6.1.6	Stocks of any member of the group	251
6.1.7	Alienation of cross equity interests	251
6.1.8	Pledges	251
6.1.9	Changes of control	251
6.1.10	Changes in share capital	251
6.2	Details of the Company's shareholding	252
6.2.1	Distribution of capital and voting rights	252
6.2.2	Employee shareholding	252
6.2.3	Disclosure thresholds on shares held in Kaufman & Broad SA	253
6.2.4	Acquisition by the Company of its own shares	253
6.2.5	Securities transactions of corporate officers and related parties during the last fiscal year	255
6.2.6	Securities transactions by corporate officers and related parties after 2024 fiscal year	256
6.3	Dividends	256
6.3.1	Distribution policy	256
6.3.2	Dividends distributed over the last three fiscal years	256

6.1. General information concerning the capital

6.1.1. Share capital

The Company's authorized capital at November 30, 2024, was €5,164,125.72 consisting of 19,862,022 ordinary shares, each with a par value of €0.26, all subscribed and fully paid up. These transactions are described in section 6.1.10 "Changes in share capital" of this document.

6.1.2. Rights, privileges and restrictions attached to shares

All shares carry the same rights and privileges (see section 6.3.1 "Distribution policy"), subject to the existence of double voting rights. Only the shares held by Kaufman & Broad itself shall, during the period that it holds them, be stripped of their voting and dividend rights, and of the rights to a share in any winding-up bonus.

The Company's Extraordinary Shareholders' Meeting of January 21, 2000 attributed voting rights which are double those attributed to other shares - on the basis of the proportion of the share capital which they represent - to all fully paid-up shares registered in the name of the same shareholder for at least two years, and to any new shares resulting from those shares. Bonus shares resulting from a capital increase by incorporation of reserves, earnings or premiums will benefit from double voting rights when they are issued, provided they are attributed on the basis of shares that already enjoy this right. Double voting rights cease for all shares that have been converted to bearer shares or have been transferred, except for all transfers from one registered owner to another.

Since the bylaws do not contain any specific provisions relating thereto, any change in the capital or the rights attached to shares is subject to legal provisions. A decision to strip shares of double voting rights may be made by an Extraordinary Shareholders' Meeting, but only if authorized by a Special Meeting of the holders of such rights.

The total number of shares known to have double voting rights at November 30, 2024 was 6,271,884, representing 13,206,231 votes exercisable at the Shareholders' Meeting (including double votes). Accordingly, the total number of the Company's theoretical voting rights totaled 26,156,501 on the same date, and the total number of voting rights exercisable at Shareholders' Meetings amounted to 25,671,782 (with the difference corresponding to the number of treasury shares held by the Company, which are stripped of voting rights).

Shareholders' Meetings

Shareholder decisions are made at Shareholders' Meetings. Ordinary Shareholders' Meetings cover all matters that do not require amendments to the bylaws (unless otherwise stipulated by law).

Extraordinary Shareholders' Meetings may be convened to amend the bylaws (unless otherwise stipulated by law).

Shareholders' Meetings are held at the registered office or in any other location indicated in the notice of meeting.

They are convened by the Board of Directors, in the manner and within the time limit set by law. All shareholders are entitled to attend Shareholders' Meetings, either in person or by proxy, provided that they submit proof of their identity and of ownership of at least one share, in the form and at the place specified in the notice of meeting. All shareholders are entitled to be represented at Shareholders' Meetings in the manner stipulated by law. Shareholders may also cast postal votes in the manner stipulated by law.

Shareholders who attend a meeting via video conference or other telecommunication technology that enables them to be identified, the type and use of which are defined by law, are deemed in attendance for the purpose of calculating a quorum and voting majorities. These provisions are contained in Article 18 of the Company's bylaws.

All shareholders may be represented by their spouse, their civil-part (PACS) partner, by another shareholder or by any individual or legal entity of their choice, at all Shareholders' Meetings. Shareholders may also cast postal votes in the manner stipulated by law.

Shareholders' Meetings are chaired by the Chairman of the Board of Directors or, in the Chairman's absence, by the Deputy Chairman or, in the Deputy Chairman's absence, by a director designated by the Board. The two shareholders in attendance holding the largest number of votes in their own names and/or as proxies shall, if they agree, act as the tellers. The officers appoint the meeting secretary, who does not have to be a shareholder.

6.1.3. Capital authorized but not issued

The summary of the authorizations granted by the Extraordinary Shareholders' Meeting to the Board of Directors to increase the Company's authorized capital by issuing shares or securities giving rights to said capital appears in section 3.5.6 of this document.

6.1.4. Non-equity securities

The Board of Directors has the authority, granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of May 4, 2023, to issue securities giving rights to an allocation of debt instruments for a period of 26 months, up to a maximum limit of 10% of share capital. This authorization has not been used to date.

6.1.5. Other securities giving rights to capital

6.1.5.1. Stock subscription and purchase options awarded to employees and corporate officers

None.

6.1.5.2. Bonus shares

For further details, please refer to section 3.4.3.

6.1.6. Stocks of any member of the group

None

6.1.7. Alienation of cross equity interests

None.

6.1.8. Pledges

To the Company's knowledge, no pledges of its securities exist.

6.1.9. Changes of control**6.1.9.1. Agreements likely to result in a change of control**

To the Company's knowledge, as of the date of this document, there are no agreements whose implementation could, at a later date, result in a change of its control.

6.1.9.2. Provisions likely to delay, defer or prevent a change of control

None.

6.1.9.3. Shareholders' agreement

No shareholders' agreements have been entered into by the group's companies with third-party contractors. For joint development programs, the partners sign a Memorandum of Understanding (and/or fee agreements) defining the allocation of responsibilities and the fees to be invoiced to these service providers.

6.1.10. Changes in share capital

Transactions	Number of shares issued	Total change in capital	Premium per share	Total issue premium	Successive capital amounts	Total number of shares	Par value
November 30, 2021				€59,093,757.56	€5,645,385.98	21,713,023	€0.26
February 1st, 2022							
Capital reduction	-400,000	- €104,000.00	- €35.25	€44,995,223.35	€5,541,385.98	21,313,023	€0.26
October 12, 2022							
Capital increase in favor of FCPE KB ACTIONS 2022 ^(a)	299,999	€77,999.74	€18.99	€50,691,604.36	€5,619,385.72	21,613,022	€0.26
November 30, 2022				€50,691,604.36	€5,619,385.72	21,613,022	€0.26
January 31, 2023							
Capital reduction	-500,000	- €130,000.00	- €29.34	€36,023,309.50	€5,489,385.72	21,113,022	€0.26
September 5, 2023							
Capital reduction	-1,251,000	- €325,260.00	- €25.92	€3,597,389.50	€5,164,125.72	19,862,022	€0.26
November 30, 2023				€3,597,389.50	€5,164,125.72	19,862,022	€0.26
NOVEMBER 30, 2024				€3,597,389.50	€5,164,125.72	19,862,022	€0.26

(a) See section 6.2.2.1 "Employee savings".

6.2. Details of the Company's shareholding

6.2.1. Distribution of capital and voting rights

The table below shows the breakdown of authorized capital and voting rights at November 30, 2022, November 30, 2023, and November 30, 2024:

Shareholding	Number of shares	% of capital	% of voting rights exercisable at Shareholders' Meetings	Percentage of voting rights theoretical
Public ^(a)	10,626,600	49.17%	38.61%	37.21%
Rolloy family (Promogim)	4,588,428	21.23%	27.00%	26.02%
Artimus Participation ^(b)	2,324,423	10.75%	16.62%	16.02%
Prédica/Spirica	1,766,629	8.17%	12.63%	12.17%
Employees ^(c)	1,253,698	5.80%	5.14%	4.95%
Kaufman & Broad SA	1,053,244	4.87%	0.00%	3.63%
TOTAL AT NOVEMBER 30, 2022	21,613,022	100.00%	100.00%	100.00%
Public ^(a)	10,624,454	53.49%	42.14%	41.36%
Rolloy family (Promogim)	4,588,428	23.10%	29.67%	29.12%
Artimus Participation ^(b)	1,073,423	5.40%	8.36%	8.21%
Prédica/Spirica	1,766,629	8.89%	13.76%	13.51%
Employees ^(c)	1,324,369	6.67%	6.06%	5.95%
Kaufman & Broad SA	484,719	2.44%	0.00%	1.85%
TOTAL AT NOVEMBER 30, 2023	19,862,022	100.00%	100.00%	100.00%
Public ^(a)	11,103,154	55.90%	43.96%	43.32%
Rolloy family (Promogim)	4,588,428	23.10%	30.18%	29.74%
Artimus Participation ^(b)	896,238	4.51%	6.96%	6.86%
Prédica/Spirica	1,766,629	8.89%	13.72%	13.52%
Employees ^(c)	1,123,576	5.66%	5.18%	5.10%
Kaufman & Broad SA	383,997	1.93%	0.00%	1.47%
TOTAL AT NOVEMBER 30, 2024	19,862,022	100.00%	100.00%	100.00%

(a) Shares owned by Directors are included in "Public" shareholders at November 30.

(b) A company owned by certain group executives and employees and chaired by Mr. Nordine Hachemi, Chairman and CEO of Kaufman & Broad SA (who held more than 27% of the share capital and voting rights of Artimus Participations).

(c) Includes the shares held in the FCPE funds Kaufman & Broad Actionnariat and KB Actions plans, as well as individually held shares, recorded in the share register by employees of Kaufman & Broad employed by the company to date.

To the Company's knowledge, no shareholder holds more than 5% of the share capital and voting rights with the exception of the funds managed by Prédica, Artimus Participations, the Rolloy family and funds managed by Caisse Des Dépôts & Consignations (Investment Management).

6.2.2. Employee shareholding

6.2.2.1. Employee savings

Group savings plans

As part of the Initial Public Offering in February 2000, a Company savings plan was set up and subsequently amended in February 2001, March 2002, July 2003, September and December 2006, December 2007, December 2008, December 2009 and December 2014. By supplementary agreement of July 2017, this savings plan was extended to all employees of the group's subsidiaries and became a group savings plan. The savings collected under this plan are invested in the Kaufman & Broad Actionnariat FCPE (company mutual fund) and in the KB Actions FCPE, which was created in 2017.

To promote employee saving under advantageous financial and tax conditions, Kaufman & Broad set up a Group Employee Savings Plan (*Plan d'Épargne Groupe*) open to all employees (see section 3.3

"Incentives and profit-sharing programs" of this document). It consists of two company mutual funds ("FCPE"), including the "Kaufman & Broad Actionnariat" fund invested in Kaufman & Broad shares and covered by a contribution matching program, and the fund, "KB Actions" (initially with "KB Actions 2017") with its current and remaining sub-fund and "KB Actions 2022". These various and successive funds were opened as part of the 2017, 2019 and 2022 shareholding offers carried out through a Kaufman & Broad SA capital increase and closed to new investments.

The assets of the Kaufman & Broad Actionnariat fund consist primarily of shares in the Company or, at the discretion of the employees, in "Capi Euro Monétaire", classified as a "money market" mutual fund according to its by-laws, or "Capi Équilibre", classified as a "balanced" mutual fund according to its by-laws, or "Flexi Taux Court Solidaire", a solidarity fund classified as a "Eurobond" fund according to its by-laws, with between 5% and 10% of its assets invested in "solidarity" businesses, as defined in Article L. 214-164 of the French Monetary and Financial Code.

"KB Actions 2022"

On June 15, 2022, Kaufman & Broad announced the launch of its "KB Actions 2022" shareholding offer with leverage and investment guarantee, reserved for group employees who are participants in the savings plan. Kaufman & Broad SA recognized the increase of its share capital resulting from subscriptions for "KB Actions 2019" shares on October 12, 2022. The offer was as successful as its predecessor in 2017 and 2019. The participation rate of eligible employees reached 53%, with a total of 299,999 shares subscribed through the "KB Actions 2019" sub-fund of the KB Actions FCPE for an amount of €5,774,980.75. The 299,999 new shares issued pursuant to the offer are common stock, fully fungible with existing shares and vested.

At November 30, 2024, employees held, mainly through the various FCPEs of the Group Employee Savings Plan, 741,815 shares in the Company, or 3.73% of Kaufman & Broad SA's capital.

6.2.2.2. Employee shareholding as of November 30, 2024

At the closing date, the number of shares held by employees, as defined in Article L. 225-102 of the French Commercial Code, represented 3.73% of the Company's authorized capital

At November 30, 2024, the number of shares held by members of the Board of Directors was 121,287, representing 197,166 votes. For more information, please refer to section 3.1.1.1.1 "Composition of the Board of Directors" of this document.

6.2.3. Disclosure thresholds on shares held in Kaufman & Broad SA

Furthermore, according to Article L. 233-7 of the French Commercial Code, any individual or legal entity, acting alone or in concert with others, who acquires, directly or indirectly, a number of shares representing thresholds, set by the French Commercial Code, of the existing capital or voting rights of Kaufman & Broad, must inform the

company and the Autorité des Marchés Financiers at the latest before the close of trading on the fourth trading day following the date when such threshold was crossed.

The legal/statutory thresholds crossed in 2024 were as follows:

Market transaction date	Registered intermediaries or fund managers	Type of crossing	Number of shares	% share capital
02/14/2024	Artimus Participations SAS	↓	1,041,109	5.25%
03/06/2024	Invesco Ltd	↑	569,115	2.17%
04/11/2024	Amiral Gestion	↑	400,187	2.01%
04/17/2024	Amundi	↑	414,412	2.08%
06/05/2024	Wellington Management Group LLP	↓	383,658	1.93%
06/17/2024	La Banque Postale Asset Management	↑	n/c ^(a)	2.01%
07/03/2024	Amundi	↓	272,387	1.37%
07/31/2024	Perpetual Limited	↑	403,505	2.03%
10/14/2024	Artimus Participations SAS	↓	991,076	4.99%

(a) Information not disclosed in the threshold crossing declaration.

In addition to the legal thresholds for crossing the share capital, Article 7 of Kaufman & Broad's bylaws requires a declaration for any crossing of the statutory threshold of 2%.

At the date of this document, Kaufman & Broad SA has not been informed of any threshold crossings other than those previously declared, whether legal or statutory, or by other companies holding more than 5% of the share capital.

6.2.4. Acquisition by the Company of its own shares

The sixth resolution of the Combined Ordinary and Extraordinary Shareholders' Meeting of May 9, 2001 authorized the Company to implement a share buyback program, up to a maximum 10% of the number of shares comprising the Company's capital. The authority granted to the Board of Directors for the Company to buy back its own shares was renewed by the Shareholders' Meeting of May 6, 2024 in its fifteenth resolution for a period of eighteen months. The authority was granted to the Board of Directors during this Shareholders' Meeting by the seventeenth resolution to proceed with the cancellation of the shares held by the Company following the buyback of its own shares, and to do so over a period of twenty-six months.

6.2.4.1. Buyback program authorized by the Shareholders' Meeting of May 6, 2024

The fifteenth resolution submitted and approved by the Combined Shareholders' Meeting of May 6, 2024 authorized the Board of Directors, for a period of eighteen months, to purchase the Company's own shares. The Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for Ordinary Shareholders' Meetings, and after a reading of the report of the Board of Directors, authorizes the Board of Directors, with the option to delegate in the manner provided for by law, in accordance with the provisions of Articles L. 22-10-62 et seq. of the French Commercial Code to have the Company purchase its own shares.

This authorization may be used to:

- Stimulate the market or the liquidity of the Company's shares through an investment service provider under a liquidity agreement that complies with the market practice permitted by the AMF (French Financial Markets Authority) on July 1st, 2021;
- Acquire shares to be held and subsequently delivered in payment or exchanged as part of corporate acquisition transactions;
- Award or transfer stock to employees and/or corporate officers (on the terms and in the manner provided for by law) in particular as part of a stock option plan, a bonus share award plan or a company savings plan;
- Award stock by the delivery of shares when exercising the rights attached to securities giving the right via redemption, conversion, exchange or presentation of a warrant, or in any other way, to an allocation of the Company's stock;
- Potentially cancel the shares acquired, subject to adoption of the seventeenth extraordinary resolution appearing on the agenda for today's Shareholders' Meeting;
- More generally, execute any transaction allowed or that may in the future be allowed by then current rules and regulations, particularly if it is part of a market practice that may be accepted by the French Financial Markets Authority (AMF).

The purchases, disposals or transfers described above may be executed by any method compatible with the applicable law or regulations, including by using derivative financial instruments or block trades. The part of the program transacted as a block may extend to the entire share buyback program.

The Board of Directors may not, except with the prior authorization of the Shareholders' Meeting, make use of this authorization from the filing by a third party of a public offer aimed at the Company's shares until the end of the offer period.

The Shareholders' Meeting sets the maximum number of shares that may be acquired under this resolution at 10% of share capital, adjusted for transactions made after this meeting that may affect the capital, it being specified that (i) under this authorization, the number of treasury shares must be taken into consideration so that the Company remains consistently within the limit of the number of treasury shares owned, equal to a maximum of 10% of the share capital; and (ii) the number of treasury shares to be used as payment or in exchange as part of a merger, demerger or contribution, may not exceed 5% of the capital.

The Shareholders' Meeting resolves that the total amount for such acquisitions may not exceed €99,310,110 and resolves that the maximum purchase price may not exceed €50 per share.

In the event of a capital increase through capitalization of premiums, reserves, profits or in the form of an award of bonus shares during the period of validity of this authority, or in the event of a stock split or reverse stock split, the Shareholders' Meeting delegates to the Board of Directors the authority to adjust, if necessary, the maximum purchase price per share referred to above to take into account the impact of such transactions on the value of the stock.

The Shareholders' Meeting grants full authority to the Board of Directors, with the option to delegate this authority under the terms provided for by law, to:

- Resolve to implement this authority;
- Set the terms and conditions the observance of which ensure, if necessary, the preservation of the rights of bearers of securities convertible into share capital, stock warrants or stock options, or rights to allocation of performance shares, in compliance with legal, regulatory or contractual provisions;
- Place any stock market order and enter into any agreement specifically in order to keep the records of buy and sell transactions in compliance with applicable regulations;
- File all required disclosures and comply with all formal, legal and other requirements and, in general, take all necessary measures.

The Board of Directors will inform the shareholders attending the Annual Ordinary Shareholders' Meeting about all the transactions executed in application of this resolution.

This authority is granted for a period of eighteen months from the date of this Shareholders' Meeting.

Liquidity Agreement

Since October 10, 2018, Kaufman & Broad has entrusted Rothschild Martin Maurel with implementing a Liquidity Agreement in accordance with legal provisions. This contract is automatically renewed each year, with the last renewal on July 16, 2024. For its implementation, €283,138.17 and 32,765 Kaufman & Broad SA shares were initially allocated to the liquidity account.

At November 30, 2024, the following resources were reported in the liquidity account: 0 share and €1,465,258.89 not invested in shares.

6.2.4.2. Summary of share purchase and sales

Implementation of the Liquidity Agreement resulted in the following transaction volumes and prices during the 2024 fiscal year:

Liquidity contract	2024
Number of shares purchased	374,021 shares
Average purchase price	€30.77
Number of shares sold	367,921 shares
Average selling price	€30.76
Total trading costs	€40,000

At November 30, 2024, the group held 383,997 treasury shares (representing 1.93% of the Company's share capital). This comprised 246,594 shares (representing 1.24% of the Company's share capital) serving to cover the bonus share plans granted to date.

6.2.4.3. Possible adjustments for securities giving access to the share capital in the event of share buybacks or financial transactions

None.

6.2.5. Securities transactions of corporate officers and related parties during the last fiscal year

Date	Person	Financial instrument	Average unit price (€)	Nature transaction	Total transaction volume
February 14, 2024	Artimus participations SAS	Share	30.340	Disposal	-32,373
April 11, 2024	Artimus participations SAS	Share	30.100	Disposal	-15,000
April 30, 2024	Artimus participations SAS	Share	30.275	Disposal	-15,000
May 3, 2024	Artimus participations SAS	Share	31.150	Disposal	-22
May 6, 2024	Artimus participations SAS	Share	31.400	Disposal	-4,790
May 28, 2024	Yves PERRIER	Share	32.007	Acquisition	1,000
July 29, 2024	Isabelle BORDRY	Share	31.829	Acquisition	250
September 10, 2024	RKCI SAS	Share	33.040	Disposal	-13,173
September 13, 2024	RKCI SAS	Share	32.850	Disposal	-9,352
September 17, 2024	RKCI SAS	Share	32.820	Disposal	-310
October 14, 2024	Artimus participations SAS	Share	35.000	Disposal	-5,162
October 15, 2024	Artimus participations SAS	Share	35.120	Disposal	-28,753
October 16, 2024	Artimus participations SAS	Share	35.230	Disposal	-28,753
October 17, 2024	Artimus participations SAS	Share	35.010	Disposal	-10,506
October 18, 2024	Artimus participations SAS	Share	35.000	Disposal	-1,101
October 21, 2024	Artimus participations SAS	Share	35.050	Disposal	-1,200
October 24, 2024	Artimus participations SAS	Share	35.000	Disposal	-7,193
October 29, 2024	RKCI SAS	Share	35.010	Disposal	-1,372
November 28, 2024	Michel SIRAT	Share	31.500	Acquisition	300

6.2.6. Securities transactions by corporate officers and related parties after 2024 fiscal year

Date	Person	Financial instrument	Average unit price (€)	Nature transaction	Total transaction volume
Feb 3, 2025	Artimus participations SAS	Share	34.050	Disposal	-4,603
Feb 4, 2025	Artimus participations SAS	Share	34.040	Disposal	-12,461
Feb 5, 2025	Artimus participations SAS	Share	34.050	Disposal	-500
Feb 6, 2025	Artimus participations SAS	Share	34.030	Disposal	-3,606
Feb 7, 2025	Artimus participations SAS	Share	34.000	Disposal	-251
Feb 11, 2025	Artimus participations SAS	Share	33.520	Disposal	-8,156
Feb 18, 2025	Artimus participations SAS	Share	33.620	Disposal	-18,852
March 4, 2025	Artimus participations SAS	Share	33.550	Disposal	-5,000
March 5, 2025	Artimus participations SAS	Share	33.630	Disposal	-21,406
March 7, 2025	Artimus participations SAS	Share	34.000	Disposal	-1,572
March 10, 2025	Artimus participations SAS	Share	33.980	Disposal	-3,184

6.3. Dividends

6.3.1. Distribution policy

After approval of the annual financial statements and recognition of an existing distributable income for the fiscal year, at least five percent (5%) of net income is appropriated to the legal reserve up to a limit of one tenth of the Company's share capital.

The remaining income, less any prior-year losses as well as sums to be recorded in retained earnings pursuant to the law or the bylaws, and increased by the profit carried forward, constitutes the distributable income.

The Shareholders' Meeting may decide to distribute income drawn from the reserves at its disposal. In this case, the decision expressly indicates the reserve items on which the deductions are made; it being understood that the dividends are deducted in priority from the distributable income for the fiscal year.

The Ordinary Shareholders' Meeting may deduct from this distributable income any sums deemed appropriate to set, either to be taken to retained earnings for the next fiscal year, or to be recorded in one or more general or special reserve funds, for which it is responsible for determining the allocation or use.

Dividends must be distributed within a maximum period of nine (9) months of the end of the fiscal year, unless such period is extended by an order of the President of the Commercial Court.

6.3.2. Dividends distributed over the last three fiscal years

Over the past three years, the Company has applied a dividend policy calculated as follows:

Note: The amount of profit distributed, including via the issue of new shares, is stated in section 7.5 "Five year financial summary" of this document.

Payment in cash of the dividend for the fiscal year ended November 30, 2023

The Combined Ordinary and Extraordinary Shareholders' Meeting of Kaufman & Broad SA held behind closed doors May 6, 2024 under the chairmanship of the Chairman and Chief Executive resolved to distribute a total dividend of €2.40 per share for the year ended November 30, 2023. The dividend was paid in cash on May 13, 2024.

Payment in cash of the dividend for the fiscal year ended November 2024

The Board of Directors held on January 29, 2025, taking note of the 2024 results, the financial structure of Kaufman & Broad and the high level of its equity, decided to propose to the next Shareholders' Meeting to be held on May 6, 2025, a dividend of €2.20 per share for fiscal year 2024.

Limitation period

Under French law, dividends which are not claimed within five years of the date of payment become statute-barred in favor of the French government.



07

Assets, Financial Statements and Results at November 30, 2024

7.1	Consolidated financial statements at November 30, 2024	260
7.1.1	Statement of consolidated comprehensive income	260
7.1.2	Statement of consolidated financial position	261
7.1.3	Cash flow statement	262
7.1.4	Statement of changes in consolidated shareholders' equity	263
7.1.5	Notes to the financial statements	264
7.2	Report of the Statutory Auditors on the consolidated financial statements	299
7.3	Parent company financial statements at November 30, 2024	303
7.3.1	Annual financial statements at November 30, 2024	303
7.3.2	Balance sheet	303
7.3.3	General principles	304
7.3.4	Analysis of the financial statements	305
7.3.5	Tax consolidation and future tax position	315
7.3.6	Related party transactions	315
7.3.7	Post-closing events	315
7.3.8	Consolidation	315
7.3.9	Other	316
7.4	Report of the Statutory Auditors on the parent company financial statements	318
7.5	Five-year financial summary	323

7.1. Consolidated financial statements at November 30, 2024

7.1.1. Statement of consolidated comprehensive income

Consolidated income statement

<i>(in € thousands)</i>	Notes	Nov. 30, 2024	Nov. 30, 2023
Revenue	3.2	1,076,762	1,409,055
Cost of sales		-868,738	-1,151,823
GROSS MARGIN	3.2	208,024	257,232
Marketing expenses	3.3	-17,829	-20,875
Administrative expenses	3.3	-56,956	-64,780
Technical and customer service expenses	3.3	-18,438	-22,021
Development and program expenses	3.3	-34,033	-40,224
CURRENT OPERATIONAL INCOME (COI)		80,768	109,332
Non-recurring operating income	3.1 - 5.4	3,412	-
OPERATING INCOME		84,180	109,332
Financial expenses		-27,161	-24,770
Financial income		15,954	10,922
NET FINANCIAL INCOME	6.3	-11,207	-13,848
PRE-TAX INCOME (LOSS) OF CONSOLIDATED COMPANIES		72,973	95,484
Income tax	9	-14,935	-19,857
NET INCOME (LOSS) OF CONSOLIDATED COMPANIES		58,038	75,627
Share of income (loss) of equity affiliates and joint ventures		-220	849
INCOME (LOSS) OF THE CONSOLIDATED GROUP	3.1.1	57,818	76,476
Non-controlling interests income (loss)	7.1.5	12,849	16,322
Attributable net income		44,969	60,154
Average number of shares	7.2	19,462,031	20,300,383
BASIC EARNINGS PER SHARE	7.2	2.31	2.96
DILUTED EARNINGS PER SHARE	7.2	2.28	2.93

Consolidated comprehensive net income

<i>(in € thousands)</i>	Nov. 30, 2024	Nov. 30, 2023
INCOME (LOSS) OF THE CONSOLIDATED GROUP	57,818	76,476
Change in gross value of derivative instruments	-	-
Tax impact on derivative instruments	-	-
TOTAL OTHER COMPREHENSIVE INCOME TO BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS	-	-
Revaluation of net defined-benefit plan liabilities (assets)	-58	64
Tax impact on revaluation of net defined-benefit plan liabilities (assets)	15	-16
TOTAL OTHER COMPREHENSIVE INCOME NOT TO BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS	-43	48
CONSOLIDATED COMPREHENSIVE NET INCOME	57,775	76,524
Attributable net income	44,926	60,202
Non-controlling interests	12,849	16,322

7.1.2. Statement of consolidated financial position

Assets

<i>(in € thousands)</i>	Notes	Nov. 30, 2024	Nov. 30, 2023
Goodwill	5.1	68,661	68,661
Other intangible assets	5.2	92,107	92,429
Right-of-use assets	5.3	45,210	34,009
Investment property	5.4	-	19,528
Property, plant and equipment	5.5	8,886	10,174
Equity affiliates and joint ventures	2.1.2	42,811	23,257
Other non-current financial assets	6.1.1	5,115	2,533
Deferred tax assets	9.2.1	17,074	14,856
NON-CURRENT ASSETS		279,864	265,447
Inventories/new projects	3.4	55,769	70,044
Inventories/current programs	3.4	311,500	343,583
Accounts receivables and contract assets	3.5	431,779	495,106
Other receivables	3.5	182,742	185,385
Current tax position	9.2.1	8,668	-
Cash and cash equivalents	6.1.3	502,866	350,044
CURRENT ASSETS		1,493,324	1,444,162
TOTAL ASSETS		1,773,188	1,709,609

Liabilities

<i>(in € thousands)</i>	Notes	Nov. 30, 2024	Nov. 30, 2023
Share capital		5,164	5,164
Consolidated reserves		237,769	240,522
Other reserves		-13,216	-12,387
Treasury shares	7.1.4	-9,668	-12,496
ATTRIBUTABLE SHAREHOLDERS' EQUITY		220,049	220,803
Non-controlling interests	7.1.5	15,644	13,660
SHAREHOLDERS' EQUITY	7	235,693	234,463
Non-current provisions for retirement benefits	4.2	4,840	5,417
Non-current provisions for liabilities and charges	8.1	24,440	23,594
Borrowings and other non-current financial liabilities	6.1.2	-	113,181
Non-current lease liabilities	6.1.2	41,677	31,073
Non-current Minority interests put debt	6.1.2	2,481	3,667
Deferred taxes	9.2.1	63,011	56,922
NON-CURRENT LIABILITIES		136,449	233,854
Current provisions for liabilities and charges	8.1	5,898	1,827
Borrowings and other current financial liabilities	6.1.2	105,263	56,359
Current lease liabilities	6.1.2	8,936	8,171
Current Minority interests put debt	6.1.2	1,296	-
Accounts payable	6.1.1	943,424	942,767
Other liabilities and contract liabilities	6.1.1	336,121	213,312
Current tax position	9.2.1	108	18,856
CURRENT LIABILITIES		1,401,046	1,241,292
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,773,188	1,709,609

7.1.3. Cash flow statement

<i>(in € thousands)</i>	Notes	Nov. 30, 2024	Nov. 30, 2023
Consolidated net income		57,818	76,476
Share of income (loss) of equity affiliates and joint ventures		220	-849
Calculated income and expenses		10,459	15,490
CASH FLOW FROM OPERATIONS AFTER COST OF FINANCIAL DEBT AND TAXES		68,497	91,117
Net financial income	6.3	11,207	13,848
Tax expense (income)	9.1	14,935	19,857
CASH FLOW FROM OPERATIONS BEFORE COST OF FINANCIAL DEBT AND TAXES		94,639	124,822
Tax (paid)/received	3.7	-37,460	4,632
Change in Operating Working Capital Requirement	3.7	230,205	245,298
CASH FLOW FROM OPERATING ACTIVITIES (A)		287,384	374,752
Investing activities			
Acquisitions of property, plant & equipment and intangible assets (net of disposals)	5	-5,147	-5,752
Acquisitions of property, plant and equipment intended for investment property		-	348
Net change in financial assets		-2,412	4,965
Cash flow with equity affiliates and joint ventures		-4,536	-10,546
Acquisitions of equity interests	7.1.6	-171	-98
CASH FLOW FROM INVESTING ACTIVITIES (B)		-12,266	-11,083
FREE CASH FLOW		275,118	363,669
Distributions to non-controlling interests	7.1.5	-10,969	-17,006
Buyouts of non-controlling interest	7.1.5	-226	-
Purchase of treasury shares	7.1.4	-11,507	-47,717
Sale of treasury shares	7.1.4	11,305	14,698
Capital increase	7.1.1	-	-
Loan repayments	6.1.2	-51,035	-1,085
Payment of lease liabilities	6.1.2	-11,450	-6,547
Distributions to shareholders	7.1.3	-46,765	-49,509
Net financial interest paid		-1,649	-7,457
CASH FLOW FROM FINANCING ACTIVITIES (C)		-122,296	-114,623
INCREASE (DECREASE) IN CASH (A + B + C)		152,822	249,046
Cash at start of period		350,044	100,998
CASH AT END OF PERIOD		502,866	350,044
INCREASE (DECREASE) IN CASH		152,822	249,046
CASH AND CASH EQUIVALENTS	6.1.3	502,866	350,044

7.1.4. Statement of changes in consolidated shareholders' equity

<i>(in € thousands)</i>	Number of shares	Share capital	Consolidated reserves	Other reserves	Treasury shares	attributable shareholders' equity	Non-controlling interests	Total shareholders' equity
DECEMBER 1, 2022	21,613,022	5,619	277,280	-11,905	-29,327	241,667	14,683	256,350
Other comprehensive income	-	-	-	48	-	48	-	48
Net income at November 30, 2023	-	-	60,154	-	-	60,154	16,322	76,476
CONSOLIDATED COMPREHENSIVE NET INCOME	-	-	60,154	48	-	60,202	16,322	76,524
Distribution	-	-	-49,509	-	-	-49,509	-17,006	-66,515
Capital increase	-	-	-	-	-	-	-	-
Capital reduction	-1,751,000	-455	-46,769	-	14,798	-32,426	0	-32,426
Treasury share transactions	-	-	-	-2,626	2,033	-593	-	-593
Share-based payments	-	-	-	2,096	-	2,096	-	2,096
Minority-interest share buy-back	-	-	-634	-	-	-634	-339	-973
TOTAL TRANSACTIONS WITH SHAREHOLDERS	-1,751,000	-455	-96,912	-530	16,831	-81,066	-17,345	-98,411
NOVEMBER 30, 2023	19,862,022	5,164	240,522	-12,387	-12,496	220,803	13,660	234,463
Other comprehensive income	-	-	-	-43	-	-43	-	-43
Net income at November 30, 2024	-	-	44,969	-	-	44,969	12,849	57,818
CONSOLIDATED COMPREHENSIVE NET INCOME	-	-	44,969	-43	-	44,926	12,849	57,775
Distribution	-	-	-46,765	-	-	-46,765	-10,969	-57,734
Capital increase	-	-	-	-	-	-	-	-
Capital reduction	-	-	-	-	-	-	-	-
Treasury share transactions	-	-	-	-	2,828	2,828	-	2,828
Share-based payments	-	-	-	-810	-	-810	-	-810
Minority-interest share buy-back	-	-	-933	-	-	-933	104	-829
TOTAL TRANSACTIONS WITH SHAREHOLDERS	0	-	-47,698	-810	2,828	-45,680	-10,865	-56,545
NOVEMBER 30, 2024	19,862,022	5,164	237,793	-13,240	-9,668	220,049	15,644	235,693

7.1.5. Notes to the financial statements

Note 1. Accounting principles

The consolidated financial statements at November 30, 2024 reflect the operations of Kaufman & Broad SA and its subsidiaries (hereinafter the "Kaufman & Broad group" or the "group"), a French company listed on Euronext Paris, Compartment B, whose registered office is in Courbevoie (17, Quai du Président Paul Doumer CS 9001 - 92672 Courbevoie France).

For more than 50 years, the Kaufman & Broad group has designed, developed and sold single-family homes in communities, apartments and offices on behalf of third parties. Its size and strong brand name have made Kaufman & Broad one of France's leading property developers and builders.

The consolidated annual financial statements at November 30, 2024 along with the related notes were approved by the Board of Directors on January 29, 2025.

These standards, available on the European Commission's website, incorporate international accounting standards (IAS and IFRS) and IFRIC (International Financial Reporting Interpretations Committee) interpretations.

The accounting methods presented hereafter have been consistently applied to all periods presented in the consolidated financial statements, except for the new standards and interpretations described below.

Consolidation is based on the financial statements at November 30, for almost all entities included in the Company's scope of consolidation. Some equity affiliates have a different period-end date and are accounted for on the basis of interim financial statements at November 30, corresponding to twelve months of operations; their contribution is not material.

The consolidated financial statements and accompanying notes are denominated in euros.

Note 1.1. Basis of preparation

Pursuant to Regulation (EC) no. 1606/2002 of July 19, 2002, the Kaufman & Broad group prepared its company consolidated financial statements at November 30, 2024 in accordance with the standards and interpretations published by the International Accounting Standards Board (IASB), as adopted by the European Union and rendered mandatory at the closing date of these financial statements.

Note 1.1.1. Standards applied

Standards, interpretations and amendments with mandatory application for the fiscal year beginning December 1, 2023

No new standards and interpretations whose application is mandatory for the fiscal year beginning on December 1, 2023 have a significant impact on the financial statements of the Kaufman & Broad group.

Standards and interpretations effective after the fiscal year opening date

Application of the standards, amendments to standards and interpretations published by the IASB and presented below is mandatory for fiscal years beginning after December 1, 2023.

Standards/Interpretation	Projected EU application date (at the latest for fiscal years beginning on or after)
IAS 7 and IFRS 7 - New features on supplier financing arrangements	January 1, 2024
Amendments to IAS 1: Classification of liabilities as current or non-current liabilities	January 1, 2024
IFRS 16 - Specifications for Leases	January 1, 2024
Amendments to IFRS 9 and IFRS 7- Classification and Measurement of Financial Instruments	January 1, 2026
Annual Improvements - IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	January 1, 2026
IFRS 18 - Preparation for the new standard on the presentation of financial statements	January 1, 2027

Note 1.1.2. Use of estimates and assumptions

In order to prepare the group's financial statements, the management of Kaufman & Broad is required to make estimates and assumptions for items in the financial statements that cannot be precisely valued.

These estimates and assumptions are based on past experience, expected changes in the markets in which the group operates, or other factors considered to be reasonable given the circumstances. These assessments have an effect on the amounts of income and expenses, and on the book value of assets and liabilities.

The estimates and assumptions primarily concern:

- earnings forecasts for real-estate programs used to recognize these operations on a percentage-of-completion basis (Notes 3.2. "Revenue and gross margin" and 3.5 "Accounts receivable and other receivables");
- the business plans used to perform impairment tests on goodwill and other intangible assets (Notes 5.1. "Goodwill" and 5.2. "Other intangible assets");
- investment property valuation (Note 5.4 "Investment property")
- inventory valuation (Note 3.4 "Inventories")
- measurement of provisions (Note 8.1 "Provisions"). The estimated amount recorded in provisions corresponds to the outflow of resources that the group will be likely to support in order to settle its obligation. If no reliable estimate of this amount can be made, no provision is recognized.

The selling price and take-up rate assumptions used to forecast earnings from real estate programs, and the achievement of the medium-term forecasts used, could be impacted by the economic environment and regulatory changes, particularly government tax incentives.

Impact of the chain of numerous shocks since 2020 on risk factors specific to the group

The Company believes that the sequence of numerous shocks since 2020 continues to significantly impact its operating environment. In addition to the aftermath of the Russian Ukrainian conflict, the situation has become considerably more complex as a result of a combination of major economic and political factors (such as the stalemate in the Middle East conflict or the possible repercussions of future American economic and customs policies on international trade). Furthermore, French political instability, marked by the dissolution of the National Assembly in June 2024 followed by an extended period without a government during the summer, as well as the censorship of the government of M. Barnier and the fragility of the current government of F. Bayrou, has created an uncertain environment for economic players. The persistence of a budget deficit close to 6% of GDP for 2024-2025 combined with the complexity of reaching a consensus on the 2025 finance bill, add additional uncertainty, particularly with regard to housing support schemes.

This political situation adds to an already tense context marked by the persistence of inflationary pressures despite the ECB's restrictive monetary policies, the deep crisis in the French real estate sector with the collapse of building permits and housing starts. This accumulation of events, although not specific to the group, reinforces several major risks:

- Risks related to construction costs, with volatile material prices, new environmental standards (RE2020) and uncertainty about future policies to support the sector.
- Risks related to relations with suppliers, in a context of weakening the fabric of construction companies and uncertainty about public support mechanisms.

- Marketing risks, in the face of the sharp contraction in household real estate purchasing power due to high interest rates and uncertainty about accession aid measures.
- Risks related to an environment where financing conditions remain tense and political instability could affect sovereign ratings and, in turn, corporate financing conditions.

These factors are part of an unstable political and regulatory context. The limited visibility of future political and budgetary orientations significantly complicates the group's strategic and operational planning.

Effects of climate change**Alignment of Kaufman & Broad's approach with the national low-carbon strategy**

Adopted for the first time in 2015, the first French low-carbon national strategy (SNBC) was revised in 2018-2019 with ambitions revised upwards, the objective being for France to reach carbon neutrality by 2050 (a factor of 6 reduction in national emissions). The construction and use of residential and commercial buildings sector is responsible for almost 25% of French emissions: intervention in energy-intensive buildings and the construction of new low-carbon buildings therefore have a major role to play in the fight against climate change.

Measurement of the group's carbon impact and reduction objectives

The group carried out a greenhouse gas emissions assessment in 2024 for all its activities, using the Bilan Carbone methodology created by ADEME and supported by the Bilan Carbone Association. The method has been constructed in full compliance with ISO 14064-1. The tool also allows exports in the ISO, GHG Protocol, French regulatory review and CDP formats to meet the other, most closely monitored standards. The Bilan carbone® method and the associated tools make it possible to meet these standards. Each year, the group measures its carbon impact in order to assess and monitor its environmental performance in regard to the main emission sources.

The analysis of greenhouse gas emissions for Kaufman & Broad's activities was carried out across the regulatory scope (Scopes 1 and 2), and across the majority of Scope 3 emission items. The group's 2024 greenhouse gas emissions were 630,935 tons of CO₂ equivalent.

Highlights of the Period**Cash payment of the dividend for the fiscal year ended November 30, 2023**

The Combined Ordinary and Extraordinary Shareholders' Meeting of Kaufman & Broad SA, held at the registered office on May 6, 2024 under the chairmanship of Nordine Hachemi, decided to distribute a total dividend of €2.40 per share for the fiscal year ended November 30, 2023. The cash dividend was paid on May 13, 2024.

Euro PP debt repayment and new RCF facility

As part of its Euro PP bond issue, Kaufman & Broad redeemed the first 7-year tranche amounting to €50 million (maturing in May 2024). The repayment was made in accordance with the documentation on May 17, 2024, thanks to the Company's excess cash. This private placement, which amounted to €150 million at the time of its subscription, also consists of a €100 million 8 year tranche (maturing in May 2025).

In July, Kaufman & Broad set up a new €200 million syndicated loan agreement. With an initial maturity of 5 years, this loan replaces the €250 million RCF 2019 syndicated loan agreement maturing in January 2025. The implementation of this corporate line allows the Company to extend the maturity of its resources, while giving it flexibility of use according to needs and opportunities, in addition to its available cash.

managed residence

Kaufman & Broad and the Banque des Territoires have partnered to establish an investment property in student managed residence. The operation of the residences will be carried out by Neoresid and the real estate company will be managed by 123 IM.

Owned as to 51% by Kaufman & Broad and as to 49% by the Banque des Territoires, the purpose of SCI KetB Etudiants is to hold the walls of student residences, with the operation of residences being carried out by Neoresid, a subsidiary of Kaufman & Broad.

In addition to the residences currently in the portfolio within SCI KetB Students, the latter will be fueled by acquisitions of VEFA or by already existing residences with the objective of renovation and compliance with environmental standards. Several projects are identified and could be developed over the next few years based on the developer/operator/investor model implemented by Kaufman & Broad. The investment strategy will focus on cities with a strong actual or potential student presence, and where the current supply of managed residence and related services for students is reduced.

Fitch Rating confirms Kaufman & Broad's Investment Grade rating

The rating agency Fitch Rating confirmed last August the "Investment grade" rating - "BBB -" rating with stable outlook of Kaufman & Broad S.A. This rating has been constant since 2022. For Fitch Ratings, the confirmation of the rating reflects Kaufman & Broad's solid business and financial profile, which proves resilient during periods of weak demand. Fitch also points out that Kaufman & Broad continues to maintain a positive net cash position, which comfortably covers all future debt maturities. Kaufman & Broad is currently the only pure developer in Europe with an Investment Grade rating. Fitch's confirmation of this rating in a difficult environment highlights the strength of the group's financial structure and its ability to structurally generate substantial cash flows.

Proposed dividend payment by the Board of Directors for the year ended November 30, 2024

At its meeting of January 29, 2025, the Board of Directors, in light of the 2024 results, the strong financial structure of Kaufman & Broad and the level of its backlog decided to propose to the Shareholders' Meeting of May 6, 2025 a dividend of €2.20 per share for the fiscal year 2024.

Note 2. Scope of consolidation

Note 2.1. Accounting principles relating to the scope of consolidation

The consolidated financial statements include the financial statements of the parent company, as well as those of entities controlled by the parent (subsidiaries), jointly controlled entities (joint ventures), and entities over whose management and financial policies the group has significant influence (equity affiliates), which are consolidated in accordance with the consolidation and accounting methods described below.

In accordance with IFRS 10, the subsidiaries are all controlled entities.

Control, whatever the level of interest held in an entity, results from the following three components: holding the power to direct key business activities (operational and financial activities); exposure or entitlement to the variable returns associated with the equity interest; and the ability to exercise that power in order to influence those returns. In assessing whether power is held, account is only taken of substantive rights, such as those conferred by shareholder agreements, that may be exercised when decisions on key business activities must be taken and are not purely protective.

Note 2.1.1. Consolidated subsidiaries

Subsidiaries controlled by the Kaufman & Broad group are consolidated.

The accounts are fully consolidated, line item by line item.

Within consolidated shareholders' equity, the share of non-controlling interests are presented as a separate item, as it is in the income statement and in the statement of comprehensive income.

Any change in Kaufman & Broad's equity interest in a subsidiary that does not result in a loss of control is directly recognized in shareholders' equity.

Note 2.1.2. Equity accounting of joint ventures and equity affiliates

Joint ventures are partnerships in which the group and the other parties involved have joint control, as agreed contractually, over the entity and rights over the entity's net assets.

Decisions regarding key business activities are subject to a unanimous vote by Kaufman & Broad and its joint venture partners.

Equity affiliates are entities over which the group exercises significant influence: Kaufman & Broad is entitled to participate in financial and operational policy decisions, without, however, exercising joint control or exclusive control. Significant influence is assumed to exist if the group directly or indirectly holds an equity interest of 20% or more.

Joint ventures and equity affiliates are recognized using the equity method.

This method consists in retaining in the consolidated accounts only the proportion of shareholders' equity that corresponds to the percentage held by the group.

If the group's share in the losses of an entity accounted for using the equity method exceeds its equity interest in the entity, then the group's share is reduced to zero. Additional losses are subject to a provision if the group has a statutory or implicit obligation in this regard.

The book value of equity affiliates and joint ventures corresponds to the share of net equity held. For the development business, this item includes capital and similar investments, i.e. the current account advances made by the group in order to finance programs.

Value of securities of equity affiliates and joint ventures

(in € thousands)	November 30, 2023	Distribution	Share of net income for the fiscal year	Impact of changes in scope and similar	November 30, 2024
Equity-accounted investments in equity affiliates	4,131	-3,297	-159	456	1,132
Equity-accounted investments in joint ventures	7,921	1,081	-1,939	5,789	12,852
TOTAL EQUITY-ACCOUNTED INVESTMENTS	12,052	-2,216	-2,098	6,245	13,983
Receivables due from equity affiliates	3,134			7,732	10,866
Receivables due from joint ventures	8,071			9,891	17,962
TOTAL RECEIVABLES DUE FROM EQUITY AFFILIATES AND JOINT VENTURES	11,205	0	0	17,623	28,828
EQUITY AFFILIATES AND JOINT VENTURES	23,257	-2,216	-2,098	23,868	42,811

Credit values of investments in securities of equity affiliates and joint ventures are shown as liabilities under provisions for an amount of €3.7 million.

Changes in the scope of consolidation mainly concern the change in consolidation method for the Student Residence Property Investment business (see highlights)

Main components of the balance sheet and income statement of equity affiliates and joint ventures

(in € thousands)	November 30, 2024		November 30, 2023	
	Equity affiliates	Joint ventures *	Equity affiliates	Joint ventures
Non-current assets	4,442	88,219	2,779	27,786
Current assets	168,472	91,310	71,421	54,887
TOTAL ASSETS	172,914	179,529	74,200	82,673
Shareholders' equity	-487	30,659	28,419	16,704
Non-current liabilities	13,748	69,170	7,031	28,097
Current liabilities	159,654	79,701	38,750	37,872
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	172,914	179,529	74,200	82,673

* The variation of items on joint ventures is mainly due to the change in the method of consolidation of the Student Residence business (highlights)

(in € thousands)	November 30, 2024		November 30, 2023	
	Equity affiliates	Joint ventures*	Equity affiliates	Joint ventures
Revenue	4,876	42,498	9,917	0
Cost of sales	-4,591	-37,743	-7,126	163
GROSS MARGIN	285	4,755	2,791	163
Other income and expenses	-380	-7,447	-1,163	-224
Current operating income (EBIT)	-95	-2,693	1,628	-61
NET INCOME	-739	-3,847	1,999	-425

* The change in items on joint ventures is mainly due to the change in the method of consolidation of the Student Residence business (highlights)

Note 2.1.3. Business combinations

In the event of a takeover, the identifiable assets, liabilities and contingent liabilities of the acquired entity that satisfy IFRS recognition requirements are generally recognized at their fair value determined on the acquisition date.

For partial acquisitions, non-controlling interests may either be recognized at their share of the fair value of the assets and liabilities acquired, or measured at their fair value.

This choice is made on a transaction-by-transaction basis.

In accordance with the standard's provisions, the costs associated with business combinations are recognized in expenses for the period during which they were incurred.

Note 2.2. Changes to the scope of consolidation

During the year, 20 companies entered the scope and 6 companies were dissolved or removed from the scope.

Number	30/11/2023	Entry	Disposal	Interest rate Δ	30/11/2024
Entity under exclusive control	292	13	5	2	298
Jointly controlled entities	45	7	1	2	53
TOTAL	337	20	6	0	351

Note 3. Operational data

Note 3.1. Segment information

In accordance with the provisions of IFRS 8 "Operating Segments", the segment information presented corresponds to the internal structure for to the group's Chairman and Chief Executive Officer (Chief Operating Decision Maker as defined by IFRS 8) and to the group's Executive Committee and Board of Directors, in order to assess performance of these operating segments.

These aggregations are also consistent because the scopes and activities thus grouped within each segment have similar economic characteristics in accordance with the aggregation criteria set out in Article 8.12 of IFRS 8.

In addition, given their insignificant contributions to the group's financial statements and in compliance with IFRS 8.13, other activities/scopes are grouped under a single "Other activities" segment.

Note 3.1.1. Income by operating segment

Fiscal year ended November 30, 2024 (in € thousands)	Île-de-France	West	East	Commercial property and logistics	Other Activities	Grand Total
Revenue	356,249	256,949	272,446	155,034	36,085	1,076,762
GROSS MARGIN	65,717	36,116	46,996	52,558	6,637	208,024
Marketing expenses	-6,950	-5,175	-5,145	-399	-160	-17,829
Administrative expenses	-17,636	-16,935	-14,506	-4,181	-3,699	-56,956
Technical and customer service expenses	-7,466	-4,283	-4,904	-608	-1,178	-18,438
Development and program expenses	-8,682	-11,184	-5,568	-5,264	-3,334	-34,033
CURRENT OPERATING INCOME (EBIT)	24,983	-1,460	16,873	42,107	-1,734	80,768
Other non-current income and expenses *					3,412	3,412
TOTAL OPERATING INCOME	24,983	-1,460	16,873	42,107	1,678	84,180
Net financial income	-949	-7,393	-9,384	12,691	-6,172	-11,207
PRE-TAX INCOME (LOSS) OF CONSOLIDATED COMPANIES	24,034	-8,853	7,489	54,798	-4,495	72,973
Income tax	-4,567	3,407	-1,518	-14,028	1,771	-14,935
Share of income (loss) of equity affiliates and joint ventures	2,269	-309	5	0	-2,176	-220
INCOME (LOSS) OF THE CONSOLIDATED GROUP	21,735	-5,755	5,967	40,770	-4,899	57,818
Attributable net income	14,247	-9,061	4,886	39,953	-5,055	44,969
Non-controlling interests	7,489	3,306	1,081	817	156	12,849

* Other non-recurring income and expenses correspond to the capital gain generated by the partial sale of the Real estate business of the managed residence.

Head office expenses (including the Net cost of financial debt) are reallocated on the basis of each segment's relative share of the group total. This share is assessed on the basis of business activity (measured by the number of Equivalent Housing Units – EHUs delivered) and the number of employees projected in the budget for the period concerned.

Income tax is based on a notional tax charge for each segment according to its net pre-tax income. The impact of permanent differences included in the calculation of income tax is reallocated on the basis described above.

Fiscal year ended November 30, 2023 (in € thousands)	Île-de-France	West	East	Commercial property and logistics	Other Activities	Grand Total
Revenue	397,162	292,846	247,858	441,818	29,371	1,409,055
GROSS MARGIN	79,685	48,545	46,786	75,313	6,903	257,232
Marketing expenses	-7,811	-6,984	-5,089	-604	-387	-20,875
Administrative expenses	-18,996	-20,988	-15,758	-4,322	-4,716	-64,780
Technical and customer service expenses	-9,411	-5,771	-5,491	-503	-845	-22,021
Development and program expenses	-7,919	-13,986	-11,249	-4,345	-2,725	-40,223
OPERATING INCOME	35,548	815	9,199	65,539	-1,770	109,332
Net financial income	-6,764	-8,788	-9,577	13,271	-1,990	-13,848
PRE-TAX INCOME (LOSS) OF CONSOLIDATED COMPANIES	28,784	-7,973	-378	78,810	-3,760	95,484
Income tax	-5,313	4,005	708	-20,356	1,099	-19,857
Share of income (loss) of equity affiliates and joint ventures	990	-118	5	0	-18	849
NET INCOME (LOSS) OF THE CONSOLIDATED GROUP	24,461	-4,086	325	58,455	-2,679	76,476
Attributable net income	16,230	-9,988	-955	58,005	-3,137	60,154
Non-controlling interests	8,231	5,903	1,280	450	459	16,322

Working Capital Requirement by operating segments

Fiscal year ended November 30, 2024 (in € thousands)	Île-de-France	West	East	Commercial property and logistics	Other Activities	Grand Total
Inventories	143,376	129,787	75,578	12,811	5,717	367,269
Accounts receivables and contract assets	103,648	168,779	115,497	24,160	19,695	431,779
Other	-233,304	-227,493	-156,865	-456,233	-14,349	-1,088,243
WORKING CAPITAL REQUIREMENT	13,720	71,073	34,210	-419,261	11,063	-289,195

The line item "Other" mainly consists of accounts payable in the amount of €943.4 million, social and tax payables in the amount of €60.3 million, other receivables in the amount of €191.4 million and other payables in the amount of €275.9 million.

Fiscal year ended November 30, 2023 (in € thousands)	Île-de-France	West	East	Commercial property and logistics	Other Activities	Grand Total
Inventories	176,700	111,583	97,049	18,790	9,507	413,628
Accounts receivables and contract assets	165,138	161,113	125,249	40,145	3,461	495,106
Other	-291,747	-263,049	-181,016	-322,455	68,716	-989,551
WORKING CAPITAL REQUIREMENT	50,091	9,647	41,282	-263,520	81,684	-80,816

Note 3.2. Revenue and gross margin

The group markets all its development projects under sale-before-completion (VEFA) rules, while in a few operations it opts for Property Development Agreement (*Contrat de Promotion Immobilière*, or CPI) rules.

With the sale-before-completion contract, lawmakers have given real estate developers the option to call for payment from customers progressively over the course of a construction program based on a payment schedule determined by law, while giving customers a Performance Bond. Total payments from customers may not exceed 35% of the price upon completion of the foundations, 70% upon boxing up and 95% upon completion of the building. This contract makes the buyer the owner of the land and building progressively during the course of the construction process.

Revenue is recognized in accordance with IFRS 15 "Revenue from Contracts with customers", i.e., in proportion to the percentage of technical completion, starting from the acquisition of the land, and commercial completion (execution of the deeds of sale) for each program.

The application of IFRS 15 calls for the application of the principle of recognizing revenue on the percentage-of-completion basis for property development business conducted on a VEFA (sale-before-completion) basis. Under a sale-before-completion contract, the customer obtains control of the asset gradually during the course of its construction. Revenue is recognized on property developments in accordance with the accumulation of the total costs, based on the rules for recognizing work in progress.

Revenue and margin are recognized as and when works are completed, based on project forecasts and in accordance with the following rule: the revenue recognized for a given program is equal to the total revenue from the lots for which a deed of sale has been signed, multiplied by the percentage of land expenses and related taxes, as well as construction expenses incurred by the group for the program to date relative to the program's total budgeted costs.

The forecasts used are fully reviewed each quarter and, to the best of the Management's knowledge, they take account of expected changes in selling prices, unit sales and costs.

Below is a breakdown of revenue and gross margin by product:

(In € thousands)	November 30, 2024		November 30, 2023	
	Revenue	Gross margin	Revenue	Gross margin
Multi-occupancy housing	830,132	139,619	883,008	163,141
Single-family homes in communities	77,842	12,092	74,788	14,071
TOTAL HOUSING	907,974	151,711	957,796	177,212
COMMERCIAL PROPERTY	151,585	50,395	437,457	75,048
MANAGED RESIDENCE	8,307	2,791	7,417	3,346
OTHER	8,897	3,127	6,385	1,626
TOTAL REVENUE AND GROSS MARGIN	1,076,762	208,024	1,409,055	257,232

Note 3.3. Operating expenses

(In € thousands)	November 30, 2024				November 30, 2023			
	Salaries and social contributions	Advertising expenses	Other operating expenses	Total	Salaries and social contributions	Advertising expenses	Other operating expenses	Total
Marketing expenses	7,548	7,183	3,098	17,829	8,113	9,490	3,271	20,875
Administrative expenses	27,412	10	29,535	56,956	30,219	8	34,554	64,780
Technical and customer service expenses	16,558		1,880	18,438	19,547		2,474	22,021
Development and program expenses	18,899	-	15,134	34,033	18,960		21,264	40,224
TOTAL OPERATING EXPENSES	70,417	7,193	49,645	127,255	76,839	9,498	61,563	147,900

Marketing expenses

Marketing expenses amounted to €17.8 million at November 30, 2024, compared with €20.9 million in 2023, a -14.6% change attributable to the €0.6 million decrease in "salaries and social contributions charges" and the €2.3 million decrease in "advertising expenses".

Administrative expenses

Administrative expenses amounted to €57.0 million at November 30, 2024, compared with €64.8 million in 2023, a change of -12.1% mainly attributable to the decrease of the "salaries and social contributions charges" item for €2.8 million the decrease of the "Fees" item for €1.0 million, the decrease of the "taxes and duties" item for €0.8 million, the decrease of the "rental expenses" item for €0.4 million and the decrease of the "IT subcontracting" item for €0.5 million.

Technical and customer service expenses

Technical and customer service expenses and customer service amounted to €18.4 million at November 30, 2024, compared with €22 million in 2023, a change of -16.3% mainly attributable to the decrease in the "salaries and social contributions charges" item for €3 million, the decrease in the "Fees" item for €0.3 million and the decrease in the "travel and trips" item for €0.2 million

Development and program expenses

Development and program expenses amounted to €34.0 million as of November 30, 2024, compared with €40.2 million in 2023, representing a -15.4% increase mainly attributable to the increase in the caption "Abandons of projects net of reversals of provisions" for -€1.2 million and the decrease in estimated expenses for €7.0 million including a decrease in net additions to provisions for impairment of new projects and inventories in progress for €5.6 million and a decrease in other estimated expenses for €1.4 million.

Note 3.4. Inventories

"New projects" are programs that have not yet been developed.

These projects are valued at cost and include holding guarantees for the purchase of land, design fees, land development costs, and all other costs incurred in connection with the projects.

On each accounting period end date, the fraction of these costs incurred in respect of projects for which commitments to purchase land have not been signed, and on which there is little visibility on the likelihood of their being developed in the near future, is expensed.

Inventories for programs under development are valued at cost. This cost includes the land acquisition price and related fees, taxes, the cost of roads and infrastructure, the cost of construction and development of show home areas, land expenses, as well as the fees and commissions inherent in the agency agreements executed by Kaufman & Broad in order to sell the real estate programs.

IAS 2 provides for the recognition of indirect fixed expenses in inventory, insofar as such expenses are clearly identifiable and can be allocated. These expenses must be added to inventory using systematic and rational methods applied on a consistent and ongoing basis to all costs with similar characteristics.

Indirect fixed expenses (salaries, social contributions and other expenses) incurred after a contract to purchase land has been signed may be included in inventory, at the proportion chargeable to the real estate programs. Such expenses relate to the land, technical and general administration departments and essentially concern development, works supervision, project management and after-sales management costs.

Provisions are set up to cover foreseeable losses, which are valued on the basis of an analysis of the projected economic and financial data specific to each project.

07 Assets, Financial Statements and Results at November 30, 2024

Consolidated financial statements at November 30, 2024

(in € thousands)	November 30, 2024			November 30, 2023		
	Gross	Impairment	Net	Gross	Impairment	Net
New projects	86,627	-30,858	55,769	97,926	-27,882	70,044
Current programs	316,936	-5,436	311,500	349,337	-5,754	343,583
TOTAL INVENTORIES	403,563	-36,294	367,269	447,263	-33,636	413,627

The change in impairment provisions may be broken down as follows:

(in € thousands)	November 30, 2023	Increases	Reversals	November 30, 2024
New projects	27,882	20,159	-17,182	30,858
Current programs	5,754	2,407	-2,725	5,436
TOTAL INVENTORIES	33,636	22,566	-19,907	36,294

Gross inventories of new project expenses were down by €11.3 million.

The provision for new project expenses corresponds to the impairment of expenses for projects that have not been formally abandoned, but whose future development is uncertain.

Impairment provisions of €7.8 million correspond to unused reversals in relation to projects whose development had been considered uncertain but which were ultimately launched. The remaining reversals concern inventories that were written off and charged to expenses after the projects to which they related were abandoned.

Gross inventories for current programs were down by €32.4 million.

Provisions for current programs reflect provisions for purchased but undeveloped land and provisions for losses on completion on programs under development.

Note 3.5. Accounts receivables, contract assets and other receivables

Accounts receivable are receivables arising from the recognition of revenues in accordance with the percentage of completion of programs. Accounts receivable include the following:

- unsettled calls for payment issued to customers at various stages of construction works in accordance with the regulations in force;
- the time lag that may exist between calls for payments and the actual percentage of completion recorded at period-end.

This time lag, active on sale-before-completion contracts, generates most of these receivables.

Accounts receivable are measured at their contractual value. The recoverability of receivables is examined and a provision for expected losses is recognized where necessary. The group considers that credit risk (losses to maturity) is not material, given that the essence of its business is carried out within a regulatory framework that ensures that receivables will be settled.

(in € thousands)	November 30, 2024			November 30, 2023		
	Gross	Impairment	Net 2024	Gross	Impairment	Net 2023
Sale-before-completion contract assets	354,625		354,625	396,928		396,928
Other accounts receivables	77,694	-539	77,154	98,553	-376	98,177
TRADE RECEIVABLES AND CONTRACT ASSETS	432,319	-539	431,779	495,481	-376	495,106
Government - VAT	149,749		149,749	154,059		154,059
Advances and down-payments	1,735		1,735	1,164		1,164
Partners' current accounts	17,704		17,704	13,004		13,004
Receivables due from notaries	2,487		2,487	3,434		3,434
Prepaid expenses	390		390	338		338
Other	16,042	-5,365	10,677	17,952	-4,566	13,386
TOTAL OTHER RECEIVABLES	188,107	-5,365	182,742	189,951	-4,566	185,385
GOVERNMENT - CURRENT TAX	8,668		8,668	0		0
TOTAL ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES	629,093	-5,905	623,189	685,432	-4,941	680,490

All "Accounts receivable" and "Other receivables" mature in less than one year.

The change in impairment provisions may be broken down as follows:

(in € thousands)	November 30, 2023	Charges	Used reversals	Unused reversals	November 30, 2024
Accounts receivable	376	183	10	8	539
Other receivables and VAT	4,566	1,128	7	-322	5,365
TOTAL	4,941	1,311	-17	-330	5,905

There were no significant increases in provisions or provision reversals for accounts receivable or other receivables during the period.

Note 3.5.1. Accounts Receivables and Contract Assets.

Net accounts receivable of €431.8 million break down as follows:

- Value of sale-before-completion contract assets for €354.6 million,
- Outstanding calls for payment for €72.4 million (net of impairment),
- Other accounts receivables for €4.8 million.

Services that have been the subject of a sale-before-completion contract or CPI but not yet recognized in revenue amounted to €1.1 billion at November 30, 2024 compared to €1.2 billion in 2023.

Sale-before-completion contract liabilities amounted to €232.4 million in 2024, compared with €62.2 million in 2023, a change of €170.2 million mainly related to the A7/A8 Austerlitz project. They are recorded as liabilities under other liabilities.

Notaries drafting deeds of sale are generally required to verify that the financing of a sale is secured by the time the deed is executed. Provisions for the impairment of accounts receivable are therefore rare.

Receivables outstanding for more than 90 days essentially consist of late payments on calls for payment for lots not yet delivered to buyers. A provision of €0.5 million at November 30, 2024, compared with 0.4 million at November 30, 2023.

According to the standard terms of payment, calls for payment are payable immediately upon receipt.

As of November 30, 2024, calls for payment by due date were as follows:

(In millions of euros)	November 30, 2024		November 30, 2023	
	Value	%	Value	%
- Not yet due	7.0	9.7%	6.0	6.3%
- Less than 30 days	55.8	77.1%	75.0	77.8%
- 30 to 60 days	-4.6	6.3%	11.3	11.7%
- 60 to 90 days	0.9	1.3%	0.8	0.8%
- Over 90 days	4.0	5.6%	-3.2	3.3%
TOTAL CALLS FOR PAYMENT	72.4		96.3	

Note 3.5.2. Government - VAT

At November 30, 2024, the VAT item included: deductible VAT of €45.4 million (€42.9 million in 2023) in relation to supplier invoices; VAT of €83.5 million (€86.3 million in 2023) on invoices not yet received in relation to program expenses recognized on the percentage-of-completion basis; and VAT credits of €20.8 million (€24.8 million in 2023).

Note 3.5.3. Partners' current accounts

This item reflects the share of losses allocated to minority partners and not settled at November 30, 2024 for fully consolidated operations. A provision of €8.2 million has been established to cover the non-recoverability risk associated with partner current accounts receivable (see Note 8.1. "Provisions").

Note 3.5.4. Other

The "Other" line item, includes among other things, two loan receivables from partners, one of which (€1.2 million) is fully provisioned on account of the legal dispute between the group and the partner in question (see Note 8.1 "Provisions"), in relation to the URSSAF adjustment for €1.9 million, the insurance premiums paid in advance in 2024 for €1.3 million, a receivable from "ETPE PROMOTION" for €0.7 million repayable from the fees to be invoiced by the partner or no later than 31/12/2024 and a tax receivable for €8.7 million vis-à-vis the tax authorities.

Note 3.6. Breakdown of changes in working capital requirement

<i>(in € thousands)</i>	November 30, 2023	Change in WCR in the CFS	Change in scope of consolidation	Other changes in WCR	November 30, 2024
Inventories	413,627	-46,014		-345	367,269
Accounts receivables and contract assets	495,106	-62,745	-582		431,779
Accounts payable	-942,767	3,115	416	-4,187	-943,423
Other operating assets and liabilities	-27,927	-124,562	-450	-442	-153,380
OPERATING WORKING CAPITAL REQUIREMENT (CASH FLOW STATEMENT)	-61,960	-230,205	-616	-4,974	-297,755
Current taxes	-18,856	37,460		-10,045	8,560
WORKING CAPITAL REQUIREMENT	-80,816	-192,744	-616	-15,018	-289,195

Changes in operating working capital (excluding current tax) on the statement of cash flows amounted to -€230.2 million in 2024. Total working capital requirements (including current taxes) as of November 30, 2024, amounted to €289.2 million, compared with €80.8 million as of November 30, 2023, representing a change of €208.4 million.

Note 3.7. Counterparty risk management

The counterparty risks incurred by the group potentially concern suppliers and subcontractors, accounts receivable and banking counterparties.

Because of the group's numerous suppliers and subcontractors, an insolvency is unlikely to have any material impact on its operations. Kaufman & Broad believes that the risk of non-payment by customers is very low due to the large number of customers and the fact that property transactions are signed exclusively in the presence of a notary, generally after financing has been obtained to purchase the property.

Customer-related credit risk is managed by each agency and supervised by the head office. Due to the nature of its business, the group's exposure to customer default risk is low. The aging of accounts receivable is reviewed monthly.

The group places its cash, cash equivalents and investment securities with top-ranking financial institutions.

The Kaufman & Broad group enters into interest rate agreements with leading financial institutions.

Kaufman & Broad carries out certain development programs in conjunction with external partners, which inject capital into programs and provide loans. Depending, among other things, on the current economic and financial situation, certain group partners participating in joint development programs may default during the property development phase and may fail to honor their commitments, which would result in the Company having to meet the cash requirements generated by the relevant property programs.

Note 4. Employment compensation and benefits

Note 4.1. Payroll expenses

Payroll expenses incurred in relation to the group's employees break down as follows:

(in € thousands)	November 30, 2024	November 30, 2023
Salaries (excluding retirement benefits and employer's contributions to share purchase schemes)	-47,212	-51,454
Retirement indemnities: awarded during year	779	149
Employer's contributions to share purchase schemes	-1,050	-948
SALARIES	-47,483	-52,253
Expenses relating to the award of bonus shares	-1,937	-1,911
SALARIES AND OTHER COMPENSATION	-49,420	-54,164
Social contributions	-22,105	-24,586
Payroll taxes	-1,080	-1,250
Social contributions: retirement indemnities	23	16
TAX AND SOCIAL CONTRIBUTION CHARGES	-23,162	-25,820
TOTAL PAYROLL EXPENSES	-72,582	-79,984
Average number of employees	694	794

Note 4.2. Provisions for retirement benefits

The group has no commitments other than the retirement benefits for which a provision has been booked in the group's consolidated financial statements.

This provision is assessed by an independent expert.

The actuarial method used is the projected unit credit method. This method consists in evaluating the amount of the award for each employee based on his or her projected final salary and the vested rights associated with the employee's length of service on the valuation date. The amount of the award thus measured is discounted and weighted for probability using the mortality table and the employee turnover table.

Actuarial gains and losses are fully and directly recognized in other comprehensive income over the course of the period in which they arise.

The following assumptions were used in order to calculate retirement benefits:

- Discount rate: 3.4% rate on "AA" corporate bonds (value determined via the IBOXX index);
- Average wage increase rate: 5.60% for staff aged under 40 and 2.70% for staff aged 40 and over;
- Inflation rate: 2.00%;
- Retirement age of 64 for all personnel categories;
- Average annual staff turnover rate: 10.0% for managerial staff and 8.0% for others, whereby differential rates calculated on the average of the last three fiscal years were applied by age bracket.

The discount rate applied by the Company in accordance with market conditions is based on bonds whose maturity is similar to the estimated duration of the Company's employee benefit commitments.

The Company does not hold any assets to hedge retirement benefit plans.

This provision includes the social contributions that the Company would have to pay if it required employees to retire pursuant to the labor laws in force.

Measurement date	Nov. 30, 24	Nov. 30, 23
Discount rate	3.40 %	4.00 %
Long Term Inflation Rate	2.00 %	2.00 %
Wage Growth Rate	< 40 years old: 5.60% ≥ 40 years old: 2.70 %	< 40 years old: 3.80% ≥ 40 years old: 2.20 %
Mortality tables	INSEE 2018-2020	INSEE 2017-2019
Retirement age	64 years old	64 years old
Average social security contributions	47 %	47 %
IDR Rights	GIE: Maximum between the CCN of Real Estate Development and the Corporate Agreement	
Retirement pattern	Volunteer	Volunteer

07 Assets, Financial Statements and Results at November 30, 2024

Consolidated financial statements at November 30, 2024

The following table presents the breakdown of the components of the expense for the year, in respect of end of career benefits:

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Current service cost	-802	-165
Interest cost	169	155
EXPENSE RECOGNIZED IN THE INCOME STATEMENT	-633	10

The changes to the provision are as follows:

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Net liabilities at beginning of period	5,417	5,491
Cost for the fiscal year	99	113
Benefits paid	-733	-123
Change in scope of consolidation	0	0
Actuarial gains and losses (recognized in other comprehensive income)	58	-64
NET LIABILITIES AT END OF PERIOD	4,840	5,417

- The net liability at November 30, 2024 would change to €4,728 thousand with a discount rate of 3.65% and €4,962 thousand with a discount rate of 3.15%.

The actuarial gains and losses generated can be presented on a historical basis as follows:

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023	November 30, 2022	November 30, 2021	November 30, 2020
Obligations	4,840	5,417	5,491	6,648	7,119
Financial assets	-	-	-	-	-
FINANCIAL COVERAGE	4,840	5,417	5,491	6,648	7,119
Actuarial losses and (gains) generated on the obligation	58	-64	-1,370	-628	-555

Note 4.3. Share based payments

Under IFRS 2 "Share-based payment", share options and share subscription options, offers reserved for employees and bonus awards of Kaufman & Broad shares granted to group employees and corporate officers are valued at the date of the award.

The group values benefits awarded to employees on the basis of their fair value on the date the rights are allocated. The value of share options, share subscription options and bonus shares is determined based on the exercise price and term of the option, the current price of the underlying shares, the expected volatility in the share price, the expected dividends on the shares, the likelihood of the option being exercised, and the risk-free interest rate for the term of the option. This value is recorded in general and administrative expenses on a straight-line basis between the award date and the vesting date of the shares, with a direct contra entry recorded under shareholders' equity.

Note 4.3.1. Bonus share allocation plan

- During the fiscal year, the Board of Directors decided to introduce three new bonus share plans on February 15, 2024, under the authority granted by the Shareholders' Meeting of May 4, 2023.

Bonus share plan	February 2022 Plan 2	February 2023 Plan 1	February 2023 Plan 2	February 2024 Plan 1	February 2024 Plan 2	February 2024 Plan 3
Date authorized by the Extraordinary Shareholders' Meeting	May 6, 2021	May 5, 2022	May 5, 2022	May 4, 2023	May 4, 2023	May 4, 2023
Number of bonus shares that may be awarded	112,947	250,000	111,978	250,000	124,920	114,920
Date of the Board of Directors' meeting awarding the shares	Feb 25, 2022	Feb 24, 2023	Feb 24, 2023	Feb 15, 2024	Feb 15, 2024	Feb 15, 2024
Number of beneficiaries	1	823	1	640	1	633
Types of shares	Existing	Existing	Existing	Existing	Existing	Existing
Number of bonus shares awarded	10,000	138,022	10,000	125,080	10,000	21,430
Lapsed shares	2,500	38,108	0	11,590	0	2,075
Shares outstanding at November 30, 2024	7,500	99,914	10,000	113,490	10,000	19,355
Share price on the award date	€33.00	€28.95	€28.95	€30.05	€30.05	€30.05
Date of vesting	Feb 25, 2025	Feb 24, 2025	Feb 24, 2026	Feb 15, 2026	Feb 15, 2027	Feb 15, 2025
Date available	Feb 25, 2026	Feb 24, 2027	Feb 24, 2027	Feb 15, 2028	Feb 15, 2028	Feb 15, 2028
Initial fair value of the plan	186,241	2,224,160	168,581	2,075,171	203,642	434,281
Data input into the model:	Binomial model	Binomial model	Binomial model	Binomial model	Binomial model	Binomial model
• Exercise price	-	-	-	-	-	-
• Loss of liquidity of the shares (% of the forward price)	1%	1%	1%	1%	1%	1%
• Expected dividends (% of market capitalization)	€1.95 per share	€2.10 to €2.40 per share	€2.10 to €2.40 per share	€1.00 to €2.40 per share	€1.00 to €2.40 per share	€1.00 to €2.40 per share
• Risk-free interest rate (market rate)	From -0.33% to 0.10%	From 3.30% to 3.45%	From 3.30% to 3.45%	From 2.83% to 3.45%	From 2.83% to 3.45%	From 2.83% to 3.45%
• Share lending/borrowing rate				0	0	0
• Forward price discounting rate	EURIBOR +300 bps	EURIBOR +300 bps	EURIBOR +300 bps	EURIBOR +300 bps	EURIBOR +300 bps	EURIBOR +300 bps
• Turnover rate		0% for the Chairman, 11.69% for key executives 22.15%/year for others	0% for the Chairman	0% for the Chairman, 14.96% for key executives 25.92%/year for others	0% for the Chairman	0% for the Chairman, 14.96% for key executives 25.92%/year for others

Given the performance criteria assessed by the Compensation Committee on January 15, 2025, 7,500 shares were awarded under Plan 2 of February 25, 2022.

The bonus share plans generated an expense of €1.9 million in 2024, as detailed below. This was recognized in income with a contra entry in shareholders' equity.

(in € thousands)	Plan 26/02/ 21 No. 2	Plan 02/25/ 22 No. 1	Plan 02/25/ 22 No. 2	Plan 24/02/ 23 No. 1	Plan 24/02/ 23 No. 2	Plan 15/02/ 24 No. 1	Plan 15/02/ 24 No. 2	Plan 15/02/ 24 No. 3	Total
Initial valuation	190	2,505	186	2,224	169	2,075	204	434	7,987
Expense for the period	-51	182	62	713	56	764	54	157	1,937

Note 4.4. Executive compensation (related parties)

Terms and conditions of related-party transactions

Dealings with related parties, including the compensation method for executives, remained comparable to 2023 and no other transaction that was unusual in its type or amount occurred during the fiscal year.

Group corporate officers

In 2023 and 2024, the group did not grant any loans to members of its administrative and management bodies.

Compensation of members of the administrative and management bodies

The table below shows the compensation of persons who were members of the group's administrative and management bodies at the closing date or during the course of the period.

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Short term benefits other than employer contributions ^(a)	3,629	4,317
Short-term benefits: employer contributions	1,667	2,090
Post employment benefits - balance sheet impact ^(b)	-	-
Other long term benefits ^(c)	-	-
Severance awards	-	-
Directors' fees ^(d)	330	330
Share option awards (number)	-	-
Bonus share awards (number)	27,000	27,000

(a) Includes gross salaries, compensation, bonuses, incentives, profit-sharing and benefits in kind paid for the year.

Compensation relates to members of the Management Committee.

(b) Benefits provided as retirement benefits.

(c) Other compensation vested but due in the long term.

(d) Compensation paid to non-executive corporate officers only.

Defined contribution pensions

The members of the Management Committee, including the corporate officer, Nordine Hachemi, receive a supplemental defined contribution pension plan.

For the fiscal year 2024, the amount recognized as expenses by our Company for this contract was €184.6 thousands (€147.8 thousands at November 30, 2023).

Note 5. Property, plant and equipment and intangible assets

Note 5.1. Goodwill

Goodwill is determined on the takeover date. Recognition of the business combination is finalized during the valuation period, i.e. within 12 months of the takeover date. The impact of subsequent percentage changes not affecting control is recognized in shareholders' equity. Debt indexed to a price adjustment clause is recognized at fair value starting from the acquisition date. Any adjustments to the fair value of the debt are generally recognized in profit or loss.

The main goodwill items of the consolidated companies may be analyzed by cash generating unit (CGU) as follows:

(Net value in € thousands)	November 30, 2024	November 30, 2023
Île-de-France	8,346	8,346
Kaufman & Broad Sud Ouest	47,287	47,287
Serge Mas Promotion	150	150
Résidences Bernard Teillaud	12,878	12,878
TOTAL GOODWILL	68,661	68,661

(in € thousands)	November 30, 2024	November 30, 2023
Balance at beginning of period	68,661	68,661
Increase		
Impairment loss		
BALANCE AT END OF PERIOD	68,661	68,661

Goodwill was subjected to impairment tests in accordance with the principles described in Note 5.6 "Impairment test on fixed assets". The tests showed that there was no impairment at November 30, 2024. The recoverable amount used was based on value in use.

Note 5.2. Other intangible assets

Intangible assets mainly consist of the value of the Kaufman & Broad brands and logos. The lifetime of these assets is undetermined and they are therefore not amortized, but they are subject to impairment testing annually, or as soon as there is any indication of impairment.

Other intangible assets consist of software development costs and software, which are recognized at their acquisition or production cost, and are amortized using the straight-line method over their useful lifetimes, which do not usually exceed five years.

Other intangible assets break down as follows:

(in € thousands)	November 30, 2024			November 30, 2023
	Gross value	Aggregated amortization	Net value	Net value
Kaufman & Broad brand	80,422		80,422	80,422
Other intangible assets	54,426	-42,741	11,685	12,007
TOTAL INTANGIBLE ASSET	134,848	-42,741	92,107	92,429

The brand is tested for the impairment of overall value together with goodwill (see Note 5.6 "Impairment test on fixed assets").

The change in the net value of intangible assets may be analyzed as follows:

(in € thousands)	November 30, 2024	November 30, 2023
Balance at beginning of period	92,429	91,899
Newly consolidated companies		
Acquisition of intangible assets	3,724	4,347
Disposals, scrapping and change in scope of consolidation	-80	
Amortization expenses	-3,963	-3,847
Other movements	3	30
BALANCE AT END OF PERIOD	92,107	92,429

Acquisitions of intangible assets and amortization expenses concern software programs.

Note 5.3. Right-of-use assets (IFRS 16)

Treatment of leases in accordance with IFRS 16

Since November 1, 2019, the group has applied IFRS 16 - IFRS 16 requires the recognition of a right-of-use asset and a lease liability at the inception of each lease, with the possible exceptions of short-term leases (i.e., with a term of up to 12 months) and leases of low-value assets. A lease liability is recognized in the balance sheet from the inception of a lease at the present value of future payments.

Leases are recorded in liabilities as "long-term lease liabilities" and "short-term lease liabilities", and in assets as "right-of-use assets". They are amortized over the term of the lease, which generally corresponds to the non-cancellable period of the lease, unless it has been re-estimated based on an economic approach to determine the reasonably certain useful life.

Application of IFRS 16 to leases had a gross impact of €53.6 million under Right-of-use assets at November 30, 2024.

Assumptions used for accounting estimates:

- Term of lease: contractual final lease payment date, i.e. for 3/6/9 leases a term of 9 years.
- Discount rate applied, given the group's centralized financing: use of a debt/equity ratio close to the reported net rate

Leases prior to 2022:

- Leases with a term of 48 months or less: 1.5%
- Leases with a term of more than 48 months: 3.0%

New leases from 2022:

- Leases with a term of 48 months or less: 1.5%
- Leases with a term of more than 48 months: 6.0 %

(in € thousands)	Nov. 30, 23	Acquisitions	Depreciation and amortization	Other movements	Nov. 30, 24
Buildings *	50,131	19,445		-3,339	66,237
Shops	1,507	102		6	1,602
Vehicles	1,965	812		-883	1,894
IT equipment	0				0
TOTAL RIGHT-OF USE ASSETS (GROSS)	53,603	20,359	0	-4,229	69,733
Buildings	-17,331		-8,554	3,472	-22,412
Shops	-826		-260	6	-1,080
Vehicles	-1,438		-476	883	-1,031
IT equipment	0				0
TOTAL RIGHT-OF-USE ASSETS – DEP. AND AMORTIZ.	-19,595	0	-9,291	4,362	-24,523
TOTAL RIGHT-OF USE ASSET (NET)	34,009	20,359	-9,291	133	45,210

* The acquisition flow of €19.4 million corresponds for €8.6 million to the rights relating to student residences contributed to the joint venture between Kaufman & Broad and the regional bank in the student residential business, to the obtaining of a new lease agreement and to the extension of contracts in the student residences business for €6.5 million, the balance stemming from the renewals of existing contracts.

Note 5.4. Investment Property (IAS 40 and IFRS 13)

IAS 40 leaves the choice of accounting method used for assets classified as investment property, with the options of the fair value model and the cost model. The group uses the fair value model to measure its investment property. The fair value of investment property is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value is measured in accordance with IFRS 13.

At May 31, 2024, K&B signed an agreement for the contribution of assets in kind of securities of SCI Amiens Etudiants and SCI Gagny Etudiants in connection with the creation of KETB Etudiants, which is jointly controlled with the Banque des Territoires. The impact of this transaction generated a capital gain of €3.4 million recorded in the non-current operating income line and led to the deconsolidation of investment properties.

(in € thousands)	Book value	
	November 30, 2024	November 30, 2023
Investment property commissioned	0	19,528
Investment property in progress		
TOTAL INVESTMENT PROPERTY	0	19,528

Note 5.5. Property, plant and equipment

Property, plant and equipment are recognized at their acquisition cost.

Depreciation expenses are calculated according to the rate at which the expected economic benefits are consumed for each asset, based on the acquisition cost less a residual value where applicable.

As such, the straight-line method is usually applied over the following periods:

- Fittings, fixtures and facilities: 9 years;
- Construction equipment: 5 years;
- Transportation equipment: 5 years;
- Office equipment: 5 years;
- Office furniture: 10 years;
- IT equipment: 3 years.

Property, plant and equipment break down as follows:

(in € thousands)	November 30, 2024				November 30, 2023
	Gross value	Aggregated amortizations	Provisions for impairment	Net value	Net value
Fixtures and fittings	15,273	-9,471		5,802	6,948
Other property, plant and equipment	14,498	-11,483		3,015	3,135
In progress	69			69	92
TOTAL PROPERTY, PLANT AND EQUIPMENT	29,840	-20,954	0	8,886	10,174

Other property, plant and equipment include the office fixtures and furnishings at the head office and various group agencies.

The change in the value of property, plant and equipment may be analyzed as follows:

(in € thousands)	November 30, 2024	November 30, 2023
BALANCE OF PROPERTY, PLANT AND EQUIPMENT AT OPENING DATE (GROSS)	29,726	29,209
Acquisitions of property, plant and equipment	935	1,408
Sales, write-offs and changes in scope of consolidation	-821	-890
BALANCE OF PROPERTY, PLANT AND EQUIPMENT AT CLOSING DATE (GROSS)	29,840	29,726
BALANCE OF PROPERTY, PLANT AND EQUIPMENT - IMPAIRMENT LOSS AT OPENING DATE	-19,552	-18,139
Sales, write-offs and changes in scope of consolidation	653	776
Depreciation (net of reversals)	-2,055	-2,189
Provision for impairment (net of reversals)	0	0
BALANCE OF PROPERTY, PLANT AND EQUIPMENT - IMPAIRMENT LOSS AT CLOSING DATE	-20,954	-19,552
NET BALANCE OF PROPERTY, PLANT AND EQUIPMENT	8,886	10,174

Note 5.6. Impairment test on fixed assets

Cash Generating Units

Cash generating units (CGUs) are homogeneous groups of assets, the continuous use of which generates cash inflows that are largely independent of the cash inflows generated by other groups of assets. The CGUs identified by the Kaufman & Broad group are as follows (full list):

Ile de France

- Kaufman & Broad Paris;
- Kaufman & Broad Île de France;

West

- Kaufman & Broad Sud Ouest;
- Kaufman & Broad Ouest;
- Kaufman & Broad Pyrénées Atlantiques;

East

- Résidences Bernard Teillaud;
- Kaufman & Broad Rhône Alpes;
- Kaufman & Broad Méditerranée;
- Kaufman & Broad Côte d'Azur;
- Kaufman & Broad Flandres;
- Kaufman & Broad Est;

Commercial property and logistics

- Kaufman & Broad Immobilier d'entreprise et Logistique;

Impairment testing

For goodwill and intangible assets with an undetermined useful lifetime, impairment tests are carried out at least once a year in order to ensure that the net book value of the goodwill and non-amortizable intangible assets allocated to each CGU or group of CGUs is at least equal to the recoverable value.

Fixed assets (property, plant and equipment and intangible fixed assets) are subject to impairment if because of events or circumstances occurring during the relevant period (e.g. obsolescence, physical deterioration, significant changes in the method of use, performance below forecasts, decrease in revenue, other external factors), their recoverable value appears to be permanently lower than their net book value.

Impairment tests are carried out on each asset group (cash generating unit) by comparing their recoverable value against their net book value.

The need to recognize an impairment loss is assessed by comparing the book value of the CGUs' assets and liabilities against their recoverable value. Recoverable value is taken to be the fair value net of disposal costs or the value in use, whichever is higher.

Fair value net of disposal costs is determined as the best estimate of the sale value net of disposal costs for a transaction completed at arm's length between well-informed and willing parties. This estimate is determined on the basis of the market information available, taking specific circumstances into account.

The value in use adopted by Kaufman & Broad is equal to the aggregate discounted free cash flows generated over a five-year period, with a terminal value.

The discount rate used to determine the value in use at November 30, 2024 was 7.0% (unchanged compared to November 30, 2023). The group uses a single discount rate, as the geographic and industry segments do not have any specific features that might have an impact on the discount rate. This rate is calculated based on the average cost of capital employed and includes a risk premium.

The group used the projections established at fiscal year-end for the 2025-2029 period; these projections include growth assumptions that differ from one another to geographic area and take into account current market conditions and their expected trends, considering the current situation and the uncertainties regarding future forecasts. The financial impacts of weather-related events are recognized by the group via the project construction budgets, which must comply with new construction standards (RT2020). Projected margins are consistent with the margin targets set by the Commitment Committee and the margins reported in previous years. For forecasts of more than five years into the future, the perpetual growth rate used to calculate the terminal value was 0.5% (unchanged compared to November 30, 2023). This rate is below the average revenue growth rate for the five-year forecast period.

Asset recoverability tests are conducted for each CGU. They take into account the goodwill allocated at the time of the various acquisitions and assets with a fixed useful life (property, plant and equipment and net working capital requirement). The Kaufman & Broad brand, whose net balance sheet value is €80.4 million (see Note 5.2. "Other intangible assets"), is not allocated to the group's CGUs and its impairment testing is carried out at group level using the discounted cash flow method.

Sensitivity tests were conducted using the assumptions set out above to measure the impact of changes to the calculation parameters that were deemed to be reasonably possible by Executive Management, namely: an increase in the discount rate (50 basis points), a decline in the long term growth rate (50 basis points) and an increase in the working capital requirement rate (5 basis points). No potential impairment loss appears using these reduced assumptions.

Note 6. Financing and financial instruments

Note 6.1. Financial assets and liabilities

Financial assets are classified and measured at amortized cost. They principally comprise receivables in relation to equity interests, loans, and deposits and sureties paid.

Financial liabilities are classified into three categories and include:

- Borrowings at amortized cost;
- Financial liabilities recognized at fair value through profit or loss;
- Financial liabilities recognized at fair value through other comprehensive income.

Current and non-current borrowings and financial liabilities

Transaction costs that are directly attributable to the acquisition or issuance of a financial liability are deducted from this financial liability. These costs are then amortized over the lifetime of the liability using the EIR method.

The portion of financial debt maturing in less than one year is included in current liabilities.

Derivative financial instruments

Kaufman & Broad is exposed to market risk, and particularly to interest rate risk. The group uses a number of derivative financial instruments to manage this risk.

Derivatives are marked to market in the balance sheet. Changes in the fair value of derivatives are recognized through profit or loss, except in cases of hedging as indicated below. No derivative instruments were recorded at November 30, 2024.

Cash flow hedging instruments

The group only uses future cash flow hedging instruments:

- Cash flow hedging, consists in covering exposure to changes in cash flow attributable to the specific risk associated with a recognized asset or liability, or with a planned transaction (e.g. interest flows on floating rate debt), where such a risk would affect the reported net income;
- The effective portion of the change in the fair value of the hedging instrument is taken to other comprehensive income. The change in the value of the ineffective portion of the hedging instrument is recognized as a profit or loss in financial expenses. The amounts recorded in shareholders' equity are recognized in the income statement in the same way as the assets and liabilities hedged. No hedging instruments were recorded at November 30, 2024.

Accounts payables and other payables

The majority of positions recorded in the consolidated financial statements (85%) are presented at their book value, given their short-term nature. The remaining 15%, which are medium to long term in nature, are presented at their present market value.

07 Assets, Financial Statements and Results at November 30, 2024

Consolidated financial statements at November 30, 2024

Note 6.1.1. Book value and fair value of financial assets and liabilities by category

(in € thousands)	November 30, 2024				November 30, 2023			
	Fair value through profit or loss	Fair value through equity	Amortized cost	Balance sheet value	Fair value through profit or loss	Fair value through equity	Amortized cost	Balance sheet value
Financial assets								
Other non-current financial assets			5,115	5,115			2,533	2,533
Accounts receivable			431,779	431,779			495,106	495,106
Other current receivables			182,742	182,742			185,385	185,385
Current tax position			8,668	8,668			0	0
Cash and cash equivalents	502,866			502,866	350,044			350,044
TOTAL FINANCIAL ASSET	502,866		628,303	1,131,170	350,044		683,024	1,033,067
Financial liabilities								
Borrowings and financial debts			105,263	105,263			169,540	169,540
Lease liabilities (IFRS 16)			50,613	50,613			39,244	39,244
Minority interests put debt		3,777		3,777		3,667		3,667
Accounts payables			943,424	943,424			942,767	942,767
Current tax position			108	108			18,856	18,856
Other current liabilities			336,121	336,121			213,311	213,311
TOTAL FINANCIAL LIABILITIES	0	3,777	1,435,529	1,439,306	0	3,667	1,383,718	1,387,385

IFRS 13 ranks the measurement techniques used to determine fair value according to a hierarchy of three levels. These levels are as follows:

- Level 1: direct reference to quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access on the measurement date.
- Level 2: Inputs other than quoted market prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs concerning the asset or liability that are based on unobservable inputs.

(in € thousands)	November 30, 2024			November 30, 2023		
	Book value	Fair value	Level	Book value	Fair value	Level
Assets						
Cash and cash equivalents	502,866	502,866	1	350,044	350,044	1
TOTAL ASSETS	502,866	502,866		350,044	350,044	
Liabilities						
Bond issues	100,000	100,000	3	150,000	150,000	3
Credit facilities utilized	3,947	3,947	3	4,203	4,203	3
Other borrowings and finance leases	1,316	1,316	3	15,337	15,337	3
TOTAL LIABILITIES (EXCLUDING IMPACT OF IFRS 16 LEASE LIABILITIES)	105,263	105,263		169,540	169,540	
Lease liabilities (IFRS 16)	50,613	50,613	3	39,244	39,244	3
Minority interests put debt	3,777	3,777	3	3,667	3,667	3
TOTAL EQUITY AND LIABILITIES	159,653	159,653		212,452	212,452	

Loans and receivables

The group believes that the balance sheet value of cash, accounts receivable and accounts payable is the value most representative of their fair market value because of the liquidity of these items.

Debts at amortized cost

With the exception of the bond issue, the group believes that the calculated fair value of floating rate financial liabilities is close to their book value.

Note 6.1.2. Gross financial debt

Gross financial debt consists of long-term and short-term financial liabilities, financial hedging instruments relating to those liabilities, and accrued interest on those liabilities and hedging instruments.

Gross financial debt by type

At November 30, 2024, gross financial debt broke down as follows:

(in € thousands)	November 30, 2024			November 30, 2023
	Current	Non-current	Total	
Syndicated credit line	0	0	0	0
Bond issue ^(a)	100,000	0	100,000	150,000
Credit facilities utilized	3,947	0	3,947	4,203
Other borrowings and accrued interests ^(b)	1,316	0	1,316	15,337
GROSS FINANCIAL DEBT (EXCLUDING IMPACT OF IFRS 16 LEASE LIABILITIES AND MINORITY INTERESTS PUT DEBT)	105,263	0	105,263	169,540
Lease liabilities (IFRS 16) ^(c)	8,935	41,677	50,613	39,244
Financial liabilities on minority interests put	1,296	2,481	3,777	3,667
GROSS FINANCIAL DEBT	115,495	44,158	159,653	212,451

(a) The bonds set up in May 2017 have the following maturities: The €50 million tranche was repaid in May 2024 and the €100 million tranche is due at maturity in 2025.

(b) In 2022, the group took out a new loan for an amount of €12.3M allocated to the new residential operation business, the change in this item is due to the deconsolidation of the real estate business of the managed residence.

(c) The change in the IFRS16 lease liability is due to the inclusion of new leases (see note 5.3 Right-of-use assets (IFRS 16))

At November 30, 2024, the group had 100 million in outstanding bonds.

Bond issue

On May 18, 2017, Kaufman & Broad issued its first "Euro PP" bond, of €150 million, as part of a private placement made with institutional investors in Europe. This private placement comprised a €50 million seven-year tranche maturing in May 2024 at a fixed annual interest rate of 2.879% payable on May 31 of each year, and a €100 million eight-year tranche maturing in May 2025 at a fixed annual interest rate of 3.204% payable on May 31 of each year.

This transaction also allowed the group to diversify its financing sources, benefit from favorable market conditions and significantly extend the average maturity of its debt.

07 Assets, Financial Statements and Results at November 30, 2024

Consolidated financial statements at November 30, 2024

Financial covenants in place

For each six-month accounting period from November 2017 until the bond is repaid, the group is required to observe two ratios, calculated on a consolidated basis, with levels defined as follows:

Ratios at the end of each six-month period	Threshold at November 30, 2024	Ratio at November 30, 2024 *
Leverage ratio ⁽¹⁾	< or = 3.0	N/A
Net Gearing ratio ⁽²⁾	< or = 2.5	N/A

(1) i.e., Net Financial Debt (a) divided by EBITDA (b) where:

(a) financial debt means gross financial debt, less cash and cash equivalents and excluding certain subordinated debts and certain off-balance sheet items;

(b) EBITDA means the net income of the consolidated group before income tax and financial income (including net financial expenses, foreign exchange gains and losses and other financial expenses); other extraordinary and/or non-recurring income and expenses, excluding estimated expenses (including any increases or decreases in amortization, depreciation and provisions, fair value adjustments, and income and expenses relating to the non-financial compensation of employees); and capital gains or losses from the sale of assets, less income from minority interests.

(2) i.e. Net Financial Debt (a) divided by adjusted shareholders' equity (c): (c) Adjusted shareholders' equity = consolidated shareholders' equity at November 30, 2016, plus consolidated income aggregated from December 1, 2016 to the end of the relevant quarter, minus dividends paid for the relevant period, plus the aggregated impairment charge for the period from December 1, 2016 to the end of the relevant quarter

* These ratios will cease to apply from the date the company obtains a rating of at least BBB- by Standard & Poor's and/or Baa3 by Moody's and/or BBB- by Fitch. Rating agency Fitch Rating has confirmed last August the "Investment grade" rating - "BBB -" rating with stable outlook of Kaufman & Broad S.A. This rating has been constant since 2022. For Fitch Ratings, the confirmation of the rating reflects Kaufman & Broad's solid business and financial profile, which proves resilient during periods of weak demand.

Syndicated loan agreement

In July 2024, Kaufman & Broad set up a new €200 million syndicated loan agreement. With an initial maturity of 5 years, this loan replaces the €250 million RCF 2019 syndicated loan agreement maturing in January 2025. The implementation of this Corporate line "RCF 2024" enables the company to extend the maturity of its resources and improve their cost, while giving greater flexibility of use according to needs and opportunities, in addition to its free cash flow.

As a result, at November 30, 2024, the group had syndicated loans comprising a revolving credit facility (the "Revolving Credit Facility") with a principal amount of €200 million. No amount was outstanding under the facility at November 30, 2024.

Under the 2024 Syndicated loan Agreement, the margin applicable to each drawdown will be determined according to the leverage ratio applicable at each testing date and, depending on the group's observance of the Annual CSR Criteria, a positive or negative incentive mechanism will be applied to the margin applicable at the time.

Adjustment of financial ratios

For accounting periods beginning in November 2024, until the maturity of the Syndicated Credit Agreement, the group is subject to compliance with two ratios, calculated on a consolidated basis, the levels of which have been defined as follows:

Ratios at the end of each six-month period	Threshold at November 30, 2024	Ratio at November 30, 2024
Leverage ratio ⁽¹⁾	< or = 3.0	-4.98
Net gearing ratio ⁽²⁾	< or = 2.5	-1.10

(1) i.e., Financial Debt (a) divided by EBITDA (b) where:

(A) Financial debt means gross financial debt less cash and cash equivalents, and without taking into account the impacts related to the application of IFRS 16 (leases) or any other applicable Accounting Principles becoming applicable, where applicable, after the date of signature of the Credit Agreement.

(b) EBITDA means the net income of the consolidated group before income tax and financial income (including net financial expenses, foreign exchange gains and losses and other financial expenses); other extraordinary and/or non-recurring income and expenses, excluding estimated expenses (including any increases or decreases in amortization, depreciation and provisions, fair value adjustments, and income and expenses relating to the non-financial compensation of employees); and capital gains or losses from the sale of assets, less income from minority interests.

(2) Net Financial Debt (a) divided by adjusted shareholders' equity (c);

(C) Adjusted shareholders' equity = consolidated shareholders' equity at any given date, as shown on the liabilities side of the last consolidated financial statements plus the impact of treasury shares held by the company at the closing date of the financial statements at the end of the reporting period.

Finally, the 2024 Syndicated Credit Agreement provides that in the event of a change of control of Kaufman & Broad SA, the total commitments will be automatically canceled and any outstanding advances as well as any interest and accrued fees (to the extent that the Agent has not issued a notification under Article 21.7 "Proportional Settlement of Interests"), any reinvestment costs and any other amounts due under the Financing Documents will automatically become due and payable on the date of said Change of Control. Under the terms of the 2024 Syndicated Credit Agreement, a change of control means any act or event resulting in one or more persons or entities, acting alone or in concert, come to holding more than thirty-three and one third (33.33%) of the capital and/or voting rights of the Borrower.

Unutilized syndicated credit lines

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Unutilized RCF 2024 syndicated credit line	200,000	250,000

Change in gross financial debt

<i>(in € thousands)</i>	2024
GROSS FINANCIAL DEBT AT NOVEMBER 30, 2023 (EXCLUDING IFRS 16 LEASE LIABILITIES AND MINORITY INTERESTS PUT DEBT)	169,539
Change in other borrowings ^(a)	-64,020
Change in credit facilities	-256
GROSS FINANCIAL DEBT AT NOVEMBER 30, 2024 (EXCLUDING IFRS 16 LEASE LIABILITIES AND MINORITY INTERESTS PUT DEBT)	105,263
IFRS 16 lease liabilities and minority interests put debt at November 30, 2023	42,911
Change in minority interests put debt	110
Change in IFRS 16 lease liability	11,368
IFRS 16 lease liability and debt on minority put at November 30, 2024	54,390
GROSS FINANCIAL DEBT AT NOVEMBER 30, 2024	159,653

(a) This amount includes the payment of accrued interest.

Note 6.1.3. Net financial debt**Cash and cash equivalents**

Cash and cash equivalents comprise cash, demand deposits and cash equivalents as defined by IAS 7. These are short-term investments, generally of less than three months, readily convertible into a known amount of cash and not subject to any material risk of a change in value; they are denominated in euros (primarily money-market SICAVs and mutual funds and certificates of deposit).

At each period-end date, short-term investments are marked to market and any difference is booked in income.

The group's cash and cash equivalents break down as follows:

<i>(In € thousands)</i>	November 30, 2024	November 30, 2023
Bank balances and cash in hand ^(a)	291,657	170,120
Short-term investments and demand deposits	209,840	179,263
Order balances ^(b)	1,370	661
CASH AND CASH EQUIVALENTS	502,866	350,044

(a) In accordance with the provisions of the French Construction and Housing Code, payment of any sum owed by program companies to their partners may only be made strictly within the limits of the amounts freely available to the program companies based on the percentage of completion of building operations.

(b) Order balances represent 5% of the deposits paid by clients into an escrow account when they sign their order. These amounts are released and therefore available upon execution of the notarized deed of sale.

Net financial debt

Net financial debt consists of gross financial debt, as defined above, less cash and cash equivalents.

The balance sheet items contributing to net financial debt are as follows:

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Gross financial debt (excluding IFRS 16 lease liabilities and minority interests put debt)	105,263	169,540
Cash and cash equivalents	502,866	350,044
NET FINANCIAL DEBT (EXCLUDING IFRS 16 LEASE LIABILITIES AND MINORITY INTERESTS PUT DEBT)	-397,603	-180,504
IFRS 16 lease liabilities	50,613	39,244
Minority interests put debt	3,777	3,667
NET FINANCIAL DEBT	-343,214	-137,592

Note 6.2. Exposure to market risks and financial instruments

Note 6.2.1. Interest Rate Risk Management

Fair value measurements are detailed by level, in accordance with the following fair value hierarchy:

- the instrument is traded on an active market (level 1);
- the valuation techniques used for measurement are based on directly observable (prices) or indirectly observable (derived from prices) inputs (level 2);
- at least one significant component of the fair value is based on unobservable inputs (level 3).

The fair value of financial instruments traded on active markets is based on the prices quoted on the balance sheet date. A market is considered to be active if prices are readily and regularly available from a stock exchange, traders, brokers, a pricing agent or a regulatory agency, and these prices are based on normal transactions. These instruments are classified as level 1.

The fair value of financial instruments not quoted on an active market (such as over-the-counter derivatives) is determined through the use of valuation techniques. These various methods make maximum use of observable market data, if available, and are based only to a limited degree on the group's own estimates. If all the factors required to calculate an instrument's fair value are observable, it is classified as Level 2.

If one or more of the main elements of the calculation are not based on observable market data, the instrument is classified as level 3.

The interest rate risk management policy is intended to limit and control fluctuations in interest rates and their impact on net income and cash flow, so that the total cost of debt remains acceptable. To achieve this objective, the group hedges its floating rate loan interest flows using interest rate swaps. These are derivatives for hedging cash flows. They are recognized in the balance sheet at their fair value. Kaufman & Broad applies cash flow hedge accounting.

Interest rate risk is hedged using instruments traded on organized markets or over the counter with high-quality counterparties.

The group does not have any hedging instruments.

The group's net debt exposure at November 30, 2024 was as follows:

Instrument type	Floating/fixed	< 1 year	1 To 5 years	> 5 years
Syndicated credit lines				
Bond issue	fixed	101,602		
Other borrowings	fixed			
Credit facilities	floating	3,947		
FINANCIAL LIABILITIES		105,549	0	0
Bank balances and cash in hand ^(a)	floating	54,115		
Short-term investments	floating	447,382		
Order balances	floating	1,370		
FINANCIAL ASSETS		502,866	0	0
NET POSITION		-397,317	0	0

(a) In accordance with the provisions of the French Construction and Housing Code, the payment of any amount due by program companies to their partners may only be made up to and within the strict limit of the sums that the program companies will have at their free disposal as the building operations are completed.

Interest rate sensitivity of financial assets and liabilities

Assumptions: 1-month EURIBOR at 3.64%

A 50-basis point rise or a 10 basis points fall in interest rates on the above liabilities would have the following impact on pre-tax income:

Increase: +€2,494 thousand;

Decrease: -€499 thousand.

The group's net debt exposure at November 30, 2023 was:

Instrument type	Floating/fixed	< 1 year	1 To 5 years	> 5 years
Syndicated credit lines				
Bond issue	fixed	52,322	100,000	
Other borrowings	fixed			12,490
Credit facilities	floating	4,203		
FINANCIAL LIABILITIES		56,525	100,000	12,490
Bank balances and cash in hand ^(a)	floating	170,120		
Short-term investments	floating	179,263		
Order balances	floating	661		
FINANCIAL ASSETS		350,044	0	0
NET POSITION		-293,519	100,000	12,490

(a) In accordance with the provisions of the French Construction and Housing Code, the payment of any amount due by program companies to their partners may only be made up to and within the strict limit of the sums that the program companies will have at their free disposal as the building operations are completed.

Note 6.2.2. Equity risk management

The company's equity risk is limited because:

treasury shares are held either to cover the objectives presented in the description of the share buyback plan, including share option and bonus share plans, or in accordance with the liquidity agreement. The impact of treasury shares and fluctuations in the share price is described in Note 7.1.4. "Treasury shares".

Note 6.2.3. Liquidity Risk Management

The table below shows the group's contractual obligations regarding the payment of interest and the repayment of financial debt, excluding derivatives, and derivatives with positive and negative fair values. Floating rate interest payments were calculated based on the last known interest rates at November 30, 2024.

	Less than one year		1 to 2 years		2 to 3 years		3 to 5 years		5 +		Total	Carrying amount at Nov. 30, 2024
	Interest	Repay-ments	Interest	Repay-ments	Interest	Repay-ments	Interest	Repay-ments	Interest	Repay-ments		
Borrowings and financial liabilities												
Syndicated credit lines	67	1,602									1,669	1,602
Bond issue	1,333	100,000									101,333	100,000
Housing business Loan											0	
Other borrowings	178	4,249	38	0	38	0	76	902			5,480	4,849
TOTAL (EXCLUDING IFRS 16 LEASE LIABILITIES AND MINORITY INTERESTS PUT DEBT)	1,578	105,851	38	0	38	0	76	902	0	0	108,482	106,451
Minority interests put debt	94	1,296	57	1,258	19	1,223					3,947	3,777
IFRS 16 lease liabilities		8,633		7,733		6,735		12,214		14,995	50,311	50,613
TOTAL	1,672	115,780	95	8,991	57	7,958	76	13,116	0	14,995	162,740	160,841

Interest is paid monthly.

Note 6.3. Net financial income

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Financial expenses	-27,161	-24,770
Financial income	15,954	10,922
NET FINANCIAL INCOME (+) OR LOSS (-)	-11,207	-13,848

The net financial income amounted to -€11.2 million at November 30, 2024, an increase of €2.6 million compared with 2023.

Financial expenses break down as follows:

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Interest expenses on syndicated credit lines and bond issue	-3,873	-4,821
Interest expense on current accounts of equity accounted companies	-803	-1,149
Interest expense on partners current accounts	-1,547	-829
Financial expenses on IFRS 16 lease liabilities	-2,339	-2,175
Expenses on dedicated operations	-7,775	-8,053
Undiscounting expenses	-4,181	-3,859
Non utilization fees	-1,544	-1,646
Impairment of financial assets	-3,847	-1,276
Other	-1,252	-963
FINANCIAL EXPENSES	-27,161	-24,770

Interest expenses on syndicated credit lines and bonds were due to the use of these same credit lines. For the fiscal year 2024, the bond issue was used in the amount of €125.0 million and the credit lines were used in the amount of €6.1 million on average.

The total effective rate payable on the debt, taking into account the overall amortization of issuance expenses, was 3.89% versus 3.88% in 2023.

Income from cash and cash equivalents breaks down as follows :

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Capital gain on disposal - Liquidity agreement	116	93
Interest income on current accounts of equity accounted companies	1,370	1,131
Investment income	14,101	7,856
Reversal of provision on fund advances	366	1,843
FINANCIAL INCOME	15,954	10,922

Note 7. Shareholders' equity and earnings per share

Note 7.1. Shareholders' equity

Note 7.1.1. Change in capital

Capital reduction

No changes in share capital were recorded during the year.

(in € thousands)	Nov. 30, 2023	Increase	Reduction	Nov. 30, 2024
Number of shares	19,862,022			19,862,022
Par value (in €)	0.26			0.26
TOTAL (IN €K)	5,164			5,164

Note 7.1.2. Consolidated reserves

At November 30, 2024, consolidated reserves included €45.0 million in attributable net income for the period.

Note 7.1.3. Dividends

The Shareholders' Meeting of Kaufman & Broad S.A. held on May 6, 2024 voted to pay the dividend in cash for the year ended November 30, 2023.

The total cash dividend of €46.8 million was paid to shareholders on May 13, 2024.

Note 7.1.4. Treasury shares

Purchases of treasury shares are recognized against shareholders' equity based on their acquisition cost. Gains and losses from the sale of treasury shares, net of tax, are posted to consolidated reserves.

At November 30, 2024, the group held 383,997 shares, including 8,500 under a liquidity agreement. At November 30, 2023, the group held 484,719 treasury shares, including 2,400 held under the liquidity agreement.

Note 7.1.5. Non-controlling interests income (loss)

At November 30, 2024, Non-controlling interest on the balance sheet totaled €15.6 million and related to 199 companies. This included negative amounts of €6.2 million.

At November 30, 2023, Non-controlling interest on the balance sheet totaled €13.7 million and related to 197 companies. This included negative amounts of €5 million.

In order to take into account the risk associated with recovering negative Non-controlling interest and outstanding loans from one of its co-development partners, the group recorded a provision of €7.5 million in 2009, including €1.2 million as provisions for the impairment of receivables (see Note 3.5.4. "Other" and €6.5 million as a risk provision covering the outstanding loan amounts relating to this partner. This provision remained unchanged in fiscal year 2024.

In 2024, €0.2 million was recorded in respect of purchases of shares from holders of non-controlling interests versus €0.3 million in 2023. The difference between the price paid and the corresponding reduction in any non-controlling interest is recognized in attributable shareholders' equity.

Note 7.1.6. Acquisition of new entities

At November 30, 2024, the acquisition of shares in new entities had no material impact on the group's equity.

Note 7.2. Earnings per share

In accordance with IAS 33, the group discloses basic earnings per share and diluted earnings per share.

Earnings per share are calculated by dividing the net income for the fiscal year attributable to the group's shareholders by the average number of shares of common share outstanding during the fiscal year.

Diluted earnings per share are calculated using the treasury stock method. They are calculated based on the net income attributable to the group's shareholders, adjusted for the financial costs of the dilutive instruments, net of the corresponding tax effect.

The number of shares used for the calculation of diluted earnings takes into account the conversion into shares of common shares of the dilutive instruments outstanding over the period.

In order to ensure the comparability of the earnings per share presented, the weighted average numbers of shares outstanding for the fiscal year and for earlier years are adjusted if a capital increase has been carried out at a lower than market price.

Treasury shares are deducted from consolidated shareholders' equity and are not included in the calculation of earnings per share.

07 Assets, Financial Statements and Results at November 30, 2024

Consolidated financial statements at November 30, 2024

(in thousands)	November 30, 2024	November 30, 2023
Attributable net income	44,969	60,154
Average number of shares outstanding	19,462,031	20,300,383
Adjustment for dilutive effect of share awards	266,536	248,285
EARNINGS PER SHARE	€2.31	€2.96
DILUTED EARNINGS PER SHARE	€2.28	€2.93

Note 7.3. Capital risk management

The group's objectives in terms of capital management are to maintain the group's ability to carry on trading as a going concern and be profitable for its shareholders, and to maintain an optimal capital structure in order to limit the cost of capital.

The group calculates its debt/equity ratio as net financial debt to total shareholders' equity. At November 30, 2024, net financial debt amounted to -€343.2 million (including IFRS 16 lease liabilities of €50.6 million and a minority interests put debt of €3.8 million) versus €144.5 million at November 30, 2023. Gearing (the ratio of net debt to consolidated shareholders' equity) was thus -145.6% in 2024, while gearing excluding IFRS 16 lease liabilities and minority interests put debt was -169.7% versus 79.9% at November 30, 2023.

Note 8. Provisions-Contingent liabilities - Guarantees

Provisions are recognized if, at the period end, the group has an obligation to a third party resulting from a past event, the settlement of which is expected to result for the Company in an outflow of resources embodying economic benefits.

This outflow of resources may be discounted where appropriate.

The obligation may be statutory, regulatory or contractual. It may also result from the group's practices or from public commitments that created a legitimate expectation by the third parties concerned that the group will assume certain responsibilities.

The estimated amount included in the provisions is equal to the resource outflow that the group would probably have to bear in order to extinguish its obligation. If a reliable estimate of such an amount cannot be made, then no provision is recognized. The liability is then contingent.

Contingent liabilities are potential obligations resulting from past events, the existence of which is confirmed only by the occurrence of uncertain future events that are not wholly under the Company's control, or from current obligations resulting from past events that are not recognized in the accounts either because it is unlikely that an outflow of resources embodying economic benefits will be required to settle the obligation, or because the amount of the obligation cannot be measured with sufficient reliability. These liabilities are disclosed in Note 8.2. "Contingent liabilities".

Non-current provisions mainly include:

- a provision for risks with respect to certain partners;
- provisions for commercial and legal risks;
- provisions for tax risks;
- employee benefits.

Note 8.1. Provisions

The provisions may be analyzed as follows:

(in € thousands)	Provisions for risks relating to affiliates	Provisions for tax risk	Provisions for industrial relations risks	Provisions for other risks	Credit amount of equity-accounted investments	Total
NOVEMBER 30, 2023	8,480	86	2,007	13,146	1,702	25,421
Increases	107		2,451	4,830		7,388
Used reversals	-349		-1,763	-1,425		-3,537
Unused reversals	2		-26	-870		-898
Other movements	3				1,966	1,963
NOVEMBER 30, 2024	8,234	86	2,669	15,681	3,668	30,338
Of which less than one year: €5,898k			1,889	4,009		5,898

Provisions for risks relating to affiliates

This €8.2 million provision covers the risk associated with defaulting partners, including €6.5 million for a risk relating to one partner as the result of a dispute (see Note 7.1.5. "Non-controlling interests income (loss)").

Provisions for industrial relations risks

The provision for industrial relations risks amounts to €2.7 million and covers disputes with former group employees.

Provisions for other risks

The provision for commercial and legal risks, totaling 15.7 million, essentially covers current disputes with customers or suppliers relating to projects delivered.

Note 8.2. Contingent liabilities

The long-term lease granted to a Kaufman & Broad SA subsidiary for a real estate development operation launched by the group in 2012 was canceled by the Council of State in a ruling handed down on March 15, 2019, without compromising the deeds that had been signed to carry out the program, which was completed and delivered in late 2017. These deeds are now final. Proceedings relating to the completion of this program remained in progress at November 30, 2024.

Note 8.3. Guarantees and bonds issued

All other items detailed below relate to the normal course of our operations.

(in € thousands)	November 30, 2024	November 30, 2023
Performance Bonds ^(a)	189,170	147,616
Hoguet Act Guarantees ^(b)	440	440
Holding guarantees ^(c)	7,801	6,450
Other guarantees issued ^(d)	264,301	228,062
GUARANTEES AND BONDS ISSUED – BANKS	461,712	382,568
Land holding guarantees and works guarantees ^(e)	339,126	37,360
Miscellaneous guarantees and bonds issued ^(f)	18,908	17,402
Guarantee of repayment of the sale-before-completion price	9,393	0
GUARANTEES ISSUED - KAUFMAN & BROAD SA	367,427	54,762
TOTAL GUARANTEES AND BONDS ISSUED	829,139	437,330

(a) Performance Bonds are provided to customers under sale-before-completion contracts. Kaufman & Broad asks a financial institution, mutual guarantee institution or insurance company to issue a Performance Bond in favor of Kaufman & Broad's customers. These bonds are arranged on a transaction-by-transaction basis and have a term comparable to the term for completion of the program.

In consideration for these bonds, Kaufman & Broad typically gives the financial institutions or insurance companies an option to take out a mortgage, a non-assignment of shares undertaking if the program is funded by a special-purpose entity, and a pledge of the receivables accruing on selling prices.

Performance Bonds are presented off-balance sheet, in the amount corresponding to the risk incurred by the financial institution issuing the bonds. For each transaction, this risk is valued as follows: the program's projected production cost, less the share financed by the group and the amount of the sales for which an agreement has been signed at the closing date. This valuation does not, therefore, take into account orders placed as of the closing date, or the percentage of construction completion for unsold lots.

Performance Bonds are valued internally each month and the consistency of the data is then confirmed every six months based on the figures communicated by the financial institutions, according to their own disclosures to the Banque de France or the Insurance Supervision Commission.

(b) Hoguet Act guarantees are required from companies intending to operate as real estate agents. This purely occasional activity is not a part of the group's strategy.

(c) Holding guarantees are bank or financial guarantees given in lieu of security deposits in connection with land acquisition commitments.

(d) These other guarantees cover primarily acquisitions of land and matters relating to roads and infrastructure.

(e) Of which Austerlitz A7/A8 transaction guarantee for €318.6 million signed during the year.

(f) These are miscellaneous guarantees and bonds given by Kaufman & Broad SA primarily a lease guarantee on head office rent payments

Note 8.4. Works and other guarantees received

(in € thousands)	November 30, 2024	November 30, 2023
Guarantees on work contracts	128,830	136,086
Buyers' guarantees received	258,945	304,470
TOTAL	387,775	440,556

On purchasing its equity interests, Kaufman & Broad obtained, from the sellers, the usual liability guarantees to cover pre-acquisition risks.

Note 8.5. Pledges and liens

Under a memorandum of understanding, Kaufman & Broad SA stood as guarantor for one of its partners. The guarantee was limited to €4 million excluding tax and until the provision of a first-demand bank guarantee, in keeping with the commitments made by two of its subsidiaries in said memorandum. In exchange, this partner's main shareholder stood as joint and several guarantors for its subsidiary's commitments with regard to joint ventures, for the same amount and until the provision of its own first-demand bank guarantee.

Note 9. Income tax

Note 9.1. Income tax

The tax liability is made up of current taxes, changes in provisions for tax risks and deferred taxes for the group's consolidated companies.

Note 9.1.1. Breakdown of tax liability

At November 30, 2024, the group's tax liability broke down as follows:

(in € thousands)	November 30, 2024	November 30, 2023
Current tax expense/(income)	9,835	23,527
CVAE expense	335	1,115
Deferred taxes	4,765	-4,785
TOTAL INCOME TAX EXPENSE (INCOME)	14,935	19,857

Tax is calculated on attributable net income, since the entities with programs are fiscally transparent companies.

The result of the group's tax consolidation for 2024 was a profit of €32.8 million.

The current tax liability at November 30, 2024 includes a tax income related to the 2024 tax consolidation of €16.4 million.

Note 9.1.2. Breakdown of tax liability

Deferred taxes are calculated on the basis of legal tax rates, i.e. 25.83% for 2024, and factor in the provisions included in Finance Act regarding a gradual reduction in the normal corporate tax rate.

The reconciliation between the theoretical tax expense and the actual tax liability is as follows:

(in € thousands)	November 30, 2024	November 30, 2023
PRE-TAX INCOME (LOSS) OF CONSOLIDATED COMPANIES	72,973	95,484
Applicable tax rate	25.83%	25.83%
THEORETICAL TAX EXPENSE (INCOME)	18,820	24,634
Tax on share of profit (loss) of equity affiliates	-57	219
Impact of shares in fiscally transparent minority interests	-3,318	-4,217
CVAE expense (net of tax effect)	248	827
Impact of other permanent differences	-758	-1,606
GROUP TAX EXPENSE (INCOME)	14,935	19,857

Permanent differences at November 30, 2024 incorporated various deferred tax adjustments.

The share of the income (loss) of equity affiliates is presented before tax in the income statement given their fiscally transparent nature. The corresponding tax expense is included in the group's tax expense. The group's tax expense does not include the tax attributable to non-controlling interests in the group's subsidiaries, as the subsidiaries in question are also fiscally transparent.

The CVAE expense is presented in the income tax expense in the amount of €0.3 million before tax impact.

Other permanent differences mainly correspond to the adjustment of deferred taxes in the amount of -€0.8 million.

If these tax provisions were to change in the future, the Company would have to adjust its tax charge accordingly.

Note 9.2. Current and deferred taxes

Deferred taxes are recognized for all timing differences between the book value of assets and liabilities and their fiscal bases, and for tax losses, according to the liability method. Deferred tax assets are only booked if it is likely that they can be recovered.

Under IAS 12, deferred tax liabilities must be recognized in relation to all intangible assets recognized in the event of a business combination (brands, etc.).

Deferred tax assets and liabilities are not discounted.

The group does not recognize a tax expense in relation to the share of income attributable to non-controlling interests in fiscally transparent companies, owing to the tax status of those companies.

- The primary sources of deferred tax are as follows:
- application of the percentage-of-completion method when determining the margin on operations in the parent company financial statements;
- application of the completed contract method when determining the margin on operations for tax purposes;
- the elimination of intra-group services;
- tax deductibility of certain goodwill items;
- timing differences relating to provisions for liabilities and charges;

The group recognizes tax assets when they are recoverable, either by virtue of tax policies or because of income projections.

Note 9.2.1. Breakdown of taxes

Current and deferred tax assets and liabilities are presented as follows:

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Current tax (assets)	8,668	0
Current tax (liabilities)	-108	-18,856
Deferred tax liabilities	-63,011	-56,922
Deferred tax assets	17,074	14,856
BALANCE AT END OF PERIOD	-37,377	-60,922

Current tax receivables of €8.7 million at November 30, 2024 mainly concern tax receivables to the French Public Treasury of entities within the tax consolidation group for an amount of €9.5 million, owing to the fact that payments on account made during 2024 are above the amount of tax due.

Sources of deferred taxes by type

<i>(in € thousands)</i>	Deferred tax base at November 30, 2024	Deferred tax at November 30, 2024
Differences in recognition of real estate programs	193,380	49,940
Provisions and expenses with deferred deductibility	-18,254	-4,714
Right-of-use assets IFRS 16	45,210	11,675
Other	23,655	6,110
BALANCE AT END OF PERIOD - LIABILITIES	243,990	63,011
Tax loss carry forwards (excluding tax consolidation)	15,501	4,003
Lease liabilities IFRS 16	50,613	13,071
BALANCE AT END OF PERIOD - ASSETS	66,113	17,074

Most of the deferred taxes relate to differences for real estate programs between tax treatment and accounting treatment (recognition of income under the completed contract method in the tax accounts and differences in the type of costs included in inventories).

The new requirements of IAS 12 applicable to fiscal years beginning on or after January 1, 2023 precise the scope of the exemption from non-recognition of deferred tax assets and liabilities. For the exemption to apply, the initial recognition of an asset or liability, in a transaction that is not a business combination, and that, at the time of the transaction, affects neither the accounting nor the tax profit or loss, shall not generate "a taxable temporary difference and a deductible temporary difference of an equal amount". Therefore, in line with the principle of recognizing deferred taxes for temporary differences, deferred taxes on leases generating an asset and a liability of the same amount must now be recognized.

Note 10. Fees of the Statutory Auditors

The following table shows the breakdown of fees paid to ERNST & YOUNG Audit, KPMG and DELOITTE *et associés* by type of service. “Non-audit services” refer to the services defined by French laws and regulations, the issuance of various certificates and verification of consolidated social, environmental and societal information:

(in € thousands)	Ernst & Young Audit				KPMG				Deloitte & Associés			
	Amount (excl. VAT)		Percentage		Amount (excl. VAT)		Percentage		Amount (excl. VAT)		Percentage	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Audit and half-year limited review of the individual and consolidated financial statements												
Issuer: Kaufman & Broad SA	132.2	132.2	47%	41%	136.0	134.9	40%	43%				
Fully consolidated subsidiaries	141.4	183.4	50%	56%	145.3	122.0	43%	39%	16.8	26.4	100%	100%
Non-audit services												
Issuer: Kaufman & Broad SA	10.0	10.0	4%	3%	57.4	55.6	17%	18%				
Fully consolidated subsidiaries												
TOTAL	283.6	325.6	100%	100%	338.7	312.5	100%	100%	16.8	26.4		100%

Note 11. Events after the closing date

There was no event after the closing date.

Note 12. List of consolidated companies

The Consolidated Financial Statements of the Kaufman & Broad group for the year ended November 30, 2024 include the financial statements of 350 companies: 297 consolidated companies and 53 equity-accounted companies.

At November 30, 2024, there were no non-consolidated companies that could have a material impact on the group's consolidated financial statements.

The main companies in the group are as follows:

Business name	Legal structure	Capital	% group control	Method of consolidation ^(a)
Kaufman & Broad Financement	SNC	3,040,500	100.00%	FC
Kaufman & Broad Europe	SAS	221,440,548	100.00%	FC
Kaufman & Broad Homes	SAS	2,247,403	100.00%	FC
Kaufman & Broad Développement	SAS	152,449	100.00%	FC
Neoresid	SAS	504,148	60.00%	FC
Kaufman & Broad Etudiants	SCI	8,479,862	51.00%	EA
Cosy Diem	SAS	1,540,000	50.00%	EA
Kaufman & Broad Investissements Séniors	SAS	100,000	100.00%	FC
Kaufman & Broad Investissements Etudiants	SAS	100,000	100.00%	FC
Kaufman & Broad Champagne	SARL	100,000	100.00%	FC
Kaufman & Broad Nantes	SARL	100,000	100.00%	FC
SMCI Développement	SAS	762,245	100.00%	FC
Kaufman & Broad Rénovation	SAS	160,000	100.00%	FC
GIE Kaufman & Broad	EIG	-	100.00%	FC
Kaufman & Broad Méditerranée	SARL	100,000	100.00%	FC
Kaufman & Broad Savoies	SARL	100,000	100.00%	FC
Kaufman & Broad Rhône Alpes	SARL	1,300,000	100.00%	FC
Kaufman & Broad Pyrénées Atlantiques	SARL	100,000	100.00%	FC
Safaur	SAS	200,000	100.00%	FC
Serge Mas Promotion	SAS	282,289	95.00%	FC
Kaufman & Broad Innovation et Technologies	SAS	1,000	100.00%	FC
Kaufman & Broad Grands Projets	SAS	1 000 00	100.00%	FC
Kaufman & Broad Marketing & Ventes	SAS	1,000	100.00%	FC
Show Room	SNC	457,347	100.00%	FC
Kaufman & Broad Investissements	SAS	100,000	100.00%	FC
KetB Partenaires	SAS	100,000	100.00%	FC
Citec Ingenierie	SARL	10,000	100.00%	FC
Kapital Partners Promotion	SAS	10,000	100.00%	FC
Kaufman & Broad Côte d'Azur	SARL	100,000	100.00%	FC
Kaufman & Broad Real Estate	SAS	205,280	100.00%	FC
Kaufman & Broad Promotion 1	SNC	1,000	100.00%	FC
Kaufman & Broad Promotion 2	SNC	1,000	100.00%	FC
Kaufman & Broad Promotion 3	SNC	1,000	100.00%	FC
Kaufman & Broad Promotion 4	SNC	1,000	100.00%	FC
Kaufman & Broad Promotion 5	SNC	1,000	100.00%	FC
Kaufman & Broad Promotion 6	SNC	1,000	100.00%	FC
Kaufman & Broad Promotion 7	SNC	1,000	100.00%	FC
Kaufman & Broad Promotion 8	SNC	1,000	100.00%	FC
Kaufman & Broad Promotion 9	SNC	1,000	100.00%	FC
Kaufman & Broad Immo	SNC	1,000	100.00%	FC
Concerto Développement	SAS	500,000	100.00%	FC
Roissy Hôtel AMENAGEMENT	SARL	1,000	70.00%	FC
Paris 14 th Rue Losserand	SAS	1,000	100.00%	FC
Kaufman & Broad Midi Pyrénées	SARL	2,858,910	100.00%	FC
Kaufman & Broad Gironde	SARL	100,000	100.00%	FC
Kaufman & Broad Languedoc Roussillon	SARL	100,000	100.00%	FC
Kaufman & Broad Bretagne	SARL	1,000,000	100.00%	FC
Résidences Bernard Teillaud	SARL	840,000	100.00%	FC
Pierre et Rance	SARL	8,000	100.00%	FC
Kaufman & Broad Bordeaux Rive Gauche	SARL	37,000	100.00%	FC
Kaufman & Broad Poitou Charentes	SARL	100,000	100.00%	FC
Kaufman & Broad Flandres	SARL	7,700	100.00%	FC
Kaufman & Broad Pyrénées Orientales	SARL	100,000	100.00%	FC
Kaufman & Broad Est	SARL	100,000	100.00%	FC
Kaufman & Broad Bourgogne Franche Comté	SARL	100,000	100.00%	FC
Avenue de Fronton	SARL	1,000	100.00%	FC

(a) FC = Full consolidation, EA = Equity accounting.

07 Assets, Financial Statements and Results at November 30, 2024

Consolidated financial statements at November 30, 2024

Listed below are the main special purpose vehicles, in the form of Real Estate Companies (SCIs), Construction Sale Companies (SCCVs) or Commercial Partnerships (SNCs), that held a real estate program with the highest revenues, as calculated under the percentage-of-completion method.

Business name	Legal structure	Capital	% group control	Method of consolidation ^(a)
SNC PARIS 13 A7A8 OFFICES	SNC	1,000	100.00%	FC
SCCV TOULOUSE 142 AVENUE DES ÉTATS UNIS	SCCV	1,000	70.80%	FC
SCCV SAINT LAURENT DU VAR LES PUGETS	SCCV	1,000	90.00%	FC
SCCV EPINAY ON BARLEY 10 RUE DE GRAND VAUX	SCCV	1,000	60.00%	FC
SCCV FRANCONVILLE 120 RUE DE LA STATION	SCCV	2,000	70.00%	FC
SCCV CANNES ECLUSE CHEMIN DES GRAVIERS	SCCV	1,000	65.00%	FC
SCCV VILLEJUIF 56 STALINGRAD	SCCV	1,000	86.00%	FC
SCI LE GALION	SCCV	1,000	100.00%	FC
SNC TOULOUSE 44 AVE DE MURET	SNC	1,000	65.00%	FC
SCCV IMMO SERGE MAS	SCI	1,000	100.00%	FC
SCCV OZOIR LA FERRIERE 2 RUE HENRI FRANCOIS	SCCV	1,000	55.00%	FC
SCCV COLOMBES 11-13 RUE D'ENGHIEN	SCCV	1,000	100.00%	FC
SCCV CHATENAY MALABRY ECOLE CENTRALE LOT M	SCCV	1,000	50.00%	FC
SCCV Bordeaux QUAI DE Brazza Ilot D5B3 D5B7	SCCV	1,000	70.00%	FC
SCCV COMPIEGNE 9 RUE CLEMENT ADER	SCCV	1,000	100.00%	FC
SCCV MARTIGUES LIEUDIT SAINT MACAIRE SUD	SCCV	1,000	100.00%	FC
SCCV CHATENAY MALABRY ECOLE CENTRALE LOT L	SCCV	1,000	50.00%	FC
SCCV ROQUEBRUNE CAP MARTIN AVENUE ARISTIDE BRIAND	SCCV	1,000	100.00%	FC
SCCV SAINT MAUR DES FOSSES 72 BD DE CHAMPIGNY	SCCV	1,000	100.00%	FC
SCCV STRASBOURG PLACE DE LA GARE	SCCV	1,000	70.00%	FC
SCI STRASBOURG STARLETTE QUAI VAUBAN	SCCV	1,000	70.00%	FC

(a) FC = Full Consolidation, EA = Equity accounting

7.2. Report of the Statutory Auditors on the consolidated financial statements

Year ended November 30, 2024

To the Shareholders' Meeting of Kaufman & Broad S.A.,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Kaufman & Broad S.A. for the 12 months ended November 30, 2024.

In our opinion, the consolidated financial statements give a true and fair view of the results of operations for the year then ended and of the financial position and assets of the Group as at the end of the year, in accordance with IFRS as adopted by the European Union.

The opinion expressed above is consistent with the content of our report to the audit committee.

Basis of opinion

Audit standards

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors" responsibilities for the audit of the consolidated financial statements' section of our report.

Independence

We conducted our audit engagement in accordance with the independence rules set out in the French Commercial Code and the French Code of Ethics for Statutory Auditors for the period from December 1st, 2023 to the date of our report, and in particular we did not provide any prohibited non audit services referred to in Article 5 (1) of Regulation (EU) No 537/2014.

Justification of our assessments - Key audit matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the key audit matters relating to the risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year, as well as our responses to those risks.

Valuation of the gross margin of the property development business and inventories of property development programmes (Notes 3.2., 3.4. and 1.1.2 to the consolidated financial statements)

Risk identified	As of November 30, 2024, inventories of real estate programmes were recorded in the balance sheet for an amount of 367,269 thousand euros and the gross margin amounted to 208,024 thousand euros. The accounting policies relating to the recognition of revenue and gross profit margin as well as the key management estimates in relation to these items are set out in note 3.2 to the consolidated financial statements. Your group's property development activity is essentially carried out through sale contracts in the future stage of completion (VEFA) whereby your group transfers ownership of future lots as they are built. Revenue and gross profit margin from the property development business are recognised in the income statement in proportion to the stage of completion of all costs that can be stored for each program, the starting point of which is the acquisition of the land. This method requires management to make estimates, particularly for the assessment of margins at completion and for the assessment of the percentage of completion of each transaction. As stated in note 3.4 to the consolidated financial statements, inventories of new projects and programmes under development are stated at cost. Provisions are set aside to cover foreseeable losses measured on the basis of an analysis of the forecast economic and financial data for each project. We considered the assessment of the gross profit margin of the property development business and inventory of property programmes to be a key audit matter. Indeed, these items are of significant importance in the consolidated financial statements and the assumptions on which these valuations are based leave a significant place to management's judgment.
Our answer	We familiarised ourselves with the internal control procedures implemented for the preparation and monitoring of real estate program budgets. Our approach consisted in assessing the assumptions used and the data used by management to measure the results of real estate transactions (gross margin) and real estate inventories. For programmes under development and delivered programmes sold: • We examined the assumptions relating to selling prices, land costs, construction costs and service fees on a sample of programs. This sample was established by combining a random sample with a selection of certain programs, including the most significant in terms of gross margin, as well as those with negative margins. In addition, we selected programs whose budgets have atypical margin levels as well as former operations with a small variation in commercial progress and a high level of inventories. • For the most significant programmes in terms of gross margin, the cost progress rates for the selected operations were confirmed to us by the project managers in charge of property operations. We assessed these confirmations in relation to the expenditure incurred. For these programs, we also rationalised the commercial progress rates by dividing the amount of revenues signed by the amount of revenues budgeted and we performed detailed revenues tests by reconciling them with notarial acts. • Finally, we assessed, on a sample of completed and sold programs, the consistency of the margin rates actually generated with the margin rates initially budgeted by analyzing the supporting documents and the information obtained from the program managers and/or management controllers For programmes not yet launched commercially, we assessed, on a sample basis, the existence of profitable prospects through interviews with management. For delivered programs with units not yet sold, we analysed, based on a sample, the flow prospects presented by management and compared the forecast selling prices of the units in stock with the selling prices of the units. We also assessed the appropriateness of the disclosures in the notes to the consolidated financial statements with respect to these items

These assessments were made in the context of the audit of the consolidated financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on individual items of these consolidated financial statements.

Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by law and regulations of the information relating to the Group presented in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated statement of non financial performance provided for in Article L.225-102-1 of the French Commercial Code is included in the information relating to the group provided in the management report, it being specified that, in accordance with the provisions of Article L.823-10 of this Code, the information contained in this statement has not been verified to be fair or in accordance with the consolidated financial statements and must be the subject of a report by an independent third party.

Other verifications or information required by law and regulations

Presentation format of the consolidated financial statements for inclusion in the annual financial report

We have also verified, in accordance with the professional standard on the procedures of the statutory auditor relating to the annual and consolidated financial statements presented in accordance with the single European electronic reporting format, compliance with this format defined by European Delegated Regulation No. 2019/815 of December 17, 2018 in the presentation of the consolidated financial statements included in the annual financial report referred to in paragraph I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chairman and Chief Executive Officer. As regards consolidated financial statements, our procedures include verifying that the marking of these financial statements complies with the format defined by the aforementioned regulation.

Based on our work, we conclude that the presentation of the consolidated financial statements included in the annual financial report complies, in all material respects, with the single European electronic information format.

Appointment of the Statutory Auditors

We were appointed as auditors of Kaufman & Broad S.A. by your Annual General Meeting of 6 May 2021 for KPMG S.A. and 3 July 1991 for ERNST & YOUNG Audit.

As at November 30, 2024, KPMG S.A. was in the fourth year of its uninterrupted engagement and ERNST & YOUNG Audit in the thirty fourth year (including twenty five years since the company's shares were admitted to trading on a regulated market).

Responsibilities of management and those constituting company governance in regard to the annual financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, management is responsible for assessing the company's ability to continue with its operations, disclosing in these financial statements, as applicable, the necessary information related to business continuity and the applying the business continuity accounting convention, unless it is expected to liquidate the company or to cease trading.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems, as well as, where applicable, the internal audit, with respect to the procedures relating to the preparation and processing of accounting and financial information.

The consolidated financial statements have been approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Audit objective and approach

Our responsibility is to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with professional standards will systematically detect any material misstatement. Misstatements can arise from fraud or error and are considered material when, individually or in the aggregate, they can reasonably be expected to influence the economic decisions that users of the accounts make based on them.

As specified in Article L.821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout this audit. In addition:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for its opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control;
- Evaluate the appropriateness of the accounting policies used and the reasonable nature of the accounting estimates and related disclosures made by management in the annual financial statements;
- Assesses the appropriateness of management's application of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or circumstances that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of its report. However, it should be noted that subsequent circumstances or events may cast significant doubt on the Group's going concern. If it concludes that a material uncertainty exists, it draws the attention of the readers of its report to the information provided in the consolidated financial statements about this uncertainty or, if this information is not provided or is not relevant, it formulates a certification with reservations or a refusal to certify;
- Evaluates the overall presentation of the consolidated financial statements and assesses whether the consolidated financial statements reflect the underlying transactions and events in a manner that achieves fair presentation;

Concerning the financial information of the persons or entities included in the scope of consolidation, it obtains sufficient and appropriate information to express an opinion on the consolidated financial statements. It is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the conclusions resulting from our audit. We also bring to its attention, where applicable, any significant weaknesses in the internal control that we have identified, with respect to the procedures relating to the preparation and processing of accounting and financial information.

Our report to the Audit Committee includes the risks of material misstatement that we consider to have been of most significance in the audit of the consolidated financial statements for the year and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537-2014 confirming our independence, within the meaning of the rules applicable in France as set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Paris La Défense, 19 March 2025

The Statutory Auditors

KPMG S.A.
François Plat

Ernst & YOUNG Audit
Denis Thibon

7.3. Parent company financial statements at November 30, 2024

7.3.1. Annual financial statements at November 30, 2024

Income statement

<i>(in € thousands)</i>	Section	November 30, 2024	November 30, 2023
Revenue	7.3.4.14	3,461	2,605
Other purchases and external charges	7.3.4.15	-3,533	-3,300
Wages and salaries		0	0
Taxes		-485	-552
Amortization, depreciation and provisions		-3,761	-3,772
Reversal of provisions and expense transfers		3,449	3,647
Other operating charges and revenues		-566	-330
OPERATING INCOME		-1,435	-1,702
Profits allocated and losses incurred	7.3.4.16	36,893	48,832
Net financial income (including dividends from subsidiaries)	7.3.4.17	44,082	15,925
CURRENT OPERATING INCOME		79,540	63,055
Non-recurring income (expenses)	7.3.4.18	-3,148	-2,808
Corporate income tax		4,843	-3,030
NET INCOME/(LOSS)		81,234	57,218

7.3.2. Balance sheet

Assets

<i>(in € thousands)</i>	Section	November 30, 2024	November 30, 2023
Intangible assets	7.3.4.2	0	-
Property, plant and equipment	7.3.4.3	110	112
Financial assets	7.3.4.4	461,949	466,975
FIXED ASSETS		462,059	467,087
Inventories		-	-
Receivables	7.3.4.5	80,004	88,235
Treasury shares	7.3.4.6	9,668	12,496
Cash		50,691	45,717
Prepaid expenses		42	93
CURRENT ASSETS		140,406	146,541
TOTAL ASSETS		602,465	613,628

Liabilities

<i>(in € thousands)</i>	Section	November 30, 2024	November 30, 2023
Share capital	7.3.4.8	5,164	5,164
Premiums and reserves		353,340	342,887
Net income		81,234	57,219
SHAREHOLDERS' EQUITY	7.3.4.7	439,739	405,270
Provisions for liabilities and charges	7.3.4.9	7,782	15,651
Financial debt	7.3.4.10	103,906	152,359
Accounts payables and related accounts		1,096	1,874
Other liabilities	7.3.4.11	49,943	38,475
TOTAL EQUITY & LIABILITIES		602,465	613,628

7.3.3. General principles

The fiscal year lasts 12 months, from December 1 to November 30.

The annual financial statements were prepared in accordance with current French accounting regulations (the General Chart of Accounts and Commercial Code).

7.3.3.1. Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are stated in the balance sheet at acquisition cost. Amortization and depreciation are calculated on a straight-line basis according to the expected life of the asset concerned.

The depreciation periods generally used are as follows :

- IT licenses: 3 years;
- Fittings, fixtures, and facilities: 10 years;
- Office furniture: 10 years.

7.3.3.2. Financial assets

The gross amount of the equity investments in companies in the balance sheet is equal to their cost. A provision is recognized when the book value is lower than the acquisition value.

The book value is determined by reference to the value in use of each company. This value in use is measured on the basis of the share of the net equity held, which includes a share in the income from programs hosted by the company and the earnings outlook of the subsidiaries. Receivables from equity interests and loans are recognized at their value on acquisition or par value. Provisions are recorded for receivables where there is a risk that they will not be recovered, or will not be recovered in full.

To assess the value in use of the group's subsidiaries, the management of Kaufman & Broad makes estimates and assumptions that are based on past experience and anticipated changes in the markets in which the companies operate, or other factors considered to be reasonable under the circumstances.

The estimates and assumptions primarily concern:

- earnings forecasts for real estate developments;
- business plans for future fiscal years.

The selling prices and take-up rate assumptions used to forecast earnings from real estate programs, and the achievement of the medium-term forecasts used in impairment testing, could be impacted by the economic environment and regulatory changes, particularly government tax incentives.

Receivables relating to equity interests correspond to current account advances to group companies.

The net income from fiscally transparent subsidiaries (construction-sale partnerships or other business partnerships) of which Kaufman & Broad SA is a partner or shareholder becomes immediately and entirely vested in Kaufman & Broad SA at the end of the fiscal year. At year-end, the shares of the annual income of fiscally transparent companies are posted in the current account.

7.3.3.3. Treasury shares

The treasury shares purchased for allocation to group employees (under bonus share plans) are recognized in a "Treasury shares" account, and are categorized by purpose in accordance with the decision to allocate the shares. Treasury shares held for the purposes of the liquidity agreement, or not yet allocated, are valued at their acquisition price. A provision is recorded in the event of a loss compared to the average stock market price during the last month of the fiscal year. Treasury shares allocated to a bonus share plan are kept at their book value on the allocation date.

7.3.3.4. Provisions for liabilities and charges

Every quarter the Legal And Accounting Departments review the provisions for litigation posted as liabilities on the balance sheet. Provisions made previously are reviewed and reassessed on the basis of the current status of the proceedings. If applicable, new provisions are made on the basis of an individual assessment of risks for new disputes. The creation of a provision is not conditional on whether or not proceedings are being litigated in court but depends on the nature of the risk.

7.3.3.5. Suspense accounts and financial instruments

Unrealized gains and losses on interest rate instruments used in hedging transactions are not recognized.

7.3.3.6. Share of profits and losses incurred

Most of the group's subsidiaries have opted for the preferred percentage-of-completion method to recognize revenues and margin on real estate programs in their financial statements.

Revenue and margin are recognized in proportion to the percentage of technical completion, for which the starting point is the purchase of the land, and to the progress of sales (signed deeds of sale) of each program. This method is applied whether the program is expected to be profitable or loss making.

The taxable income of these subsidiaries is still determined using the completed contract method.

The bylaws of these companies, which have the legal form of SCIs (Real Estate Companies) and SNCs (Commercial Partnerships), provide for the automatic transfer of profits to their partners in the same fiscal year.

In accordance with the provisions of the Construction and Housing Code, payment of any sum owed by program companies to their partners may only be made strictly within the limits of the amounts freely available to the program companies based on the percentage of completion of building operations.

7.3.3.7. Tax consolidation

The tax consolidation agreement signed by the companies that are members of the consolidated group stipulates that tax liabilities will be borne by the consolidated companies (parent and subsidiary), as they would in the absence of tax consolidation, after deduction of their previous losses. In addition, tax savings obtained as a result of losses are retained by Kaufman & Broad SA, as the parent company, and are considered as earnings for the period even if they give rise to an expense in the period during which the loss-making subsidiaries return to profit.

7.3.3.8. Consolidated VAT

The Kaufman & Broad group has been reporting VAT on a consolidated basis since December 1, 2012. The agreement signed by the companies included in the scope of consolidation provides that VAT payments and credits must be transferred to Kaufman & Broad SA which, as the parent company of the group, becomes the only company responsible for paying the VAT or receiving VAT refunds.

Nevertheless, each legal entity checks to ensure that the VAT credits of each company included in the scope of consolidation are repaid by Kaufman & Broad SA (60 days later).

7.3.4. Analysis of the financial statements

7.3.4.1. Significant events

Impact of the chain of numerous shocks since 2020 on risk factors specific to the group

The Company believes that the chain of numerous shocks since 2020 continues to significantly impact its operating environment. In addition to the aftermath of the Russian Ukrainian conflict, the situation has become considerably more complex as a result of a combination of major economic and political factors (such as the stalemate in the Middle East conflict or the possible impact of future American economic and customs policy on international trade). Furthermore, French political instability, marked by the dissolution of the National Assembly in June 2024 followed by an extended period without a government during the summer, as well as the censorship of the government of Mr. Barnier and the fragility of the current government of F. Bayrou, has created an uncertain environment for economic players. The continuing budget deficit of close to 6% of Gdp for 2024-2025 combined with the complexity of reaching consensus on the 2025 finance bill add additional uncertainty, particularly with regard to housing support arrangements.

This political situation adds to an already tense context marked by the persistence of inflationary pressures despite the ECB's restrictive monetary policies, the deep crisis in the French real estate sector with the collapse of building permits and housing starts. This accumulation of events, although not specific to the group, reinforces several major risks:

- Risks related to construction costs, with volatile material prices, new environmental standards (RE2020) and uncertainty about future policies to support the sector.
- Risks related to relations with suppliers, in a context of weakening the fabric of construction companies and uncertainty about public support mechanisms.
- Marketing risks, in the face of the sharp contraction in household real estate purchasing power due to high interest rates and uncertainty about accession aid measures.
- Risks related to an environment where financing conditions remain tense and political instability could affect sovereign ratings and, in turn, corporate financing conditions.

Proposal of the Board of Directors to pay a dividend in respect of the fiscal year ended November 30, 2024

The Board of Directors held on January 29, 2025 in view of the 2024 results, the strong financial structure of Kaufman & Broad and the level of its backlog led the Board of Directors to propose to the Shareholders' Meeting on May 6, 2025 a dividend of €2.20 per share for the 2024 fiscal year.

Cash payment of the dividend for the fiscal year ended November 30, 2023

The Combined Ordinary and Extraordinary Shareholders' Meeting of Kaufman & Broad SA, held at the registered office on May 6, 2024 under the chairmanship of Nordine Hachemi, decided to distribute a total dividend of €2.40 per share for the fiscal year ended November 30, 2023. The cash dividend was paid on May 13, 2024.

Fitch Rating confirms Kaufman & Broad's Investment Grade rating

The rating agency Fitch Rating confirmed last August the "Investment Grade" - "BBB-" rating with stable outlook of Kaufman & Broad S.A. This rating has been constant since 2022. For Fitch Ratings, the confirmation of the rating reflects Kaufman & Broad's solid business and financial profile, which proves resilient during periods of weak demand. Fitch also points out that Kaufman & Broad continues to maintain a positive net cash position, which comfortably covers all future debt maturities. Kaufman & Broad is currently the only pure European developer to be rated Investment Grade. Fitch's confirmation of this rating in a difficult environment highlights the strength of the group's financial structure and its ability to structurally generate substantial cash flows.

Dividends received

The net financial income of Kaufman & Broad SA at November 30, 2024 includes dividends paid by seven subsidiaries in the amount of €35.52 million.

7.3.4.2. Intangible assets

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Software licenses	274	274
Depreciation and amortization	-274	-274
NET INTANGIBLE ASSETS	0	0

7.3.4.3. Property, plant and equipment

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Facilities and fittings	184	184
Depreciation and amortization	-74	-72
FACILITIES AND FITTINGS	110	112
Office and IT equipment – furnishings	601	601
Depreciation and amortization	-601	-601
OFFICE AND IT EQUIPMENT – FURNISHINGS	0	0
NET PROPERTY, PLANT AND EQUIPMENT	110	112

7.3.4.4. Financial assets

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Equity interests	324,748	324,898
Receivables related to equity interests and loans ⁽¹⁾	140,323	147,985
Other financial assets ⁽²⁾	1,194	1,386
Impairment ⁽³⁾	-4,316	-7,294
NET NON-CURRENT FINANCIAL ASSETS	461,949	466,975

(1) Receivables relating to equity investments and loans correspond for €117M to the share of margins of transparent companies that are not distributable at the end of the fiscal year (compared with €78M at November 30, 2023) and for €23M of receivables from group companies, members of the tax consolidation group.

(2) Other financial assets mainly consist of deposits and guarantees, including the cash made available to Rothschild Bank under the share buyback agreement for €1.2 million.

(3) At November 30, 2024, the provision for shares in subsidiaries mainly concerned Kaufman & Broad Financement for €4.3 million.

7.3.4.5. Receivables

(in € thousands)	November 30, 2024	November 30, 2023
Value-added tax	1,281	4,418
Territorial Economic Contribution	0	6
Corporate income tax	9,425	0
Current accounts (1)	60,757	74,622
Intra-group customers - Invoices to be issued (2)	8,360	7,963
Other receivables	181	1,226
RECEIVABLES	80,004	88,235

(1) This sum comprises: €42.5 million, being the share of the revenue upstreamed from subsidiaries (versus €51.5 million at November 30, 2023); €13.2 million, being the current accounts for tax consolidation purposes with other group companies; and €3.2 million for consolidated VAT current accounts.

(2) This sum corresponds to intra-group re-invoicing relating to the bonus shares awarded to employees of the Kaufman & Broad group.

(in € thousands)	November 30, 2024	In one year at most	In more than one year
Value-added tax	1,281	1,281	0
Corporate income tax	9,425	9,425	0
Current accounts ⁽¹⁾	60,757	44,541	16,216
Intra-group customers - Invoice to be issued	8,360	8,360	0
Other receivables	181	181	0
RECEIVABLES	80,004	63,788	16,216

(1) The proportion at more than one year corresponds to the share of non-distributable income upstreamed from subsidiaries during the 12-month period, taking into account the projected completion date of construction works for the programs concerned, in accordance with the provisions of the French Construction and Housing Code.

7.3.4.6. Treasury shares

(in € thousands)	November 30, 2024	November 30, 2023
Treasury shares	9,668	12,496
Provisions for impairment of treasury shares		
TREASURY SHARES (VALUE NET OF IMPAIRMENT)	9,668	12,496

At November 30, 2024, Kaufman & Broad SA held 383,997 treasury shares (representing 1.93% of the company's share capital). These shares break down as follows:

- 266,536 shares (representing 1.34% of the Company's share capital) valued at €7.0 million intended to cover the bonus share plans of plan 2 of 2022, plans 1 and 2 of 2023 and plans 1, 2 and 3 of 2024,
- 108,961 shares (representing 0.55% of the company's share capital) valued at €2.7 million held to meet the other objectives of the share buyback plan (future bonus share plans and cancellation of shares by the company)
- 8,500 shares held under the Liquidity Agreement (representing 0.04% of the company's share capital) amounting to €0.3 million.

At November 30, 2023, the 484,719 treasury shares comprised:

- 309,758 shares (€8.4 million) allocated to bonus share plans;
- 172,561 shares (€4.1 million) held to achieve the other objectives of the share buyback plan.
- 2,400 shares (€0.1 million) held under the Liquidity Agreement.

7.3.4.7. Shareholders' equity

The change in shareholders' equity is broken down as follows:

<i>(in € thousands)</i>	Share capital	Legal reserve	Share subscription options	Premium	Other reserves	Balance of retained earnings	Net income	Shareholders' equity
NOVEMBER 30, 2022	5,619	979	781	50,692	-	333,346	53,368	444,785
Distribution						3,858	-53,368	-49,510
Capital reduction	-455			-46,769				-47,224
Capital increase								-
Net income for the fiscal year							57,219	57,219
NOVEMBER 30, 2023	5,164	979	781	3,923	-	337,204	57,219	405,269
Distribution						10,453	-57,219	-46,766
Capital reduction								-
Capital increase								-
Net income for the fiscal year							81,234	81,234
NOVEMBER 30, 2024	5,164	979	781	3,923	-	347,657	81,234	439,739

In addition to the legal reserve, the Company has reserves for an amount at least equal to the value of all the shares it holds.

There were no transactions in the company's share capital for the year ended November 30, 2024.

7.3.4.8. Change in capital

<i>(in € thousands)</i>	November 30, 2023	Increase	Reduction	November 30, 2024
Number of shares	19,862,022	-	-	19,862,022
Par value	0.26	-	-	0.26
CAPITAL	5,164,126	-	-	5,164,126

At November 30, 2024, Kaufman & Broad SA's share capital was €5,164,125.72, divided into 19,862,022 shares of common stock with a par value of €0.26.

Bonus share plans

During the fiscal year, the Board of Directors decided to introduce three new bonus share plans on February 15, 2024 under the authority granted by the Shareholders' Meeting of May 4, 2023.

The main features of the group's plans in effect at November 30, 2024 are presented in the table below:

Bonus share plan	February 2022 Plan 2	February 2023 Plan 1	February 2023 Plan 2	February 2024 Plan 1	February 2024 Plan 2	February 2024 Plan 3
Date authorized by the Extraordinary Shareholders' Meeting	May 6, 2021	May 5, 2022	May 5, 2022	May 4, 2023	May 4, 2023	May 4, 2023
Number of bonus shares that may be awarded	112,947	250,000	111,978	250,000	124,920	114,920
Date of the Board of Directors' meeting awarding the shares	Feb 25, 2022	Feb 24, 2023	Feb 24, 2023	Feb 15, 2024	Feb 15, 2024	Feb 15, 2024
Number of bonus shares awarded	10,000	138,022	10,000	125,080	10,000	21,430
Number of beneficiaries	1	823	1	640	1	633
Types of shares	Existing	Existing	Existing	Existing	Existing	Existing
Shares outstanding at November 30, 2024	7,500	99,914	10,000	113,490	10,000	19,355
Share price on the award date	€33.00	€28.95	€28.95	€30.05	€30.05	€30.05
Date of vesting	Feb 25, 2025	Feb 24, 2025	Feb 24, 2026	Feb 15, 2026	Feb 15, 2027	Jan 15, 2025
Date available	Feb 25, 2026	Feb 24, 2027	Feb 24, 2027	Feb 15, 2028	Feb 15, 2028	Feb 15, 2028
Lapsed shares	2500	38,108	0	11,590	0	2075
Shares outstanding	7,500	99,914	10,000	113,490	10,000	19,355
Initial fair value of the plan	186,241	2,224,160	168,581	2,075,171	203,642	434,281
Data input into the model:	Binomial model	Binomial model	Binomial model	Binomial model	Binomial model	Binomial model
• Exercise price	-	-	-	-	-	-
• Loss of liquidity of the shares (% of the forward price)	1%	1%	1%	1%	1%	1%
• Expected dividends (% of market capitalization)	€1.95 per share	€2.10 to €2.40 per share	€2.10 to €2.40 per share	€1.00 to €2.40 per share	€1.00 to €2.40 per share	€1.00 to €2.40 per share
• Risk-free interest rate (market rate)	From -0.33% to 0.10%	From 3.30% to 3.45%	From 3.30% to 3.45%	From 2.83% to 3.45%	From 2.83% to 3.45%	From 2.83% to 3.45%
• Share lending/borrowing rate	0	0	0	0	0	0
• Forward price discounting rate	EURIBOR +300 bps	EURIBOR +300 bps	EURIBOR +300 bps	EURIBOR +300 bps	EURIBOR +300 bps	EURIBOR +300 bps
• Turnover rate	0% for the Chairman	0% for the Chairman, 11.69% for key executives 22.15%/year for others	0% for the Chairman	0% for the Chairman, 14.96% for key executives 25.92%/year for others	0% for the Chairman	0% for the Chairman, 14.96% for key executives 25.92%/year for others

7.3.4.9. Provisions for liabilities and charges

(in € thousands)	November 30, 2024	November 30, 2023
Provision for bonus share awards ⁽¹⁾	6,957	6,647
Provision for tax liabilities	86	86
Provision for subsidiary liabilities ⁽²⁾	2	8,179
Other provisions for liabilities and charges	737	739
PROVISIONS FOR LIABILITIES AND CHARGES	7,781	15,651

(1) Provision created up to the capital loss that the Company will incur on the delivery of bonus shares to employees.

(2) The provision for the negative net equity of the subsidiary Kaufman & Broad Bretagne established at 30/11/2023 was reversed in 2024.

(in € thousands)	November 30, 2023	Increases	Used reversals	Unused reversals	November 30, 2024
Provision for bonus shares awarded	6,647	3,760	2,943	506	6,957
Provision for tax liabilities	86	-	-	-	86
Provision for subsidiary liabilities	8,179	-	-	8,179	-
Other provisions for liabilities and charges	739	-	-	2	737
PROVISIONS FOR LIABILITIES AND CHARGES	15,651	3,760	2,943	8,687	7,781

7.3.4.10. Financial debt

(in € thousands)	November 30, 2024	November 30, 2023
Syndicated bank credit line	-	-
Bond issue	100,000	150,000
Credit facilities used	-	-
Interest accrued on borrowings	1,939	2,359
FINANCIAL DEBT	101,939	152,359

Kaufman & Broad SA has a syndicated banking credit line and a bond borrowing, the terms and conditions of which are described below.

Main utilizations of financial debt

(in € thousands)	Debt capacity	Utilization at November 30, 2024	Maturity	Rate ⁽¹⁾
Bond issue	100,000	100,000	100 million at maturity 2025	3.204% Fixed
RCF ⁽²⁾	200,000			E (3) +195 to 275 BPS
TOTAL	300,000	100,000		

(1) E = Euribor, which is, for a given maturity, the fixed average rate at which a panel of fifty major banks in Europe offer to make unsecured loans to other major banks, calculated every business day

(2) Revolving credit facility.

(3) The applicable margin depends on the leverage ratio.

Bond issue

On May 18, 2017, Kaufman & Broad issued its first "Euro PP" bond, of €150 million, as part of a private placement made with institutional investors in Europe. This private placement comprised a €50 million seven-year tranche maturing in May 2024 at a fixed annual interest rate of 2.879% payable on May 31 of each year, and a €100 million eight-year tranche maturing in May 2025 at a fixed annual interest rate of 3.204% payable on May 31 of each year.

This transaction also allowed the group to diversify its financing sources, benefit from favorable market conditions and significantly extend the average maturity of its debt.

Financial covenants in place

For each six-month accounting period from November 2017 until the bond is repaid, the group is required to observe two ratios, calculated on a consolidated basis, with levels defined as follows:

Ratios at the end of each six-month period	Threshold at November 30, 2024	Ratio at November 30, 2024
Leverage ratio ⁽¹⁾	≤ 3.0	N/A
Net Gearing ratio ⁽²⁾	≤ 2.5	N/A

(1) i.e. net financial debt (a) divided by EBITDA (b), where:

(a) financial debt means the gross financial debt, less cash and cash equivalents and excluding certain subordinated debts and certain off-balance sheet commitments;

(b) EBITDA means the net income of the consolidated group before income tax and financial income (including net financial expenses, foreign exchange gains and losses and other financial expenses); other extraordinary and/or non-recurring income and expenses, excluding estimated expenses (including any increases or decreases in amortization, depreciation and provisions, fair value adjustments, and income and expenses relating to the non-financial compensation of employees); and capital gains or losses from the sale of assets, less income from minority interests.

(2) i.e. net financial debt (a) divided by adjusted shareholders' equity (c):

(c) Adjusted shareholders' equity = consolidated shareholders' equity at November 30, 2016, plus consolidated income aggregated from December 1, 2016 to the end of the relevant quarter, minus dividends paid for the relevant period, plus the aggregated impairment charge for the period from December 1, 2016 to the end of the relevant quarter.

Senior Facilities Agreement

In July 2024, Kaufman & Broad set up a new €200 million syndicated loan agreement. With an initial maturity of 5 years, this loan replaces the €250 million RCF 2019 syndicated loan agreement maturing in January 2025. This corporate credit line "RCF 2024" enables the Company to extend its debt maturity and lower its cost of debt, while also giving it more leeway to use these resources in accordance with any needs and opportunities that may arise, over and above its available cash.

As a result, at November 30, 2024, the group had syndicated loans comprising a revolving credit facility (the "Revolving Credit Facility") with a principal amount of €200 million. No amount was outstanding under the facility at November 30, 2024.

Under the 2024 Senior Facilities Agreement, the margin applicable to each drawdown will be determined according to the leverage ratio applicable at each testing date and, depending on the group's observance of the Annual CSR Criteria, a positive or negative incentive mechanism will be applied to the margin applicable at the time.

Financial covenants in place

For each six-month accounting period from November 2024 until the Syndicated Loan Agreement matures, the group is required to observe two ratios, calculated on a consolidated basis, with levels defined as follows:

Ratios at end of each six-month period	Threshold at November 30, 2024	Ratio at November 30, 2024
Leverage ratio ⁽¹⁾	≤ 3.0	-4.98
Net Gearing ratio ⁽²⁾	≤ 2.0	-1.10

(1) i.e., net financial debt (a) divided by EBITDA (b) where:

(A) Financial debt means gross financial debt less cash and cash equivalents, and without taking into account the impacts related to the application of IFRS 16 (leases) or any other applicable Accounting Principles becoming applicable, where applicable, after the date of signature of the Credit Agreement.

(b) EBITDA means the net income of the consolidated group before income tax and financial income (including net financial expenses, foreign exchange gains and losses and other financial expenses); other extraordinary and/or non-recurring income and expenses, excluding estimated expenses (including any increases or decreases in amortization, depreciation and provisions, fair value adjustments, and income and expenses relating to the non-financial compensation of employees); and capital gains or losses from the sale of assets, less income from minority interests.

(2) i.e., net financial debt (a) divided by adjusted shareholders' equity (c);

(C) Adjusted shareholders' equity = consolidated shareholders' equity at any given date, as shown on the liabilities side of the last consolidated financial statements plus the impact of treasury shares held by the Company at the closing date of the financial statements at the end of the reporting period.

Finally, the 2024 Syndicated Loan Agreement provides that in the event of a change of control of Kaufman & Broad SA, the total commitments will be automatically canceled and any outstanding advances as well as any interest and accrued fees (to the extent that the Agent has not issued a notification under Article 21.7 "Proportional Settlement of Interests"), any reinvestment costs and any other amounts due under the Financing

Documents will automatically become due and payable on the date of said Change of Control. Under the terms of the 2024 Syndicated Credit Agreement, a change of control means any act or event resulting in one or more persons or entities, acting alone or in concert, come to holding more than thirty three and one third (33.33%) of the capital and/or voting rights of the Borrower.

Repayment schedule

(in € thousands)	November 30, 2024	Less than one year	1 to 5 years repayment schedule	More than 5 years
Bond issue	100,000	100,000	-	-
Credit facilities used	-	-	-	-
Accrued interest	1,939	1,939	-	-
GROSS FINANCIAL DEBT	101,939	101,939	-	-

7.3.4.11. Other liabilities

(in € thousands)	November 30, 2024	November 30, 2023
Value-added tax	1,674	1,599
Corporate income tax	0	18,014
Other taxes	96	14
Other miscellaneous payables	451	401
Current accounts ⁽¹⁾	47,722	18,447
OTHER LIABILITIES	49,943	38,475

(1) This amount comprises €15 million relating to the current accounts of the member companies of consolidated VAT group (compared to €16.7 million at November 30, 2023), for €32 million to the current accounts with KB Financement and €0.7 million in relation to cash advances granted by group companies (compared to €0.7 million at November 30, 2023).

(in € thousands)	November 30, 2024	Up to 1 year	1 to 5 years	More than 5 years
Value-added tax	1,674	1,674	-	-
Corporate income tax	0	0	-	-
Other taxes	96	96	-	-
Other miscellaneous payables	451	451	-	-
Current accounts	47,722	47,722	-	-
OTHER LIABILITIES	49,943	49,943	0	0

7.3.4.12. Amounts due to or owed by related companies

(in € thousands)	November 30, 2024	November 30, 2023
Receivables from equity interests	140,323	147,985
Other receivables	60,757	74,622
Current accounts	-47,648	-18,447
RELATED COMPANIES – RECEIVABLES AND PAYABLES	153,432	204,159

7.3.4.13. Accrued expenses and income

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Borrowings and financial debts	-1,939	-2,359
Accounts payable and related accounts	-971	-1,742
Tax and social security liabilities	6	-
TOTAL ACCRUED EXPENSES	-2,916	-4,101

The amount listed under accounts payable and related accounts corresponds primarily to fees not yet invoiced.

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Other receivables ⁽¹⁾	8,977	7,963
TOTAL ACCRUED INCOME	8,977	7,963

(1) These are mainly invoices to be issued under the bonus share plans for employees of the Kaufman & Broad group.

7.3.4.14. Revenue

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Provision of services	3,461	2,606
TOTAL	3,461	2,606

Revenues relate mainly to the re invoicing of operating costs incurred in 2024 by Kaufman & Broad SA on behalf of group companies or some of its shareholders, namely Artimus Participations, and to the re invoicing to

GIE Kaufman & Broad, an entity employing Kaufman & Broad group employees, of expenses related to the future delivery of bonus shares awarded during the year.

7.3.4.15. Other purchases and external charges

<i>(in € thousands)</i>	November 30, 2024	November 30, 2023
Legal fees and arrangement costs	-554	-571
Audit fees	-319	-412
Intra-group services	-709	-784
Other expenses	-1,950	-1,531
TOTAL	-3,532	-3,298

7.3.4.16. Profits allocated and losses incurred

This item records the income from program support companies, the net total of which was €36.9 million for the year ended November 30, 2024, compared with €48.8 million for the year ended November 30, 2023. This net figure includes shares of losses totaling €5.6 million for the year ended November 30, 2024, compared with €2.6 million for the year ended November 30, 2023.

7.3.4.17. Net financial income

(in € thousands)	November 30, 2024	November 30, 2023
Dividends received ⁽¹⁾	35,523	14,037
Net change in provisions ⁽²⁾	11,157	-
Financial income related to the early repayment of Senior B and C lines	-	-
Net interest expense ⁽³⁾	-2,598	1,888
TOTAL	44,082	15,925

(1) Dividends and financial income consist of dividends received from Kaufman & Broad Europe, Kaufman & Broad Development, Kaufman & Broad Champagne, SMCi Développement, Kaufman & Broad Région Normandie, Kaufman & Broad Homes.

(2) This amount includes an additional €2.2M provision for impairment of Kaufman & Broad Financement shares and reversals of provisions for subsidiary risks (€8.2M) and for impairment of Kaufman & Broad Bretagne shares (€5.05M).

(3) The financial interest borne corresponds to interest on the financial debt and on intra-group current accounts.

7.3.4.18. Non-recurring income (expenses)

(in € thousands)	November 30, 2024	November 30, 2023
Net non recurring income ⁽¹⁾	-3,148	-2,808
TOTAL	-3,148	-2,808

(1) Of which €(3,029) thousand of capital loss on deliveries of bonus shares, €(180) thousand of patronage payments and +€19 thousand of net capital gain on securities

7.3.4.19. Off-balance sheet items

Interest rate hedging

Interest rate risk is hedged using instruments traded on organized markets or over the counter with high-quality counterparties.

Off-balance sheet commitments received

Unutilized syndicated credit lines

(in € thousands)	November 30, 2024	November 30, 2023
Unutilized RCF line ⁽¹⁾	200,000	250,000
TOTAL	200,000	250,000

(1) Last July, Kaufman & Broad set up a new €200 million syndicated loan agreement. With an initial maturity of 5 years, this loan replaces the 2€50 million RCF 2019 syndicated loan agreement maturing in January 2025.

Pledges and liens

Under a memorandum of understanding, Kaufman & Broad SA stood as guarantor for one of its partners. The guarantee was limited to €4 million excluding tax and until the provision of a first-demand bank guarantee, in keeping with the commitments made by two of its subsidiaries in said memorandum. In exchange, this partner's main shareholder stood as joint and several guarantor for its subsidiary's commitments with regard to joint ventures, for the same amount and until the provision of its own first-demand bank guarantee.

Off-balance sheet commitments given**Guarantees and bonds issued**

(in € thousands)	November 30, 2024	November 30, 2023
Land holding guarantees and works guarantees ⁽¹⁾	339,126	37,360
Counter guarantees granted ⁽²⁾	18,908	21,941
Guarantee of repayment of the sale-before-completion price	9,393	-
TOTAL	367,427	59,301

(1) Of which guarantee works on the Austerlitz transaction: €318,604k as well as various sureties and guarantees granted by Kaufman & Broad SA mainly a rental guarantee on the rents of the head office and a guarantee of €4 million granted under a protocol with a partner.

(2) In addition, financial completion guarantees are provided to customers as part of VEFA revenues by Kaufman & Broad SA subsidiaries. Kaufman & Broad asks a financial institution, mutual guarantee body or insurance company to issue a guarantee

In consideration for these bonds, Kaufman & Broad typically gives the financial institutions or insurance companies a mortgage undertaking ("promesse hypothécaire") and a non-assignment of shares undertaking in relation to the companies running the programs, and a pledge of receivables accruing on the sale price.

7.3.5. Tax consolidation and future tax position

The Company opted for tax consolidation starting from the year ended November 30, 1990, in accordance with Article 223 of the French Tax Code, for a term of five years. The Company has renewed this option six times, making it valid until the end of 2025.

(in € thousands)	Pre-tax accounting income (loss)	Tax adjustments ⁽¹⁾	Income for tax purposes	Tax loss carry forward to be charged	Taxable income	Kaufman & Broad SA theoretical tax	Effect of tax consolidation income/ (expense)	Recognized tax income/ (expense)	Net income
Current	79,534	-32,564	46,970	-	46,970	10,888	-16,441	-5,553	85,087
Non-current	-3,148	180	-2,968	-	-2,968	787	-	787	-3,935
TOTAL	76,386	-32,384	44,002	-	44,002	11,675	-16,441	-4,766	81,152

(1) The tax adjustments include mainly the deduction of dividends received from subsidiaries and the restatement of 2022 revenues and income, whereby the amounts recognized in the financial statements on the percentage-of-completion basis are reversed and taxable income is calculated instead on the completed contract basis.

Due to the difference in the methods used to recognize profit for accounting purposes (the percentage-of-completion basis) and for tax purposes (the completed contract basis), a significant deferred tax position arises. As an indication, the total gross margin recognized on a percentage of completion basis, which is eliminated for the purpose of calculating the taxable income, was €86.4 million, representing a deferred tax of €22.3 million at November 30, 2024.

7.3.6. Related party transactions

Under the license agreement signed with Kaufman & Broad Europe SAS, Kaufman & Broad SA benefits from a free license to use Kaufman & Broad's trademarks, logos and domain names in France. All other transactions with related parties are carried out under market conditions.

Dealings with related parties, including the compensation method for executives, remained comparable to 2023 and no transaction that was unusual in its type or amount occurred during the fiscal year.

7.3.7. Post-closing events

None

7.3.8. Consolidation

Kaufman & Broad SA is the parent company in the scope of consolidation that consists of Kaufman & Broad SA and its subsidiaries.

7.3.9. Other

Kaufman & Broad SA has no employee.

The total compensation paid to directors and corporate officers for 2024 amounted to €1,726,986, of which €366,618 was paid to Non-Executive Directors.

Subsidiaries and equity affiliates

	Capital	Other shareholders' equity before allocation of profit or loss	% ownership	Gross book value of shares held	Net book value of shares held	Outstanding loans and advances granted by the Company	Sum of guarantees and endorsements given by the Company	Last published net revenue	Last published net income (loss)	Dividends received by the Company during the fiscal year
A - Detailed information on investments in subsidiaries the gross book value of which exceeds 1% of Kaufman & Broad SA's capital										
1. SUBSIDIARIES (AT LEAST 50% - OF THE CAPITAL HELD BY THE COMPANY)										
Kaufman & Broad Europe SAS	221,440,548	-7,685,855	99.90 %	217,436,878.30	217,436,878.30	-	-	12,988,450	15,923,592	15,000,000
Kaufman & Broad Homes SAS	2,247,403	7,146,679	100.00 %	10,450,195.06	10,450,195.06	-	3,825,850	24,633,242	-8,018,757	
Kaufman & Broad Développement SAS	152,449	-1,393,338	100.00 %	152,449.02	152,449.02	-	2,127,500	13,450,362	2,285,263	3,500,000
Kaufman & Broad Champagne	100,000	-919,397	100.00 %	100,000.00	100,000.00	-	-	280,731	1,432,240	1,400,000
SMCI Développement SAS	762,245	-80,338	100.00 %	762,245.09	762,245.09	-	-	75,832	33,018	33,000
Kaufman & Broad Rénovation SAS	160,000	-27,117	100.00 %	152,296.57	152,296.57	-	-	128,679	2,599	
Kaufman & Broad Financement SNC	3,040,500	-1,032,750	99.96 %	4,307,707.67	-	-	-	371,682	-5,550,608	
Kaufman & Broad Real Estate SAS	205,280	-30,041,257	100.00 %	30,191,792.45	30,191,792.45	-	5,060,000	38,298,471	61,955,161	15,000,000
Kaufman & Broad Méditerranée SARL	100,000	34,312,720	100.00 %	100,000.00	100,000.00	-	1,508,116	5,013,797	-4,015,712	
Kaufman & Broad Savoie SARL	100,000	11,313,730	100.00 %	100,000.00	100,000.00	-	331,059	1,767,376	-2,642,189	
Kaufman & Broad Rhône Alpes SARL	1,300,000	31,947,720	100.00 %	1,300,000.00	1,300,000.00	-	1,210,500	3,139,825	-3,489,346	
Kaufman & Broad Pyrénées Atlantiques SARL	100,000	16,949,699	100.00 %	100,000.00	100,000.00	-	44,500	546,249	-2,671,175	
Residences Bernard Teillaud SARL	840,000	-14,849,594	100.00 %	15,663,728.80	15,663,728.80	-	-	104,342	587,939	400,000
Kaufman & Broad Midi Pyrénées SARL	2,858,910	7,138,891	100.00 %	36,404,833.53	36,404,833.53	-	17,999,900	5,332,979	-4,673,356	
SARL Kaufman & Broad Languedoc Roussillon	100,000	13,436,792	99.00 %	99,000.00	99,000.00	-	2,588,375	3,462,759	-1,633,801	
SARL Kaufman & Broad Gironde	100,000	16,261,483	99.00 %	1,387,900.00	1,387,900.00	-	320,186	3,459,116	-6,079,943	
Kaufman & Broad Bretagne	1,000,000	13,661,263	100.00 %	5,064,530.00	5,064,530.00	-	355,000	151,377	-4,474,524	
Kaufman & Broad Flandres	7,700	3,146,154	99.90 %	449,360.00	449,360.00	-	974,750	3,917,103	-1,726,800	
Kaufman & Broad Innovations	1,000	1,802,910	100.00 %	1,000.00	1,000.00	-	-	385,488	11,228	
Kaufman & Broad Marketing and Sales	1,000	728,504	100.00 %	1,000.00	1,000.00	-	-	24,096,061	-69,203	

	Capital	Other shareholders' equity before allocation of profit or loss	% ownership	Gross book value of shares held	Net book value of shares held	Outstanding loans and advances granted by the Company	Sum of guarantees and endorsements given by the Company	Last published net revenue	Last published net income (loss)	Dividends received by the Company during the fiscal year
Kaufman & Broad Poitou Charentes	100,000	6,563,698	100.00 %	100,000.00	100,000.00	-	207,214	392,200	-2,689,947	
Kaufman & Broad Pyrénées Orientales	100,000	-168,850	100.00 %	100,000.00	100,000.00	-	136,000	2,215	-129,177	
Kaufman & Broad Est	100,000	3,162,166	100.00 %	100,000.00	100,000.00	-	703,005	5,716,373	4,490,425	
Kaufman & Broad Bourgogne Franche Comté	100,000	1,281,144	100.00 %	100,000.00	100,000.00	-	162,972	1,364,989	-1,629,588	
Kaufman & Broad Investissement	100,000	806,710	100.00 %	100,000.00	100,000.00	-	-	-	-72,280	
Serge Mas Immo	1,000	-	99.90 %	999.00	999.00	-	-	7,047,177	325,578	

2. EQUITY AFFILIATES (10% TO 50% OWNED BY THE COMPANY)**B - General information on other interests with a gross value less than 1% of Kaufman & Broad SA's capital**

1. Subsidiaries not included in paragraph A1. Subsidiaries not included in section A

SNC Kaufman & Broad Promotion 1	1,000	-	99.00 %	990	990	-	-	91,620,452	9,576,421	
SNC Kaufman & Broad Promotion 2	1,000	-	99.00 %	990	990	-	-	888,204	-475,155	
SNC Kaufman & Broad Promotion 3	1,000	-	99.00 %	990	990	-	555,628	123,115,139	7,141,853	
SNC Kaufman & Broad Promotion 4	1,000	-	99.00 %	990	990	-	-	46,355,594	6,437,382	
SNC Kaufman & Broad Promotion 5	1,000	0	99.00 %	990	990	-	-	66,711,657	7,200,493	
SNC Kaufman & Broad Promotion 6	1,000	0	99.00 %	990	990	-	2,718,241	104,201,577	9,259,734	
SNC Kaufman & Broad Promotion 7	1,000	-	99.00 %	990	990	-	-	22,388,001	2,379,439	
SNC Kaufman & Broad Promotion 8	1,000	0	99.00 %	990	990	-	158,000	117,570,967	9,064,423	
SNC Kaufman & Broad Promotion 9	1,000	-	99.00 %	990	990	-	-	-	-434	
Other French subsidiaries (total)				163,085	5,015	-		-	-	

7.4. Report of the Statutory Auditors on the parent company financial statements

Year ended November 30, 2024

To the Shareholders' Meeting of Kaufman & Broad S.A.,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Kaufman & Broad S.A. for the 12 months ended November 30, 2024.

In our opinion, the financial statements give a true and fair view of the results of operations for the year then ended and of the financial position and assets of the Company at the end of the year, in accordance with French accounting rules and principles.

The opinion expressed above is consistent with the content of our report to the audit committee.

Basis of opinion

Audit standards

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in accordance with the independence rules set out in the French Commercial Code and the French Code of Ethics for Statutory Auditors for the period from December 1st, 2023 to the date of our report, and in particular we did not provide any prohibited non audit services referred to in Article 5 (1) of Regulation (EU) No 537/2014.

Justification of our assessments - Key audit matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the key audit matters relating to the risks of material misstatement that, in our professional judgment, were of most significance in our audit of the annual financial statements for the year, as well as our responses to those risks.

These assessments were made in the context of the audit of the annual financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on individual items of these financial statements.

Valuation of equity investments (Note 6.3.2.2. of the notes to the annual financial statements)

Risk identified	At November 30, 2024, the net value of equity investments amounted to € 320,432 thousand, representing more than half of total assets. They are recognized at acquisition cost. A provision for impairment is recorded when the carrying amount of investments in subsidiaries and affiliates is lower than their acquisition value. As indicated in note 6.3.2.3 of the notes to the annual financial statements, the inventory value is determined in relation to the value in use of each company, assessed on the basis of the share of equity held and the prospects of the subsidiaries concerned, which take into account the forecasts of the results of their real estate programs and could be impacted by the economic context and regulatory changes. The assessment of value in use requires assumptions and estimates from management. The valuation of equity investments is therefore considered a key audit matter due to their importance in the annual financial statements and the estimated nature associated with their determination.
Our answer	We examined the method used to determine the value in use of subsidiaries and reviewed the related internal control procedures. For a representative sample of equity investments, we reconciled the equity used by management in its valuations with those included in the financial statements of the subsidiaries concerned, which were audited or subjected to analytical procedures as part of the work we performed to certify the group's consolidated financial statements. For subsidiaries whose value in use is based on their earnings outlook, our procedures mainly consisted in: • Analyze the consistency of the data and budgetary assumptions used by the management to assess the results of the real estate programmes with the known historical data and development prospects, and in relation to the economic and financial context in which the subsidiaries of your company operate, • Assess the assumptions of the business plans and, with valuation specialists included in the audit team, those of the discount rates used by management to measure the intangible assets attached to the subsidiaries. We also assessed the appropriateness of the information provided in the notes to the financial statements with respect to these items.

Assessment of the share of profits and losses of subsidiaries of equity investments (Notes 6.3.2.6. Of the notes to the annual financial statements)

Risk identified	As of November 30, 2024, the net amount of the share of profits and losses of subsidiaries recognised by your company for the year amounts to 36,892 thousand euros and is presented on the line "Awarded profits and losses borne" in the income statement. This net amount includes share of losses amounting to 5,566 thousand euros. As indicated in note 6.3.2.6 to the financial statements, most of your Company's subsidiaries have opted to recognise the revenue and margin of the property development programmes using the percentage of completion method in their financial statements. Revenue and margin are recognized in proportion to the technical and commercial progress of each program. The articles of association of these companies, mainly incorporated in the form of SCI. And SNC. Provide for a clause whereby their income is automatically reported to their associates in the year in which they are realised. We considered the assessment of the subsidiaries' share of profits and losses to be a key audit matter due to their significant importance in the annual financial statements and the judgement necessary to determine the estimates used to determine the values of the subsidiaries' share of results, which depend on the progress and forecast margin of the programs carried, which could be impacted by the economic context and regulatory changes
Our answer	We familiarized ourselves with the internal control procedures put in place to assess the share of profits and losses of subsidiaries. For a representative sample of subsidiaries formed in the form of SCI. And SNC. Our work mainly consisted in: • Check that the articles of association of these entities effectively include a clause for automatic reporting of income to their associates in the year of their realization; • To examine whether the results adopted by management are consistent with those shown in the financial statements of the subsidiaries concerned, having been the subject of an analysis of the progress and forecast margin of the main programs they carry; • Compare the share of ownership applied in the calculation to that indicated in the respective articles of association of the entities concerned. We also assessed the appropriateness of the information provided in the notes to the financial statements with respect to these items.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by legal and regulatory texts.

Information given in the management report and in the other documents addressed to shareholders on the financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents addressed to the shareholders with respect to the financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information relating to payment terms referred to in Article D.441-6 of the French Commercial Code.

We attest that the non financial performance statement provided for in Article L.225-102-1 of the French Commercial Code is included in the management report, it being specified that, in accordance with the provisions of Article L.823-10 of this Code, the information contained in this statement has not been verified to be fair or in accordance with the annual financial statements and must be the subject of a report by an independent third party.

Corporate governance report

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L. 22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code relating to compensation and benefits paid or granted to corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlled by it that are included in the scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of this information.

Concerning the information relating to items that your company considered likely to have an impact in the event of a takeover or exchange offer, provided in accordance with the provisions of Article L.22-10-11 of the French Commercial Code, we have verified their compliance with the documents from which they are derived and which have been communicated to us. Based on our work, we have no matters to report on this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of shareholders and holders of voting rights has been properly disclosed in the management report.

Other verifications or information required by law and regulations

Presentation format of the annual financial statements for inclusion in the annual financial report

We have also verified, in accordance with the professional standard on the procedures of the statutory auditor relating to the annual and consolidated financial statements presented in accordance with the single European electronic reporting format, compliance with this format defined by European Delegated Regulation No. 2019/815 of December 17, 2018 in the presentation of the annual financial statements included in the annual financial report referred to in paragraph I of Article L. 451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chairman and Chief Executive Officer.

Based on our work, we conclude that the presentation of the annual financial statements included in the annual financial report respects, in all material respects, the single European electronic information format.

Appointment of the Statutory Auditors

We were appointed as auditors of Kaufman & Broad S.A. by your Annual General Meeting of 6 May 2021 for KPMG S.A. and 3 July 1991 for ERNST & YOUNG Audit.

As at November 30, 2024, KPMG S.A. was in the fourth year of its uninterrupted engagement and ERNST & YOUNG Audit in the thirty fourth year (including twenty five years since the company's shares were admitted to trading on a regulated market).

Responsibilities of management and those charged with corporate governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, as applicable, disclosing matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of the internal control and risk management systems, as well as, where applicable, the internal audit, with respect to the procedures relating to the preparation and processing of accounting and financial information.

The annual financial statements have been approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the annual financial statements

Audit objective and approach

Our responsibility is to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance about whether the annual accounts taken as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with professional standards will systematically detect any material misstatement. Misstatements can arise from fraud or error and are considered material when, individually or in the aggregate, they can reasonably be expected to influence the economic decisions that users of the accounts make based on them.

As specified in Article L.821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout this audit. In addition:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for its opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control;
- Assesses the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's application of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or circumstances that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of its report, provided, however, that subsequent circumstances or events may cast significant doubt on the Group's going concern. If it concludes that a material uncertainty exists, it draws the attention of the readers of its report to the information provided in the annual financial statements about this uncertainty or, if this information is not provided or is not relevant, it formulates a certification with reservations or a refusal to certify;

Evaluates the overall presentation of the financial statements and assesses whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit programme implemented, as well as the conclusions resulting from our audit. We also bring to its attention, where applicable, any significant weaknesses in the internal control that we have identified, with respect to the procedures relating to the preparation and processing of accounting and financial information.

Our report to the Audit Committee includes the risks of material misstatement that we consider to have been of most significance in the audit of the annual financial statements for the year and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537-2014 confirming our independence, within the meaning of the rules applicable in France as set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Paris La Défense, 19 March 2025

The Statutory Auditors

KPMG S.A.
François Plat

Ernst & YOUNG Audit
Denis Thibon

7.5. Five-year financial summary

Type of information	2024	2023	2022	2021	2020	2019
1. Financial position at year-end						
a) Authorized capital	5,164,126	5,164,126	5,619,386	5,645,386	5,742,886	5,742,886
b) Number of shares issued	19,862,022	19,862,022	21,113,022	21,713,023	22,088,023	22,088,023
c) Number of convertible bonds						
2. Total income from operating activities						
a) Revenues excluding VAT	3,460,562	2,605,059	3,448,625	2,692,036	1,839,625	3,304,344
b) Earnings before taxes, amortization, depreciation and provisions	76,703,818	60,373,404	52,531,497	58,232,873	42,477,345	107,854,956
c) Tax on profits	-4,842,620	3,029,504	-1,229,432	20,776,484	5,082,377	14,017,152
d) Earnings after taxes, amortization, depreciation and provisions	81,234,266	57,218,677	53,368,072	35,690,796	40,913,230	91,362,351
e) Amount of profits distributed ⁽¹⁾	43,696,448	47,668,853	50,671,253	41,560,395	38,034,684	55,220,058
3. Earnings per share from operations						
a) Earnings after taxes and before amortization, depreciation and provisions	4.11	2.89	2.68	1.78	1.69	4.25
b) Earnings after taxes, amortization, depreciation and provisions	4.09	2.88	2.66	1.69	1.85	4.14
c) Dividend per share ⁽¹⁾	2.20	2.40	2.40	1.95	1.85	1.75
4. Workforce						
a) Number of employees	-	-	-	-	-	-
b) Total payroll	-	-	-	-	-	-
c) Amount paid in respect of employee benefits	-	-	-	-	-	-

(1) The 2024 figures are in keeping with the income allocation plan to be submitted at the next Shareholders' Meeting.



08

Additional information



8.1	General information concerning the Company	326
8.1.1	Company name and registered office	326
8.1.2	Legal form and applicable legislation	326
8.1.3	Identification, date of incorporation and term of the Company	326
8.1.4	Corporate purpose	326
8.1.5	Trading in the Company's shares	327
8.1.6	Material contracts	328
8.1.7	Agenda of the Shareholders' Meeting of May 6, 2025	328
8.2	Persons Responsible	330
8.2.1	Person responsible for the universal registration document and the annual financial report	330
8.2.2	Statement by the person responsible for the universal registration document and the annual financial report	330
8.3	Persons responsible for the audit of the financial statements	330
8.3.1	Statutory Auditors	330
8.3.2	Alternate Statutory Auditors	330
8.4	Information incorporated by reference	330
8.5	Documents on display	331
8.6	Cross reference tables	331
8.6.1	Cross reference table for the corporate governance report	331
8.6.2	Cross reference table for the non-financial performance statement	332
8.6.3	Cross reference table for the management report	333
8.6.4	Cross reference table for the annual financial report	333
8.6.5	Cross reference table for the Universal Registration Document	334
8.7	Glossary	337

8.1. General information concerning the Company

8.1.1. Company name and registered office

Company name: Kaufman & Broad S.A.

Registered office: 17, quai du Président Paul Doumer

CS 90001 - 92672 Courbevoie Cedex - France

Telephone: +33 (0) 1 41 43 43 43

8.1.2. Legal form and applicable legislation

The Company is a French “société anonyme” (joint stock company) governed by a Board of Directors and, in particular, by the provisions of Book II of the French Commercial Code.

8.1.3. Identification, date of incorporation and term of the Company

The Company was created by private deed dated June 28, 1968 and registered on October 29, 1968 in the Trade and Companies Register of Nanterre under number 702,022,724. The Company is incorporated for a term of 99 years, and will be dissolved on October 29, 2067, unless it is wound up earlier or its term is extended.

The Company's LEI code is 969500CE0X343D8ALO86.

8.1.4. Corporate purpose

As defined in Article 3 of the bylaws, the corporate purpose of the Company is to perform the following, directly or indirectly, in France or abroad:

- to acquire any developed or undeveloped land, with or without structures requiring demolition, for the construction and sale, upon or before completion, of new buildings of any type (apartments, single-family homes, offices and commercial premises, etc.) as a package or in individual lots, to any individual or legal entity;
- to design and complete any project for subdivision into real estate lots or for groups of housing units, governed or not by condominium status, for urban development or any program to rehabilitate or renovate existing buildings;
- to prepare all documents, take all administrative steps and perform all formalities on its own behalf or on behalf of landowners, to obtain all administrative authorizations, sign all contracts of sale or, before contracts are signed, to analyze and prepare all construction and service contracts with any contractors, architects, design firms and project owners and, more generally, all technical, legal, financial, marketing and advertising programs, transactions and campaigns to promote the implementation and sale of real estate developments;
- to construct, on behalf of landowners, buildings of any kind, under real estate development contracts, Project Management contracts, Project Owner Assistance contracts or any other type of contract for the provision of services;
- to own, lease or manage any building, whether or not constructed by the Company, for the requirements of its business;
- to execute all industrial, commercial or financial transactions, in tradable securities or real estate, relating directly or indirectly to the corporate purpose or any similar or related purposes;
- to acquire equity interests for the Company in any existing or future businesses or companies, directly or indirectly relating to the corporate purpose or any similar or related purposes, particularly businesses or companies the purpose of which would assist in achieving the corporate purpose, and by any means, particularly by the creation of new companies, contributions of capital, mergers, alliances or acquisitions of ownership interests in any type of jointly owned company or intercompany partnership;
- to carry out any partnership or other transactions, with any companies, directly or indirectly relating to the corporate purpose or to any similar or related purpose, or likely to facilitate its growth or development, or make it more profitable;
- incidentally to acquire and sell, by any means and particularly by contribution, subscription, purchase, swap or otherwise, and to manage a portfolio of listed and/or unlisted securities, as well as shares in partnerships or private companies, and/or partnership interests, and rights in real estate or securities of any kind;
- to provide all services, studies, Corporate Services, access to resources, interpretations, technical or legal, expert assessments and consulting services arising therefrom;
- independently, and more generally, to provide administrative, economic, marketing and technical support to all private or public organizations, businesses, local authorities or to any individuals, in all areas;
- to carry out, in whatever form, any type of transaction directly or indirectly relating to the above-mentioned purposes, including forming partnerships with any individuals, legal entities and any organizations, to acquire an ownership interest in existing businesses and to create new businesses, merging companies, or representing any French or foreign corporations or companies;
- and generally, to carry out any scientific, technical, industrial, sales, financial, securities or real estate transactions directly or indirectly relating to the above-mentioned purposes or any similar or related purposes, or that are likely to facilitate their growth or development or make them more profitable.

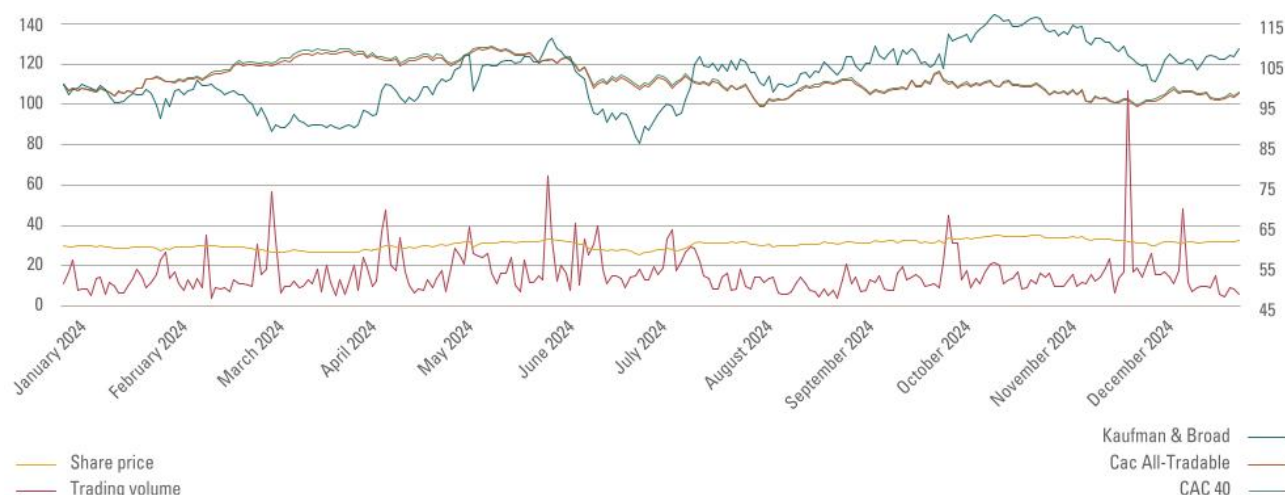
8.1.5. Trading in the Company's shares

From January 1st to December 31, 2024, the CAC All Tradable declined by 3.10% while the Kaufman & Broad SA share rose by 8.47%.

	Cumulative monthly prices	Number of days	Average price	Cumulative volume in stocks	Average volume of stocks	Average recalculated volume in capital resources	Average volume in capital resources	Cumulative volume in recalculated capital resources	Cumulative volume in capital resources
January 2024	643.75	22	29.26	645	29	857	352,589	18,861	7,756,963
February 2024	615.85	21	29.33	617	29	861	390,802	18,090	8,206,843
March 2024	541.00	20	27.05	541	27	731	403,217	14,629	8,064,342
April 2024	608.10	21	28.96	608	29	839	497,719	17,611	10,452,098
May 2024	694.05	22	31.55	693	32	994	679,238	21,877	14,943,233
June 2024	584.70	20	29.24	587	29	858	590,969	17,167	11,819,389
July 2024	685.55	23	29.81	684	30	886	536,895	20,384	12,348,588
August 2024	673.65	22	30.62	673	31	937	304,839	20,608	6,706,448
September 2024	670.50	21	31.93	672	32	1,021	396,255	21,442	8,321,361
October 2024	788.20	23	34.27	789	34	1,175	534,435	27,032	13,440,890
November 2024	693.85	21	33.04	695	33	1,094	603,247	22,970	12,668,181
December 2024	633.85	20	31.69	633	32	1,004	428,086	20,073	8,561,719

Source: Euronext Paris data from January 2025 - KOF code - ISIN FR 004007813.

Change in Kaufman & Broad stock compared to the CAC 40 and CAC All-Tradable and the trading volume



Estimated financial results are published quarterly

The publication timetable is as follows:

- The first-quarter results, April 11, 2025 after trading;
- The first-half results, July 10, 2025 after the Stock Exchange;
- The third-quarter results, September 29, 2025 after the stock market;
- Annual results, in January 2026.

(This schedule is subject to change).

The group's financial statements are reviewed twice yearly by the Statutory Auditors, who conduct a full audit of the annual results and a limited review of the half-year results.

8.1.6. Material contracts

The Group's major contracts are detailed in sections 1.4.1 and 4.2.3.2 of this document.

8.1.7. Agenda of the Shareholders' Meeting of May 6, 2025

Combined ordinary and Extraordinary Shareholders' Meeting of May 6, 2025

AGENDA

Resolutions submitted to the Ordinary Shareholders' Meeting

- Review and approval of the statutory financial statements for the fiscal year ended at November 30, 2024;
- Appropriation of net income for the fiscal year ended at November 30, 2024;
- Review and approval of the consolidated financial statements for the fiscal year ended at November 30, 2024;
- Review and approval of agreements subject to Article L. 225-38 of the French Commercial Code;
- Approval of the compensation policy for the Chairman and Chief Executive Officer;
- Approval of the compensation policy for non executive corporate officers;
- Approval of the payment of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during the year ended November 30, 2024 or awarded to the Company's Chairman and Chief Executive Officer for the same fiscal year;
- Approval of the information mentioned in Article L.22-10-9 -I of the French Commercial Code;
- Ratification of the appointment of Mrs. Isabelle BORDRY as Director;
- Acknowledgment of the expiry of the directorship of Mrs. Isabelle BORDRY, reappointment of Ms. Isabelle BORDRY as Director for a three-year term;
- Ratification of the appointment of Mr. Michel SIRAT as Director;
- Acknowledgement of the expiry of the directorship of Mr. Michel PARIS, reappointment of Mr. Michel PARIS as Director for a three-year term;
- Acknowledgement of the expiry of the directorship of Mr. Jean Louis CHAUSSADE, non reappointment as Director for a further three years;
- Acknowledgement of the expiry of the directorship of Mrs. Aline STICKEL as Director representing employee shareholders, reappointment of the directorship of Director representing employee shareholders for a three-year term;
- Appointment of KPMG SA in charge of auditing sustainability information;
- Authority to be granted to the Board of Directors, for a period of 18 months, for the Company to buy back its treasury shares;

Resolutions submitted to the Extraordinary Shareholders' Meeting

- Authority to be granted to the Board of Directors, for a period of twenty-six months, to cancel shares held by the Company following the buyback of its shares;
- Delegation of authority to be granted to the Board of Directors, for a period of twenty-six months, to increase capital by incorporating reserves or premiums;
- Delegation of authority to be granted to the Board of Directors, for a period of twenty-six months, to issue common stock and/or equity securities convertible into other equity securities or debt securities and/or securities convertible into equity securities to be issued, with preemptive rights for shareholders;
- Delegation of authority to be granted to the Board of Directors, for a period of twenty-six months, to issue common stock and/or equity securities convertible into other equity securities or debt securities and/or securities convertible into equity securities to be issued by the Company, without preemptive rights for shareholders, with a mandatory period, via public offerings other than those referred to in 1° of Article L. 411-2 of the French Monetary and Financial Code;
- Delegation of authority to be granted to the Board of Directors, for a period of twenty-six months, to issue common stock and/or equity securities convertible into other equity securities or debt securities and/or securities convertible into equity securities to be issued by the Company, without preemptive rights for shareholders, with an optional period, via public offerings other than those referred to in 1° of Article L. 411-2 of the French Monetary and Financial Code;
- Delegation of authority to be granted to the Board of Directors, for a period of twenty-six months, to issue common stock and/or equity securities convertible into other equity securities or debt securities and/or securities convertible into equity securities to be issued by the Company, without preemptive rights for shareholders, via public offerings other than those referred to in 1° of Article L. 411-2 of the French Monetary and Financial Code;
- Authorization to be granted to the Board of Directors, for twenty-six months, to increase the number of securities to be issued in the event of a capital increase, with or without preemptive rights for shareholders;
- Delegation of authority to be granted to the Board of Directors, for a period of twenty-six months, to issue shares or equity securities convertible into other equity securities or debt securities in compensation for contributions in kind of equity securities or securities convertible into shares up to a maximum of 10% of the share capital;
- Delegation of authority to be granted to the Board of Directors, for a period of twenty-six months, to issue shares and/or equity securities convertible into other equity securities or debt securities in compensation for securities contributed to any public exchange offer initiated by the Company;
- Delegation of authority to be granted to the Board of Directors, for a period of twenty-six months, to issue shares and/or securities convertible into equity securities to be issued by the Company, without preemptive subscription rights for shareholders, to participants in the group's Company Savings Plan(s) up to a maximum amount of 3% of the share capital;
- Authority to be granted to the Board of Directors, for a period of thirty-eight months, to award bonus shares to be issued or already issued to employees and/or executive corporate officers of the Company and related entities;
- Setting the general ceilings for delegations of authority at a nominal amount of (I) €2,065,000 for all capital increases by issuing shares or equity securities convertible into other equity securities or securities convertible into equity securities to be issued, (II) €1,032,000 for capital increases by issuing shares or equity securities convertible into other equity securities or securities convertible into equity securities to be issued without preemptive rights; and (III) €516,000 for capital increases without preemptive rights (without priority period) and (IV) €500,000,000, for issues of debt securities convertible into equity or debt securities; setting specific ceilings for capital increases that may result from the award of bonus shares;
- Amendment of Article 12 of the bylaws.

Resolution submitted to the Ordinary Shareholders' Meeting

- Powers to be granted to carry out the formalities.

The text of the resolutions may be consulted at the Company's registered office or on its website as from April 15, 2025.

8.2. Persons Responsible

8.2.1. Person responsible for the universal registration document and the annual financial report

Mr. Nordine Hachemi

Chairman and Chief Executive Officer of Kaufman & Broad SA

8.2.2. Statement by the person responsible for the universal registration document and the annual financial report

I declare that the information contained in this Universal Registration Document does, to my knowledge, present fairly the facts and contains no omission likely to affect its significance.

I declare, to the best of my knowledge, that the annual and consolidated financial statements have been prepared in accordance with applicable accounting standards and presents a true and fair view of the assets and liabilities, financial position and profits or losses of the issuer and its consolidated subsidiaries, and that the group Management report, set out in section 8.6.3. presents a true and fair view of the changes and the results of the Company and the financial position of the issuer and its consolidated subsidiaries, and describes the principal main risks and uncertainties they face, which it has been prepared in accordance with the applicable sustainability disclosure standards.

Courbevoie, March 27, 2025.

The Chairman and Chief Executive Officer

8.3. Persons responsible for the audit of the financial statements

8.3.1. Statutory Auditors

Ernst & Young Audit

1-2 place des Saisons, 92400 Courbevoie, Paris La Défense 1, represented by Mr. Denis Thibon, appointed on April 16, 2015 until the Shareholders' Meeting convened to approve the financial statements for the fiscal year ending November 30, 2026

KPMG S.A.

Tour Egho – 2, avenue Gambetta - 92066 PARIS-LA DÉFENSE CEDEX, represented by Mr. François Plat, appointed on May 6, 2021 until the Shareholders' Meeting convened to approve the financial statements for the fiscal year ending November 30, 2026.

8.3.2. Alternate Statutory Auditors

None.

8.4. Information incorporated by reference

Pursuant to Article 19 of Regulation (EU) No 2017/1129 of the Commission of the European Parliament and of the Council, the following information is incorporated by reference in this Universal Registration Document 2024:

- The consolidated financial statements for the fiscal year ended at November 30, 2023 prepared in accordance with IFRS as adopted by the European Union, and the related Statutory Auditors' report presented respectively in sections 6.1 and 6.2 of the 2023 Universal Registration Document filed with the AMF on 2024, March 28 under number D. 24-0211, as well as the information extracted from the 2023 Management Report included in the 2023 Universal Registration Document;
- The consolidated financial statements for the fiscal year ended at November 30, 2022 prepared in accordance with IFRS as adopted by the European Union, and the related Statutory Auditors' report presented respectively in sections 6.1 and 6.2 of the 2022 Universal Registration Document filed with the AMF on March 31, 2023 under number D. 23-0210, as well as the information extracted from the 2022 management report included in the 2022 Universal Registration Document.

Items in the above documents that have not been incorporated by reference are either of no relevance to the investor or are covered elsewhere in the Universal Registration Document.

8.5. Documents on display

All the legal documents relating to the Company that must be made available to shareholders by law, all the documents mentioned and used as a basis for the Group's communication, the Company's press releases, the annual documents including in particular historical financial information on the Company filed with the AMF and their amendments are available on the Company's website at the following address: <https://corporate.kaufmanbroad.fr/>, and a copy can be obtained at the Company's registered office, 17 Quai du Président Paul Doumer, 92400 Courbevoie.

All information published and made public by the Company during the last twelve months in France is available on the Company's website at the address indicated above and on the AMF website at the following address: www.amf-france.org.

Lastly, the Company's bylaws as well as the minutes of Shareholders' Meetings, the Statutory Auditors' reports and all other corporate documents may be consulted at the Company's registered office.

The information on the Company's website does not form part of the prospectus unless this information is incorporated by reference in the prospectus.

8.6. Cross reference tables

8.6.1. Cross reference table for the corporate governance report

Remuneration information	
Compensation policy of corporate officers	3.2
Compensation and benefits of any kind paid during the year or granted for the year to each corporate officer	3.2
Relative proportion of fixed and variable compensation	3.2
Use of the option to request the return of variable compensation	N/A
Commitments of any kind made by the Company for the benefit of its corporate officers, corresponding to elements of compensation, indemnities or benefits due or likely to be due as a result of the assumption, termination or change of their functions or subsequent to the fiscal year thereof	3.2
Compensation paid or awarded by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code	N/A
Compensation ratios between the compensation of each executive corporate officer and the average and median compensations of the Company employees	3.2.2 and 3.5.5
Annual change in the compensation, the Company's performances, the average compensation of the Company's employees and the aforementioned ratios over the last five financial years	3.2.2
Explanation of how the total compensation complies with the compensation policy adopted, including the way it contributes to the long term performance of the Company and the way the performance criteria have been applied	3.2.1
Manner in which the vote of the last Ordinary Shareholders' Meeting has been taken into account, as provided for in I of Article L. 22-10-34 of the French Commercial Code	3.2.1, 3.2.2 and 3.2.3
Deviation from the procedure for implementing the compensation policy and any derogation	N/A
Application of the provisions of Article L. 225-45 of the French Commercial Code (suspension of payment of Directors' compensation in the event of non compliance with the Board of Directors' gender diversity)	N/A
Award and retention of options by corporate officers	3.4
Award and retention of bonus shares to executive corporate officers	3.4
Governance information	
List of all terms of offices and functions held in any Company by each of the corporate officers during the fiscal year	3.1.1.1.1
Agreements entered into between an executive officer or a major shareholder of the Company and a subsidiary	N/A
Summary table of current delegations of authority granted by the Shareholders' Meeting for capital increases	3.5.6
Executive management procedures	3.1.3
Composition, preparation and organization of work of the Board of Directors	3.1.1.1.1, 3.1.1.2.3
Application of the principle of fair representation of women and men for the Board of Directors	3.1.1.1.3
Any limits provided by the Board of Directors on Chief Executive Officer's powers	3.1.1.2
Reference to a corporate governance code and application of the "comply or explain" principle	Chapter 3 - Preamble
Special procedures for shareholder participation in the Shareholder's Meeting	3.1.4
Procedure for assessing current agreements - Implementation	3.5.7

Information likely to have an impact in the event of a public offer or exchange offer:	3.5.4
- Capital structure of the Company; - Restrictions on the exercise of voting rights and share transfers, or clauses of agreements brought to the attention of the Company pursuant to Article L. 233-11; - Direct or indirect shareholdings known to the Company's pursuant to Articles L. 233-7 and L. 233-12; - List of holders of any securities with special control rights and the description of these - control mechanisms provided for in any employee shareholding system, when control rights are not exercised by the latter; - Agreements between shareholders known to the Company and which may result in restrictions on the transfer of shares and the exercise of voting rights; - Rules applicable to the appointment and replacement of members of the Board of Directors and to the amendment of the Company's bylaws; - Powers of the Board of Directors, in particular with regard to the issue or buyback of shares; - Agreements entered into by the Company that are modified or terminated in the event of a change of control of the Company, unless such disclosure, excluding cases of legal disclosure requirement, would seriously harm its interests; - Agreements providing for indemnities for members of the Board of Directors or employees, if they resign or are dismissed without real and serious cause or if their employment ends due to a public or exchange offer.	
For public limited companies with supervisory boards: Observations of the supervisory board on the report of the executive board and on the financial statements for the fiscal year.	N/A

8.6.2. Cross reference table for the non-financial performance statement

Non-financial performance statement	
Business model	5.1.2.2
Presentation of the main non-financial risks related to the group's business	4.2.2, 4.2.3.1, 4.2.5.1 and 5.1.2.3
Description of the social and environmental effects of the activity and the policies applied to prevent or mitigate them	5.1.2.3.2
Results of applied policies, including key performance indicators	5.1.2.4
Social information	5.3
Environmental information	5.2
Societal information	5.3
Information on the fight against corruption and tax evasion	4.2.2.13 and 5.4
Information on actions in favor of human rights	5.3.2.1
Specific information	N/A
Collective agreements	5.3.1.2.1
Statement by the independent third party	5.5

8.6.3. Cross reference table for the management report

SITUATION AND ACTIVITY INFORMATION	
Analysis of changes in the business, results and financial position of the group	2.1, 2.2, 2.3
Key performance indicators of financial and non-financial kind relating to the group's specific activity	2.1.1, 2.2.1
Important events since the end of the fiscal year	2.5
Existing branches	2.7.5
Acquisition of significant interests or controlling interests	1.1.1 and 7.1.5 Note 2.2
Activity of subsidiaries and controlled companies	1.1.2
Disposals of cross shareholdings	6.1.7
Foreseeable evolution of the group	2.6
Research and development activities	1.5.1
Five year financial summary	7.5
Information on the payment terms of the Group's suppliers and customers	7.1.5, Note 3.5
Information on loans granted by the group to micro enterprises, SMEs or ISEs	2.7.4
INTERNAL CONTROL AND RISK MANAGEMENT	
Main risks and uncertainties facing the group	4.2
Financial risks related to the effects of climate change and measures taken by the group	4.2.2.10
Group internal control and risk management procedures relating to the preparation and processing of accounting and financial information	4.1.1.4
Group objectives and hedging policy for price, credit, liquidity and cash flow risks	4.2.1, 4.2.2, 4.2.3, 4.2.4
Anti corruption mechanism	4.1.1.2.2.1, 4.2.2.13
Vigilance plan	4.1.1.3.2
SHARE OWNERSHIP AND CAPITAL INFORMATION	
Identity of shareholders holding more than 5% of the share capital or voting rights	6.2.1
Disclosure thresholds	6.2.3
Acquisition and disposal by the Company of its treasury shares	6.2.4
Statement of employee share holding on the last day of the fiscal year	6.2.2.2
Disclosure of possible adjustments for securities giving access to share capital in the event of share buybacks or financial transactions	6.2.4.3
Securities transactions by executives and related parties in the Company's securities	6.2.5
Dividends paid in respect of the last three fiscal years	6.3.2
Name of controlled companies and share of company capital they hold	2.7.1
REPORT ON CORPORATE GOVERNANCE	Chapter 3
EXTRA FINANCIAL PERFORMANCE STATEMENT	Chapter 5
OTHER INFORMATION	
Additional tax information	7.1.5 Note 9, 2.7.3
Injunctions or financial penalties for anti competitive practices	2.7.2

8.6.4. Cross reference table for the annual financial report

Annual Financial Report	
Annual financial statements	7.3
Consolidated financial statements	7.1
Management report (including corporate governance report and non-financial performance statement)	Dedicated CRT
Declaration by the persons responsible	8.2.2
Statutory Auditors' reports on the parent company and consolidated financial statements	7.2 and 7.4

8.6.5. Cross reference table for the Universal Registration Document

SECTION 1 PERSONS RESPONSIBLE, EXPERTS, THIRD PARTIES AND COMPETENT AUTHORITY		
1.1	Identity of the person (s) responsible	8.2.1
1.2	Statement by the person (s) responsible	8.2.2
1.3	Identity of the expert (s) whose reports are included in the document	N.A.
1.4	Statement on third party information	N.A.
1.5	Statement of the Competent Authority	P.3
SECTION 2 STATUTORY AUDITORS		
2.1	Identity	8.3
2.2	Change	N.A.
SECTION 3 RISK FACTORS		Chapter 4
SECTION 4 INFORMATION ABOUT THE ISSUER		
4.1	Company and trade name	8.1.1, 8.1.2
4.2	Registration place and number and legal entity identifier (LEI)	8.1.3
4.3	Date of incorporation and term	8.1.3
4.4	Registered office, legal form, applicable legislation, country of incorporation, address and telephone number, website and warning	8.1.1, 8.1.2 AND 8.5
SECTION 5 BUSINESS OVERVIEW		
5.1	Principal activities	
5.1.1	Principal activities and related key factors, nature of operations and main categories of products or services	1.1.1, 1.1.2
5.1.2	Information on new products or services	1.1.2
5.2	Principal markets	1.2
5.3	Important events in development	1.1.1 AND 7.1.5, NOTE 1
5.4	Strategy and targets (financial and non-financial)	1.3
5.5	Where applicable, the issuer's dependence on patents, licenses, contracts and manufacturing processes	1.4
5.6	Statement of competitive position and justification	1.2.2
5.7	Investments	
5.7.1	Material investments made up to the date of publication	1.5.2
5.7.2	Material investments in progress	1.5.3
5.7.3	Information on joint ventures and investments that may have a significant influence on the issuer	2.7.1
5.7.4	Environmental issues that may affect the utilization of property, plant and equipment	4.2.2.10, 5.1.2.3
SECTION 6 ORGANIZATIONAL STRUCTURE		
6.1	Group organization chart	2.7.1
6.2	List of significant subsidiaries	2.7.1
SECTION 7 OPERATING AND FINANCIAL REVIEW		
7.1	FINANCIAL POSITION	
7.1.1	Evolution of business, results and financial position, as well as key financial and non-financial performance indicators	2.1, 2.2, 2.3, 5.1.1.2.2
7.1.2	Information on the foreseeable development of the Company and its R & D activities	1.5.1
7.2	OPERATING RESULTS	
7.2.1	Important factors materially affecting operating income	2.1 and 2.2
7.2.2	Where applicable, explanations for significant changes in revenue	2.2
SECTION 8 LIQUIDITY AND CAPITAL RESOURCES		
8.1	Information on capital resources	2.3, 2.4 AND 7.1.5 NOTE 7.1.
8.2	Sources and amounts of cash flows	2.4.1
8.3	Financing needs and structure	7.1.5, NOTE 6

8.4	Restrictions on the use of capital resources	1.5.4 AND 4.2.3.2
8.5	Expected sources of funding	1.5.5 AND 4.2.3.2
SECTION 9 REGULATORY ENVIRONMENT THAT HAS A SIGNIFICANT IMPACT ON OPERATIONS		4.2.5.1
SECTION 10 TREND INFORMATION		
10.1	Key trends between the end of the last fiscal year and the date of this document	1.2.1.1 AND 2.6
10.2	Key trends that may materially affect the outlook, at least for the current year	2.6
SECTION 11 PROFIT FORECASTS OR ESTIMATES		
11.1	Profit forecasts or estimates (published and in progress, or new)	N.A.
11.2	Key assumptions (influencing or exogenous)	N.A.
11.3	Comparability and compliance statement	N.A.
SECTION 12 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES		
12.1	Information on members of the administrative, management and supervisory bodies	3.1.1.1.1
12.2	Conflicts of interest	3.1.1.1.5 AND 3.1.1.2.1
SECTION 13 COMPENSATION		
13.1	Compensation paid and benefits in kind	3.2
13.2	Pension provisions	3.2
SECTION 14 FUNCTIONING OF THE ADMINISTRATIVE AND MANAGEMENT BODIES		
14.1	Expiry date of current terms of office	3.1.1.1.1
14.2	Service contracts with the issuer or its subsidiaries	3.1.1.1.5
14.3	Information on Board committees	3.1.2
14.4	Declaration of compliance with the Corporate Governance Code	PREAMBLE - CHAPTER 3
14.5	Potential significant impacts on governance, if changes have been decided	N.A.
SECTION 15 HEADCOUNT		
15.1	Headcount	5.3.1
15.2	Shareholding and share options of corporate officers	3.4
15.3	Employee Share Ownership Agreement	6.2.2, 3.3 AND 3.4.1
SECTION 16 MAJOR SHAREHOLDERS		
16.1	Identity of major shareholders	6.2.1
16.2	Categories of voting rights	6.1.2
16.3	Control of the Company	6.2.1
16.4	Agreement likely to result in a change of control	6.1.8 AND 6.1.9
SECTION 17 INFORMATION ON RELATED PARTY TRANSACTIONS		3.5.2, 7.1.5, Note 4.4 and Note 12, 7.3.4, 2.7.1
SECTION 18 FINANCIAL INFORMATION CONCERNING ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS		
18.1 Historical financial information		
18.1.1	Consolidated financial statements for the last 3 years	7.1, 8.4
18.1.2	Related audit reports	7.2, 8.4
18.2 Interim financial information and limited review reports, if any		N.A.
18.3 Audit of historical financial information		
18.3.1	Explanations in case of refusal or reservation (s)	N.A.
18.3.2	Other information in this document audited by the Statutory Auditors	N.A.
18.3.3	Financial information not extracted from the audited financial statements of the issuer	N.A.
18.4 Proforma financial information		N.A.
18.5 Dividend policy		
18.5.1	Description of the policy	6.1.2., 6.3.1

18.5.2	Dividend per share over the last 3 years	6.3.2
18.6	Legal and arbitration proceedings	4.1.3
18.7	Significant change in financial position since the end of the last fiscal year	2.5
SECTION 19 ADDITIONAL INFORMATION		
19.1	Share capital	
19.1.1	Quantitative information by share category	6.1.10
19.1.2	Non equity interests	6.1.4
19.1.3	Treasury shares	6.2.4
19.1.4	Convertible securities	6.1.5
19.1.5	Rights and obligations on authorized but unissued capital	6.1.3
19.1.6	Options on the capital of any member of the group	6.1.6
19.1.7	History of share capital over the last 3 fiscal years	6.1.1, 6.1.10 and 6.2.1
19.2	Memorandum and bylaws	
19.2.1	Trade and Companies Register and corporate purpose	8.1.3, 8.1.4
19.2.2	Description of existing share categories, if any	6.1.2
19.2.3	Provisions likely to delay, defer or prevent a change in control	6.1.9.2, 6.1.9.3
SECTION 20 MATERIAL CONTRACTS		8.1.6
SECTION 21 DOCUMENTS AVAILABLE		8.5

8.7. Glossary

Competitive bidding	A process that enables a principal (the Project Owner) to choose the Company (the tendering enterprise, which will be the supplier) that is the best able to provide works, supplies or services. The goal is to have multiple companies competing to provide a product or service.
BBC effinergie ®	Low Energy Consumption Building ("Bâtiment Basse Consommation"). BBC-Effinergie® is a thermal performance label for buildings intended for residential use. For new residential buildings, the maximum primary energy target is set at 50 kWh/sq.m/year, which is readjusted to account for region and altitude. So-called conventional primary energy consumption for heating, cooling, ventilation, auxiliaries, hot water production and lighting of premises is taken into account.
Bilan Carbone ®	The Bilan Carbone® is a carbon assessment tool for calculating greenhouse gas emissions whose objective is to gauge direct and indirect emissions from business activity, economic or otherwise, based on readily available data.
Backlog or order book	In the case of sales before completion (VEFA), the backlog covers orders for housing units that have not been delivered and for which a notarized deed of sale has not yet been signed, and orders for housing units that have not been delivered and for which a notarized deed of sale has been signed for the portion not yet recorded in revenue (in the case of a program that is 30% complete, 30% of the revenue from a housing unit for which a notarized deed has been signed is recognized as revenue, while 70% is included in the backlog). Backlog is a summary at any given point in time that makes it possible to estimate the revenue remaining to be recognized over the coming months and as such to confirm the group's projections. It should be noted that there is an element of uncertainty regarding the conversion of backlog into income- particularly for orders that have not yet been officially notarized.
BEFA	(Lease-before-completion): a lease-before-completion involves a customer leasing a building before it is built or redeveloped.
Net earnings per share	Attributable net income divided by the average number of shares during the fiscal year.
Working capital requirement (WCR)	WCR results from deferrals of cash flow: inflows and outflows relating to expenditures and operating revenues necessary for the design, production and marketing of real estate projects. The simplified expression of WCR that results is as follows: current assets (inventory + receivables + other operating receivables + advances received + deferred income) minus current liabilities (accounts payable + tax and Social Security payables + other operating debt + prepaid expenses). The amount of WCR will depend in particular on the length of the operating cycle, the extent and duration of the work-in-process inventory carried, the number of projects initiated, and the payment terms granted by suppliers and delivery schedules granted to customers.
Cash flow from operations after cost of financial debt and taxes	Cash flow from operations after cost of financial debt and taxes is equal to consolidated net income adjusted for the group's share of the income of equity affiliates and joint ventures, the income from discontinued operations, and estimated income and expenses.
Financial capacity	Corresponds to cash assets plus lines of credit not yet drawn.
Free cash flow	Free cash flow is equal to cash flow from operations less net operating investments made during the period.
Liquidity agreement	An agreement between a listed company and a provider of investment services (a bank or stockbroker). The Company makes the cash and shares of the company available to the Investment Services Provider (ISP), on condition that the investment services provider buys or sells the shares of the Company when the market for its shares is unstable.
Internal control	Company-specific system, defined and implemented under its responsibility, that aims to ensure: a) compliance with laws and regulations; b) the application of instructions and guidelines issued by Executive Management (...); c) the proper functioning of the internal processes of the Company, including those designed to safeguard assets. The proper functioning of the process requires that the standards or operating principles have been established and that performance and profitability indicators have been put in place; d) the reliability of financial information (...) (source: AMF reference framework - June 2010).
Senior loans (lines of credit)	Banks use senior debt to fund LBO (leveraged buyout) transactions. LBO financing by banks is risky in the bank credit market. It is characterized by a loan repayable by installments and/or, most frequently, a "bullet repayment" type loan, but also by lines of credit to finance the working capital requirement and growth policies of companies affected by this kind of acquisition. Senior debt is debt that enjoys specific guarantees, the repayment of which has priority over other so-called subordinated debt. It is therefore "priority debt".
Take-up period	The take-up period for inventories is the number of months required for available housing units to be sold if revenues continued at the same pace as previous ones, i.e. the outstanding housing units (available supply) per quarter divided by orders per quarter just ended themselves divided by three.
EBIT	Earnings Before Interest and Taxes corresponds to current operating income, i.e. gross margin less current operating expenses.
EBITDA	This indicator is equal to the net income, corrected for net amortization, depreciation and provisions, corporate income tax, the Net cost of financial debt, of other financial expenses, of impairment losses, if any, of capital gains or losses on disposal of fixed assets, of non-recurring income and expenses, of the income of companies accounted for by the Equity method and of other estimated expenses.
Eco design	This term describes the commitment to design products that meet the principles of sustainable and environmental development. It is an approach that takes environmental impact into account in the design and development of the product and integrates environmentally-friendly thinking throughout its life cycle (raw materials, end of product life, manufacturing, logistics, distribution and use).
Net debt or net financial debt	A company's net debt or net financial debt is the balance of its gross financial debt (gross borrowings) and the available financial assets forming its "cash and cash equivalents". It represents the company's creditor or debtor position with respect to third parties outside the operating cycle.
Gross debt or financial debt	Gross financial debt consists of long-term and short-term financial liabilities, financial hedging instruments relating to those liabilities, and accrued interest on those liabilities and hedging instruments.

Environmental label	Official Certification that aims to distinguish and promote a product, process or company for its low impact on the environment. This is a benchmark for the consumer to identify more environmentally friendly products (goods or services), but also a promotion and an eco design tool for manufacturers and distributors. There are several environmental labels such as the H&E certification process (Habitat & Environment), the HQE ® (High Environmental Quality) process and RE2020 (Reglementation Environnementale).
Investment grade	Investment grade means that a financial instrument or a company has a relatively low risk of default.
Equivalent Housing Units (EHUs)	EHUs (Equivalent Housing Units delivered) directly reflect sales. The number of EHUs is a function of multiplying (i) the number of housing units of a given program for which notarized sales deeds have been signed by (ii) the ratio between the group's property expenses and construction expenses incurred on said program and its total expense budget.
Project Owner	Individual or legal entity on whose behalf construction and real estate work or more generally the services of a contractor are carried out and which, in order to do so, has entered into one or more contracts with the various trades involved in construction. The Project Owner is so called despite not being the contractor's employer since the contractor is independent. The Project Owner must not be confused with the project manager. The Project Owner selects the project manager and puts them in charge of coordinating and monitoring of the work of the various trades.
Gross margin	Gross margin corresponds to revenues less cost of sales.
(Housing) Commercial offer	This refers to the total inventory of properties available for sale as of the date in question, i.e. all unordered housing units as of this date (minus the programs that have not yet entered the marketing phase).
Property portfolio	All real estate for which a commitment (such as a contract for sale) has been signed.
PTZ +	The "Zero-Interest Plus Loan": interest-free loan, issued by government-registered credit institutions. It is available to individuals wishing to finance the purchase, refurbishment or construction of their primary residence as a first-time homeowner (buyers are considered first-time homeowners if they did not own their primary residence during the two years preceding the loan offer).
Gearing	Ratio of net debt (or net financial debt) to the consolidated shareholders' equity of the Company. It measures the risk to the company's financial structure.
managed residence	managed residence, or serviced housing, refers to a property complex consisting of housing units (homes or apartments) for residential use and offering a minimum number of services such as a reception, the supply of linen, house cleaning and maintenance, and breakfast. There are several different types of housing in this category: student housing including apartment complexes, mostly furnished studios with a kitchenette located in the vicinity of schools and universities and close to public transportation; tourist accommodation located in high-potential tourist areas offering, in addition to the usual services, amenities such as swimming pools, sports fields, sometimes saunas, steam rooms, jacuzzis and children's clubs; corporate housing as an alternative to traditional hotels, including studios (about 80%) and two-room apartments located in city centers or close to major business hubs with convenient access to everything; and lastly, senior residences (including both assisted and non-assisted living facilities for the elderly) designed to prepare for an aging population and housing people aged 55 and over; their customers include both leaseholders and property owners.
Revivalis ®	Created by Kaufman & Broad, this process is intended to determine all recovery potential of an office building for its rehabilitation while respecting its architectural heritage. It is based on a multi-criteria analysis that takes technical, regulatory, operational and urban planning aspects into account.
Orders (value)	This figure represents the value of the real property as expressed in order contracts signed, including VAT, for a given period. It is net of cancellations recorded during that period.
Orders of Units (volume)	These are a reflection of the group's commercial activity. Orders are recognized in revenue based on the time necessary to "convert" an order into a signed and notarized deed, which is the point at which income is generated. Moreover, in apartment programs that include mixed-use buildings (apartments/business premises/retail space/offices), all floor space is converted into housing equivalents. They are measured in volume (Units) and value.
Land portfolio	This includes land for development (otherwise called the land portfolio), i.e., the land for which an act or promise of sale was signed, as well as land under consideration, i.e., the land for which an act or promise of sale has not yet been signed.
Pinel (incentive)	The incentive under the Pinel Act purpose is to revive the attractiveness of investment in new property. The incentive is meant to allow every buyer of a new property or a home sold before completion (VEFA) in an eligible area to benefit from a tax reduction. 12% to 21% for periods from 6 to 12 years.
Sub-contracting	Sub-contracting is a contract by which a company, the "principal", asks one or more other companies, called "sub-contractors" to perform part of its production process or make some of the components necessary to its production. The sub-contractors are companies that are authorized to do certain tasks. The sub-contractor is different from a supplier because it manufactures a product designed by the sponsor or, often, it does so together with the sponsor. The product is manufactured by the sub-contractor exclusively on behalf of the sponsor and does not bear the sub-contractor's name. The sub-contractor is committed exclusively in respect of compliance in execution as per the sponsor's guidelines.
Take-up rate (Te)	The take-up rate represents the percentage of the initial inventory for a property program that is sold on a monthly basis (sales per month divided by the initial inventory), i.e., net monthly orders divided by the ratio between the opening inventory and the closing inventory, divided by two. NB: The inverse of the take-up rate (1/Te) gives the expected timeframe (in months) for the marketing of a program, i.e., the marketing period. For example, a 4.0% take-up rate corresponds to a projected duration of 25 months of marketing.
EBIT rate or operating margin	Expressed as a percentage, it corresponds to current operating income, i.e. the gross margin less current operating expenses divided by revenue.
Cash and cash equivalents	This corresponds to cash and cash equivalents on the assets side of the balance sheet, i.e., all cash on hand (bank balances and cash in hand), investment securities (short-term investments and term deposits) and order balances.

Net cash	This corresponds to the “negative” net debt or net financial debt, i.e. for the company the balance of available cash and financial investments forming its “active cash position” is greater than the amount of its gross financial debt (or gross financial debt).
Units	Units are used to define the number of housing units or Equivalent Housing Units (for mixed programs) of any given program. The number of equivalent housing units is calculated from the ratio of the surface area by type (business premises, retail space, or offices) to the previously obtained average surface area of housing units.
Sale before completion (VEFA)	Sale before completion is a contract whereby the seller immediately transfers to the buyer its land rights and ownership of existing buildings. The future structures will become the purchaser’s property as they are completed: the purchaser is required to pay the price of these structures as the works progress. The seller retains the powers of the Project Owner until acceptance of the work. With the sale-before-completion contract, lawmakers have given real-estate developers the option of calling for payment from customers in accordance with the percentage completion of programs, based on a payment schedule determined by law, while giving customers a performance bond. Total payments from customers may not exceed 35% of the price upon completion of the foundations, 70% upon boxing up and 95% upon completion of the building. This contract makes the buyer the owner of the land and building progressively during the course of the construction process.
ANRU area	Area covered by the signing of a multi-year agreement with the French National Agency for Urban Renewal (ANRU). In this geographical area with tax benefits, households, in particular tax households with limited resources, can purchase a new principal residence with a reduced VAT rate (5.5%) subject to certain conditions.



Locations

Courbevoie: (Registered office - Île de France Agencies - Commercial property - Showroom - Kalilog)
17, quai du Président Paul Doumer -92400 Courbevoie - Tel.: +33 1 41 43 43 43

Annecy: Immeuble Onyx, 15 Rue Pré Paillard - 74940 Annecy le Vieux - Tel. 04 50 05 61 95

Bayonne: Résidence du Parc - 2 boulevard du BAB - Tel. 05 59 59 60 60

Bordeaux: 14 allée de Tourny - 33064 Bordeaux Cedex - Tel. 05 56 12 72 72

Caen: 93-97 rue de Bernières - 14000 Caen - Tel. 02 31 15 56 56

Lille: 238 boulevard Clémenceau - 59700 Marcq en Baroeul - Tel. 03 28 33 83 23

Lyon: 19 rue Domer, CS 10231, 3^e étage - 69362 Lyon Cedex 07 - Tel. 04 72 84 03 74

Marseille: Immeuble CAP JOLIETTE -5 boulevard de Dunkerque -13002 Marseille Cedex - Tel. 04 96 17 32 00

Montpellier: 266 place Ernest- Granier -3^e étage - 34000 Montpellier - Tel. 04 67 13 82 70

Nantes: 25 bis rue Paul Bellamy - BP 10216 - 44002 Nantes Cedex 1 - Tel. 02 40 74 44 44

Nice: 400, Promenade des Anglais - 06200 Nice - Tel. 01 41 43 43 43

Rennes: Immeuble Atlas 121 rue du Temple de Blossne - 35136 Santiago de la Lande - Tel. 02 99 52 70 37

Strasbourg: 15 rue des francs bourgeois - 67000 Strasbourg - Tel. 03 88 11 30 40

Toulouse: 27 bis allée Jean Jaurès - 31010 Toulouse Cedex 6 - Tel. 05 34 41 08 08

Dijon: 1 rue Nicolas Berthot - Acquisition B - 21000 Dijon

La Rochelle: 56 rue Saint Yon - 17000 La Rochelle

Rouen: 3 rue Rollon - 76000 Rouen

Showroom Méditerranée

Fréjus: ZI du Capitou Pôle Mixte Lot 19 - avenue Jean Lachenaud -83600 Fréjus

Design and Production



pomelo-paradigm.com/pomdocpro/



KAUFMAN & BROAD SA
17, Quai du Président Paul Doumer
CS 90001 - 92672 Courbevoie Cedex
kaufmanbroad.fr