

2023  
**SUSTAINABILITY  
REPORT**

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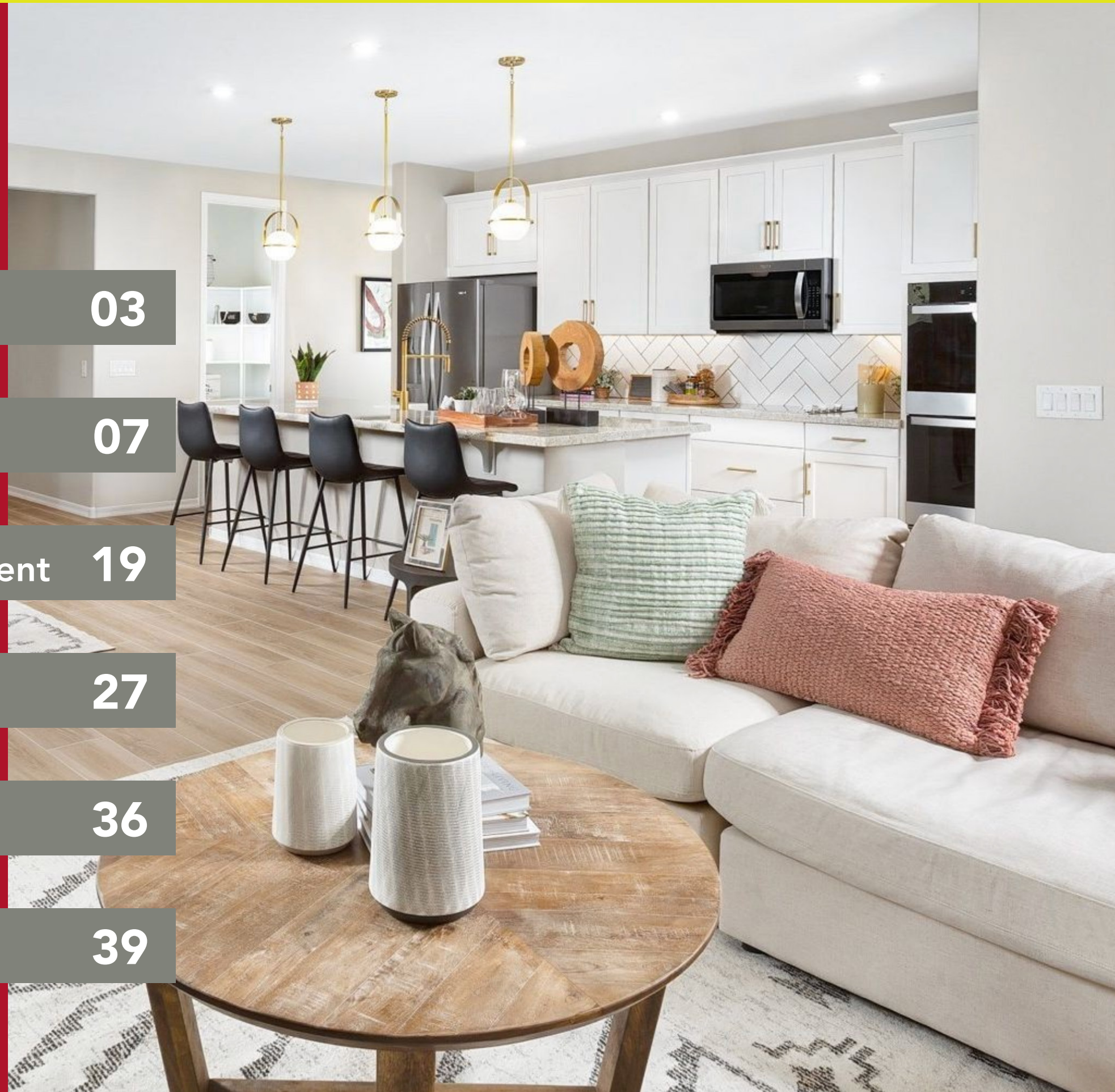
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# CEO Letter

Beazer Homes has been building homes across the United States for over 30 years, with a rich legacy dating back to the late 1600s when George Beazer established the family trade. This family legacy is the foundation for our commitment to responsible business practices and sustainable development, leading us to become one of the nation’s largest homebuilders with more than 225,000 satisfied homeowners. As we continue working to advance sustainability, social responsibility and ethical governance across our business, it is my privilege to share our recent progress in this report.

We prioritize creating long-term value for our shareholders, employees, customers and trade partners in our communities, recognizing that real sustainability requires a holistic approach. This begins with a shared understanding among our team, management and board of directors to embed sustainability considerations into every strategic decision we make. Aligning ourselves in this way has helped us become a builder of choice for our customers and an employer of choice for our team members.

Above all, we work to protect the health, safety and well-being of our team members by elevating our culture of safety through targeted trainings, policies and initiatives. Nothing is more important than making sure everyone returns home safely at the end of each day. This commitment extends to the quality of the homes we build—we are not satisfied until our customers can be sure every aspect of their home meets our high quality standards.

Our dedication to sustainability is exemplified by our commitment that, by the end of 2025, every home we start will meet the standards of the U.S. Department of Energy (DOE) Zero Energy Ready Home™ program. We set ambitious, time-bound goals like this because it provides clear direction for our team’s innovation and promotes a rigorous measurement process to track our progress. We take immense pride in subjecting our homes to third-party testing to generate a Home Energy Rating System (HERS®) Index Score, validating overall efficiency. This level of transparency not only sets a high bar in our industry, but it also empowers Beazer customers to make informed decisions and emphasizes the long-term benefits of energy-efficient homes.

In our commitment to building industry-leading efficient homes with long-term performance in mind, we continue to innovate in ways that keep us agile and open to new solutions. Since we operate in diverse climate zones, our sustainable solutions often vary by location, while encouraging communication of best practices across our teams and divisions. This collaboration is supported by our dedication to fostering an inclusive, diverse and equitable workplace culture where everyone feels a sense of belonging—because when our employees thrive, our company thrives.

Operating with integrity is non-negotiable for us, as we strive to always uphold ethical and responsible business practices. We outline this commitment in our Code of Conduct and Business Ethics and in our Supplier Code of Conduct, which works to ensure our entire supply chain shares our values and principles as well.

As we move forward, our core values and beliefs will guide the integrity of our operations as we continue to build high quality homes, vibrant communities, and a rewarding future.



**Allan P. Merrill**

Chairman and Chief Executive Officer



## About Us

Our purpose is to create durable and growing value for our customers, employees, partners and shareholders and strengthen the communities that we serve.

Headquartered in Atlanta, Beazer Homes (NYSE: BZH) is one of the country's largest homebuilders. Every Beazer home is designed and built to provide Surprising Performance, giving our homeowners more quality and more comfort from the moment they move in – saving them money every month. With Beazer's Choice Plans<sup>®</sup>, homeowners can personalize their primary living areas – giving them a choice of how they want to live in the home, at no additional cost. And unlike most national homebuilders, we empower our homeowners to shop and compare loan options. Our Mortgage Choice program gives our homeowners the resources to easily compare multiple loan offers and choose the best lender and loan offer for them, potentially saving thousands of dollars over the life of their loan.

We build our homes in Arizona, California, Delaware, Florida, Georgia, Indiana, Maryland, Nevada, North Carolina, South Carolina, Tennessee, Texas and Virginia. For more information, visit [beazer.com](https://beazer.com).

## Fiscal 2023 Performance<sup>1</sup>

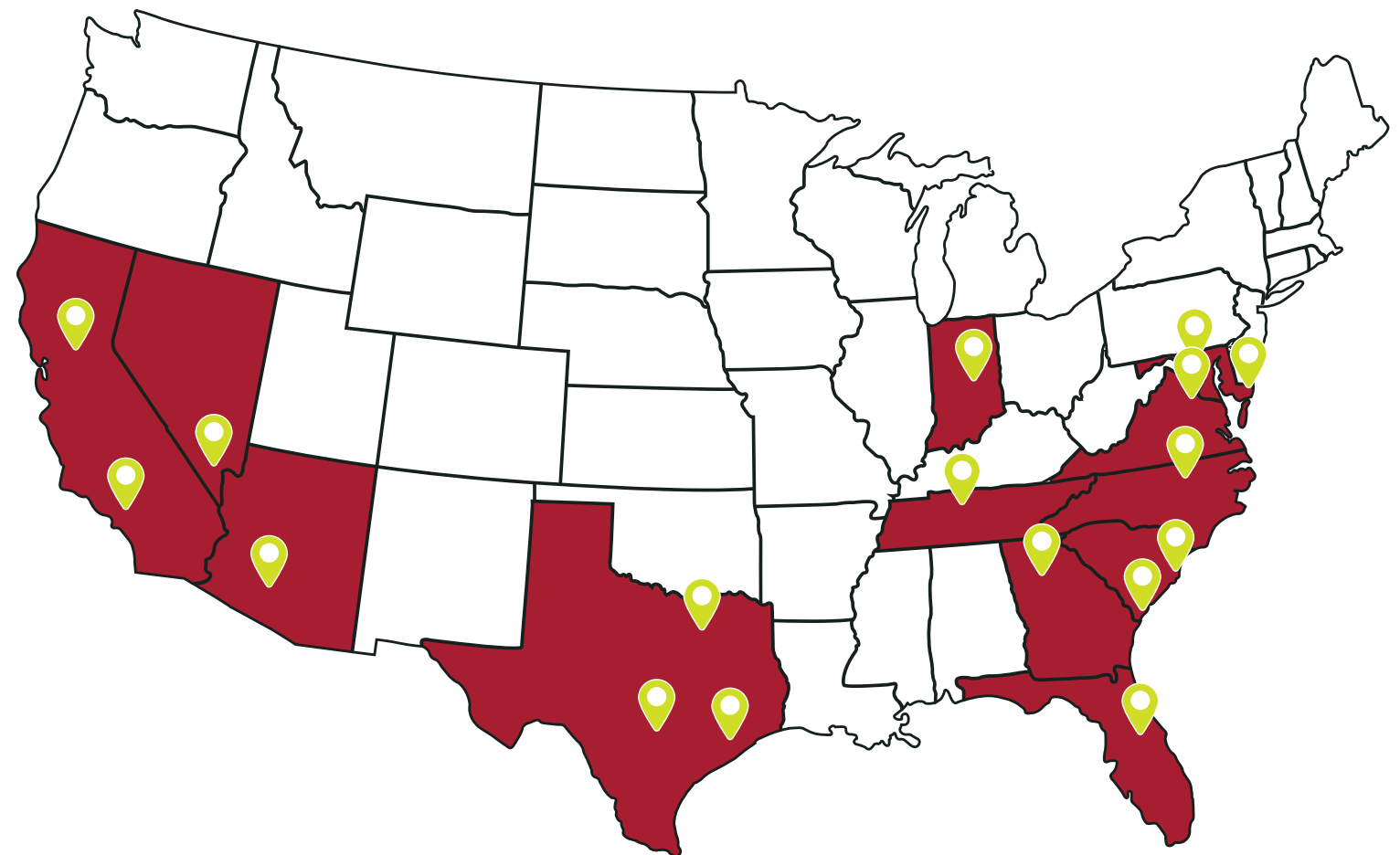
**\$2.2B**  
Revenue

**1,067**  
Employees

**26,189**  
Controlled Lots

**4,246**  
Homes Closed

**125**  
Average Community Count



<sup>1</sup>Fiscal year ended September 30, 2023. Controlled Lots and Employees as of September 30, 2023.



## Built on Tradition

1696

George Beazer establishes the family trade in England.

1890

Beazer Homes builds its first home on speculation, opening the door to their future business model.

1930s

The company starts building multiple homes and communities.

1986

Beazer Homes moves to the U.S. and quickly expands throughout the country.

1994

Beazer Homes goes public and is listed on the New York Stock Exchange.

## Focused on Innovation

2011

Beazer Homes starts building 100% of its homes to ENERGY STAR® standards, leading to consistent recognition by the U.S. Environment Protection Agency as a Partner of the Year Sustained Excellence award winner.

2016

Beazer Homes launches Gatherings®, 55+ communities.

2019

The company celebrates 25 years on the New York Stock Exchange.

2020

The company becomes the first national home builder to publicly commit to ensuring that by the end of 2025, every home we start will meet the standards of the U.S. Department of Energy's Zero Energy Ready Home program.

2023

Beazer Homes achieves 100% of homes Indoor airPLUS qualified and is recognized as Indoor airPLUS Leader of the Year by the EPA.

**We are one of the nation's largest homebuilders, with over 225,000 homeowners since 1994.**



# Our Approach to Sustainability

At Beazer Homes, environmental, social and governance considerations are integral components of our strategic planning and risk management. As we mature our sustainability programs, we are focusing on measuring and reducing our environmental impact, equally and equitably employing and retaining diverse talent across our organization, facilitating access to energy-efficient, lower cost of ownership homes, contributing to the communities in which we live and operate, all while upholding stringent ethical and governance standards.

## 2023 SUSTAINABILITY HIGHLIGHTS

### ENVIRONMENT

**100%** homes built to ENERGY STAR standards, and awarded **EPA ENERGY STAR Partner of the Year** for Sustained Excellence

**49** gross average annual HERS score, creating industry-leading energy efficiency and savings for our customers

**100%** of our homes have WaterSense® fixtures installed

**100%** homes Indoor airPLUS qualified, and awarded **EPA 2023 Indoor airPLUS Leader of the Year**

### SOCIAL

**Newsweek's list of America's Most Trustworthy Companies** for the second consecutive year



**Top Workplaces USA award** for the second consecutive year

**2,364** hours of safety training annually for employees and partners

**\$2.5 million** in charitable giving from our Charity Title Agency operations

**Improved diversity across Beazer**, increasing female representation from 40.3% to **43.7%** and racially/ethnically diverse representation from 20.2% to **26.0%** amongst employees since the publication of our 2021 ESG Summary

### GOVERNANCE

Improved Board diversity, with **37.5%** of our members identifying as racially/ethnically diverse and **37.5%** as women, including our Lead Independent Director

Enhanced oversight at our Board of Directors to **incorporate key ESG responsibilities** into established committees

**100%** of employees completed annual ethics and cybersecurity training

Appointed our first Corporate leader to help coordinate and **drive progress on key ESG strategic initiatives**





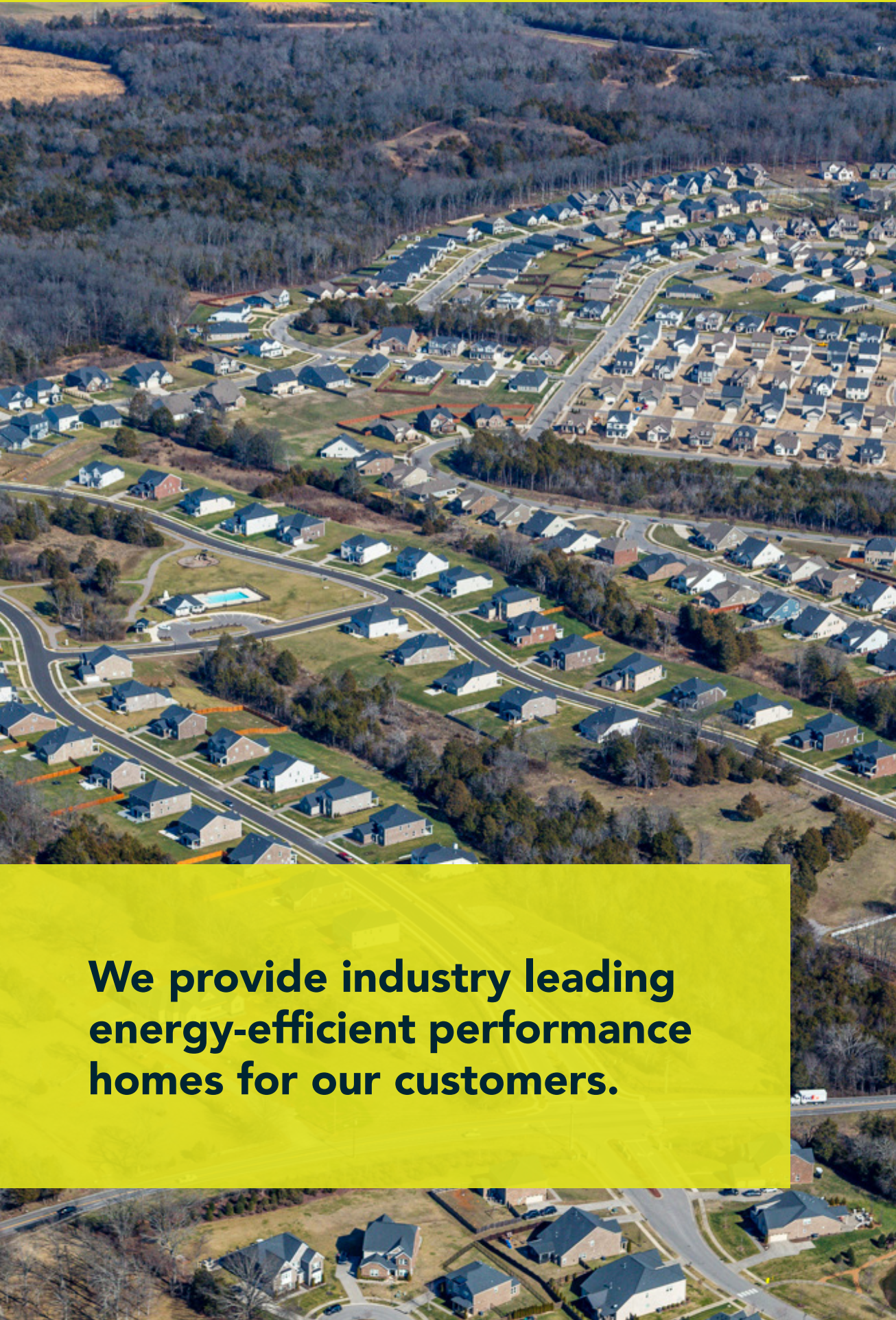
# ENVIRONMENT

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## **We build durable & efficient homes.**

In homebuilding, efficiency is about minimizing a home's impact on the environment, and durability is about minimizing the environment's impact on the home. At Beazer, we prioritize both at every stage of design and construction for every home we build, because our commitment doesn't end when we've completed the construction of our customers' homes. With durable construction, low maintenance and reduced carbon footprint, every Beazer home can have a lasting positive impact for our customers, community and environment.





**We provide industry leading energy-efficient performance homes for our customers.**

# Environmental Highlights



100% of homes built to ENERGY STAR STANDARDS since 2011



100% Indoor airPLUS qualified homes since 2022



First national builder to make a commitment to build 100% DOE Zero Energy Ready Homes by end of 2025



100% homes with WaterSense fixtures; launch of WaterSense labeled homes in strategic water-stressed markets



Gross HERS score average of 49 for 2023: ~33% more energy efficient than a typical new home<sup>2</sup>



Inaugural greenhouse gas (GHG) emissions assessment performed for Scope 1, 2 and 3 for FY21-23

<sup>2</sup>Based on RESNET 73 HERS average.



# Our Approach

Through thoughtful design, we anticipate how our customer will live in their home over time. Then, we use advanced building practices and durable materials designed to withstand years of wear and weather conditions. We create a properly ventilated, sealed envelope to help regulate indoor air temperature and quality and preserve comfort. We incorporate energy-saving features, quality materials and smart technologies to minimize resource consumption, cut utility costs and deliver durable value to our customers.

From site selection and design to our construction methods and materials, our goal is to deliver durable, efficient homes that offer exceptional value for our customers.



## Land

- Site selection and design
- Development



## Construction

- Impact on land and nearby ecosystems
- Operational efficiency and waste reduction

## Home

- High-performance materials
- Performance and efficiency





# Purposeful Land Development

At Beazer, we strive to integrate land use and ecological considerations into our home development process. From site selection to design, development and construction, our approach is grounded in thoughtful collaboration across all departments and levels of our company. Our site selection strategy involves a diligent community approval process, led and governed by our land acquisition committee, which is comprised of senior leaders.

In every new community development we establish, we prioritize environmental stewardship and innovation through the implementation of design and process initiatives. Our National Stormwater Program exemplifies this commitment, allowing us to design communities equipped to effectively manage stormwater runoff. By implementing this program, we also better prevent materials like dirt, paint, concrete residue and oils from leaving our construction sites and maintain compliance with applicable regulations.

We focus on meeting or exceeding regulatory compliance, operating guidelines and development parameters set by local, state and federal agencies. Our review of the land and communities where we build Beazer homes includes detailed reviews such as regulatory constraints analysis, a cultural resource analysis, and a close examination of stormwater and downstream impacts. Our assessment may also extend to biodiversity as well, including research into the existence of local endangered species. To uphold our high standards for land use and ecological impact, we work with third-party consultants in each of these areas.

Beazer also assesses important social considerations including local school availability, the surrounding land use, and how the development will fit into the community. We create each land development plan with the intention to balance the soils onsite, preserve trees where possible, and facilitate livability and customer-focused development.

## Examples of environmental factors we consider to ensure healthy, sustainable communities

### SITE SELECTION

- Proximity to waterways and sensitive ecosystems
- Environmental site assessment results
- Archaeological and cultural resource studies
- Soil conditions
- Hazardous material
- Flood conditions

### SITE DESIGN

- Traffic studies for volume, speed, flow and parking
- Tree protection surveys
- Topographical, geotechnical, hydrological and demolition analyses

### SITE DEVELOPMENT

- Earthwork strategies to minimize soil and slope disturbance, import/export and erosion
- Dust control strategies to improve air quality
- Application of stormwater management design standards

### SITE CONSTRUCTION

- Protection of waterways
- Protection of endangered, vulnerable and/or threatened species
- Application of waste management plans
- Routine site inspections

## Sustainable Community Planning



### Wildflower Meadows

Instead of traditional grass landscaping, which demands significant resources such as watering, mowing and treatment, our Westeros, Indianapolis, community created a wildflower meadow with native plants. This enhances the beauty of our community and provides a growing sanctuary for pollinators and other wildlife.



### Bioretention Ponds

In our Magnolia Farm, Nashville, community, we use bioretention ponds to naturally filter stormwater before it enters local waterways and to reduce the amount of runoff during rain. Created using diverse vegetation, these ponds not only increase local plant biodiversity but also contribute to overall ecological health.



# Developments that Build Community

The strongest communities are those in which the people who live there can work, learn, shop and play close to home. Our homeowners need employment centers, schools, hospitals, grocery and retail centers, pharmacies, restaurants, outdoor recreation and green space. Throughout the homesite selection process, we take into consideration proximity and access to essential infrastructure, services and amenities—components of a healthy community and a quality of life.

We study and evaluate walkability, traffic volume and flow, parking, safety and access to transit systems, as appropriate. By taking this holistic view in the selection of Beazer Homes sites, we can support a growing network of neighborhoods with high quality of life.



**“Working with each community is critical. For example, at The Cove in Sacramento, California, our relationship with the local community leaders was a key element of our success. We partnered with local leaders to make sure that our designs, layout and materials not only provided a superior new home product, but also were consistent with the look and feel of the area.”**

 *Michael Phillips, Sr. Director of Corporate Planning and Design*



# Supporting community revitalization and resilience

We see urban infill and outlying revitalization as one of several solutions to cities' land and resource shortages. Because of this, we diligently dedicate the effort, time and resources needed to make these communities a success. In these instances, we collaborate with cities, listen to residents of existing neighborhoods and collectively reimagine and reinvent idle spaces to better meet the needs of communities. Every partnership is different. Some neighborhoods want new housing to attract new residents and restore a community's vibrancy. City planners often want much-needed workforce housing and community green space, and suburban leaders may seek to shorten commutes with new homes along vacant commercial corridors. By meeting the demand for quality homes, we're helping communities and people thrive.

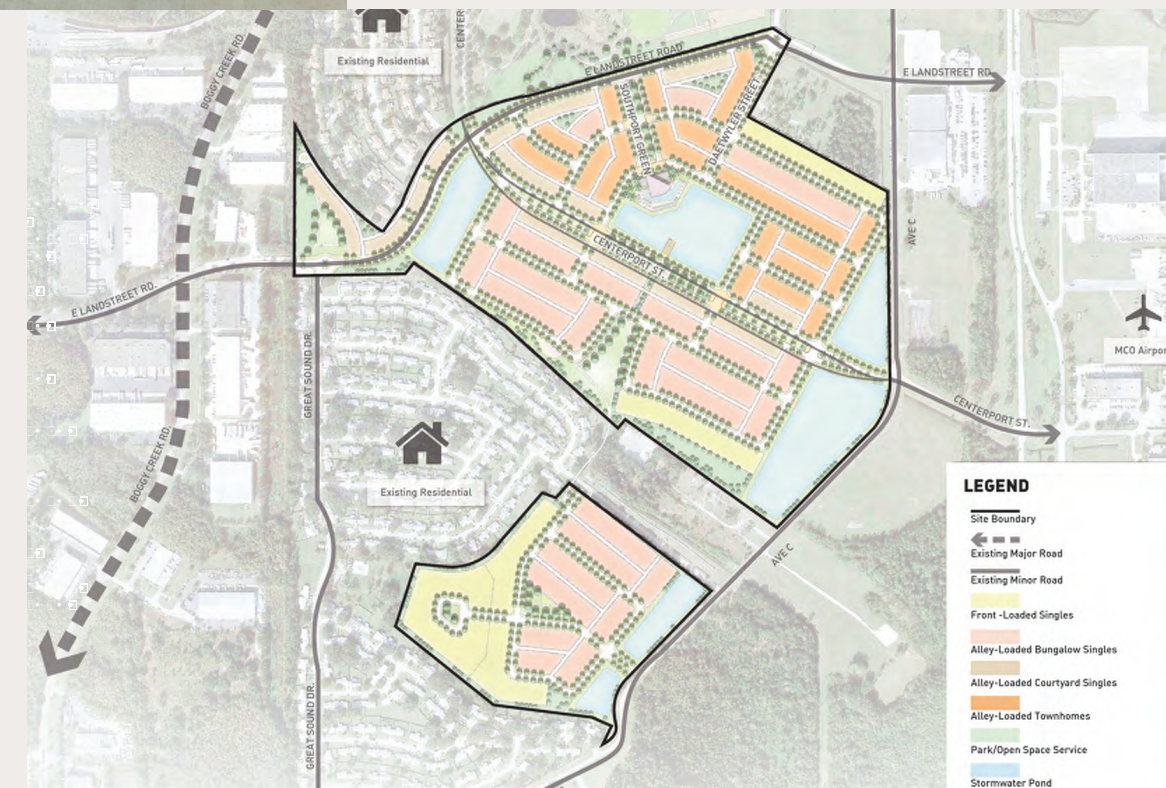


## Regal Chase

Built on the nine acre site of a former cineplex, our Regal Chase Community brings new residents, diners, shoppers and vitality to the Dulles Technology Corridor in Sterling, Virginia. We selected the community's strategic location to provide the connectivity and convenience to support our customers' quality of life.

## Southport Community

Our Southport Community, currently under contract, will feature more than 500 bungalows and townhomes, an amenity center, pocket parks and infrastructure for sustainable living in southwest Orlando, Florida. Through extensive collaboration with area stakeholders, Beazer is working with the City of Orlando to help reimagine and revitalize the 126-acre last vestige of the former McCoy Naval Annex.





## Our Zero Energy Ready Commitment

In 2020, we were the first U.S. national homebuilder to publicly commit to ensuring that by the end of 2025, every home we start will meet the requirements of the U.S. Department of Energy's (DOE) Zero Energy Ready Home program. Every home we build will also meet the standards of the U.S. Environmental Protection Agency's (EPA) ENERGY STAR program and the requirements for Indoor airPLUS qualification. Zero Energy Ready generally means that homeowners can achieve "net zero energy" by installing appropriately sized renewable energy systems, such as solar photovoltaic systems, capable of generating as much energy as the home consumes.<sup>3</sup>



Our Zero Energy Ready commitment drives us to continuously pursue new energy efficiency solutions for the homes we build, raising our standards well above most other new homes built to meet applicable housing codes. By prioritizing energy efficiency, we are elevating quality, comfort and innovation to entirely new levels, providing our customers with high-performance homes with reduced carbon footprints.

To ensure we achieve our commitment and remain accountable, we integrate HERS Index Scores into our incentive compensation programs for our teams.



## HERS Energy Efficiency Rating

HERS is an industry-leading home building scoring system developed by the Residential Energy Services Network (RESNET) for inspecting and calculating a home's energy performance after construction is complete. The HERS methodology measures the energy efficiency of a home on an easy-to-understand scale: the lower the HERS Index Score, the more energy efficient the home.

## Zero Energy Ready Home Program

The DOE's Zero Energy Ready Home program builds on current HERS standards and the comprehensive requirements of the EPA's ENERGY STAR program by incorporating other building science innovations and practices to achieve often 40%-50% greater energy efficiency than a typical new home.<sup>4</sup>



When our Zero Energy Ready commitment is achieved by the end of 2025, our homes will emit approximately 14,000 fewer pounds of CO<sub>2</sub>e<sup>5</sup> annually compared to the average U.S. home.<sup>6</sup>

<sup>3</sup>Based on a 12-month rolling average. Assumes that the homeowner's energy demand will be similar to that of a typical homeowner for that area.

<sup>4</sup>According to the DOE, DOE Zero Energy Ready Homes are 40-50% more energy efficient than a typical new home.

<sup>5</sup>Carbon dioxide equivalent.

<sup>6</sup>Based on the latest estimate of the average U.S. home's emissions from the U.S. EPA.



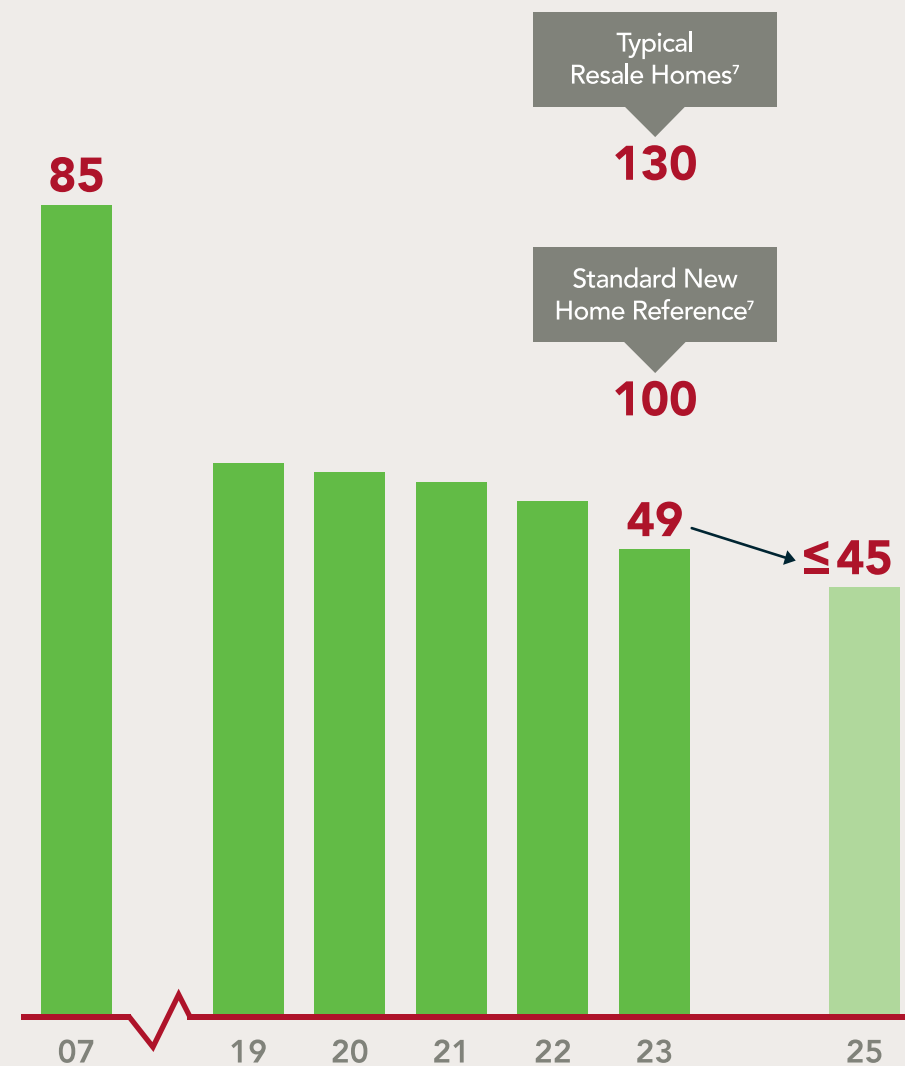
# Industry leading HERS scores

By the end of 2025, the homes we start will be Zero Energy Ready and generate a gross HERS Index Score of 45 or less.

Less than 30%<sup>7</sup> of newly built homes in the U.S. are subjected to the HERS measurement. The national estimated average HERS Index Score among typical newly built homes was 73<sup>7</sup>, while the average HERS Index Score for Beazer-built homes was 49—33% more efficient. Our Zero Energy Ready commitment puts us well on our way to achieving our goal of providing 40-50% greater energy efficiency in our homes than a typical new home. We also consistently report our average HERS Index Scores as “gross” scores, setting a more rigorous standard by excluding any benefit of renewable energy technologies.

## Beazer Homes Average HERS Index Scores

Historical and Projected through 2025



100% of homes built to ENERGY STAR standards since 2011

ENERGY STAR appliances installed in our homes

ENERGY STAR Partner of the Year—Sustained Excellence Award for the eighth consecutive year

Over 260,000 metric tons of cumulative CO<sub>2</sub>e emissions savings since 2019<sup>8</sup>

<sup>7</sup>RESNET

<sup>8</sup>Based on the latest estimate of the average U.S. home’s emissions from the U.S. EPA.



## Reducing Heating and Cooling Demand with Technology

By minimizing the air changes per hour (ACH) of our homes through increased air tightness with the AeroBarrier™ home air-sealing process and quality insulation, we've reached higher levels of efficiency. When ACH is low, the HVAC duct systems in our homes operate more efficiently by reducing the need to heat and cool ambient air as frequently. This works in collaboration with an energy recovery ventilator, or ERV, that conserves energy through air exchanges, further reducing the heating and cooling demands of our homes.

## Indoor airPLUS

All new Beazer homes are built in accordance with the EPA's Indoor airPLUS specifications, providing our customers with better indoor air quality, comfort and durability. To earn the indoor airPLUS label, a home must meet strict guidelines set by the EPA for improved air quality, verified by a third-party inspection. The guidelines include the installation of moisture and mold control systems; effective heating, ventilating and air-conditioning systems; combustion-venting systems; low-emissions, health-conscious building materials; and radon-resistant construction techniques, where applicable.



## Water Efficiency and WaterSense

Since 2010, we've installed EPA-certified WaterSense fixtures in 100% of our homes to provide homeowners with increased water efficiency. While we have not pursued third-party verification and certification of our homes with respect to water efficiency, most would be eligible to receive the EPA WaterSense label today, indicating they use at least 30% less water than a typical home. In addition to the use of efficient plumbing products and appliances, in certain markets, we incorporate xeriscaping—landscaping with slow-growing, drought tolerant plants—and drip irrigation systems to conserve water.



**100%** of our homes have WaterSense certified fixtures installed

## Efficient Building Practices

Our approach to homebuilding aims to reduce excess building material and reduce waste, all while delivering energy-efficient, durable, safe and comfortable homes for our customers. With our Just in Time scheduling system, we strive to ensure building materials arrive on site precisely when needed to avoid waste from prolonged exposure to weather conditions.

Our framing strategies also contribute to reduced lumber waste and increased construction efficiency. This includes the practice of panelization in some areas, which incorporates prefabricated panels to help reduce waste as well as the cycle time of our home construction. Additionally, we've streamlined our product portfolio by simplifying our plans, structural options and design selections to boost efficiency, lower costs and reduce construction site waste.

We're using advanced framing techniques that enhance insulation and improve the durability of our homes. Through the use of 2x6 framing instead of the standard 2x4, we reduce the amount of framing lumber required, increase insulation for greater efficiency and reinforce the structural integrity of our homes compared to conventional methods.





# Sustainable Home Features

We use innovative construction techniques and technologies to increase the efficiency of our homes, optimize indoor air quality and enhance overall comfort, with the added benefit of reducing installation time and on-site waste. These techniques and technologies can include:

- Innovative HVAC duct systems that create less waste and allows for greater home insulation and efficiency
- Sophisticated home air-sealing processes to keep unfiltered air from entering the home improving air quality and HVAC efficiency
- Rigorous insulation standards that provide increased comfort, durability, and energy efficiency
- Energy Recovery Ventilators (ERV) which filter incoming air to the home and pre-condition it to reduce the strain on HVAC systems, decrease energy costs, and improve air quality in the home
- Whole-home Dupont™ Tyvek® Weatherization Systems which create durable and weather tight homes that are long-lasting
- Lowering energy usage using ENERGY STAR appliances, smart thermostats, and energy efficient LED lighting in all homes
- Increased water and energy efficiency through the use of WaterSense fixtures, efficient plumbing design, and in some instances, tankless water heaters
- Use of high efficiency, energy-saving heat pump water heaters and HVAC systems



**“Incorporating energy efficiency into the design and construction of our homes ensures that we are providing high quality, durable, healthy places to live. Meeting DOE Zero Energy Ready Homes efficiency targets in addition to the bold efficiency goals we’ve set for ourselves requires meticulous construction practices and dedication to the principles of building science and sustainability. These practices reduce the cost of homeownership for our customers while reducing carbon emissions.”**

 *Megan Cordes, Director of Sustainability and Building Science*



# Greenhouse Gas Emissions

We are a leader in building energy-efficient homes that are well above the industry standard—reducing the carbon footprint of our homes over their lifetime while providing our customers with high performance and quality. We are taking steps to understand and reduce emissions across all aspects of our operations. We engage a third-party GHG consultant to measure and track our Scope 1 (direct emissions from owned and operated sources), Scope 2 (indirect emissions from purchased energy) and Scope 3 (indirect emissions outside of our control across the value chain) emissions. The resulting information and insights are informing our emissions reduction strategies.

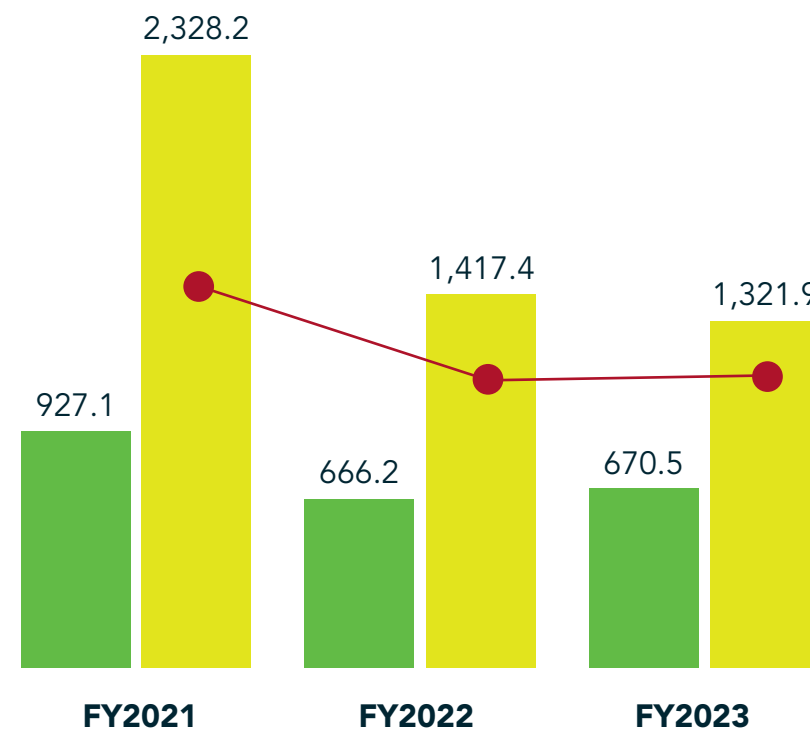
Although most of Beazer’s office spaces are leased, our building owners also engage in energy-saving practices. We prioritize buying local construction materials when possible, to reduce transportation-related emissions, and across our supply chain, we are communicating with our vendors to understand their emissions and energy-saving practices to make more informed decisions moving forward.

As we look ahead, we continue to monitor our existing data with a view to developing more comprehensive methodologies to measure our impact, while partnering with third parties to better understand and act on opportunities for emissions reduction. Together, these ongoing improvements will contribute to greater efficiencies in the homes and communities we build.

Over the past three years, we’ve experienced an industry-leading reduction in our operational emissions. This reduction is due to a number of factors, including a short-term reduction in the number of homes closed while we plan to significantly increase production in the coming years, and the building of fewer speculative, or ready-to-move-in homes. As a builder, we are responsible for maintaining the homes until closing, which adds to our emissions footprint. However, even with these factors, our overall emissions intensity per closing has decreased and we expect to see additional reductions as we continue to focus on energy efficiency and emissions reductions for our homes and during construction.

## Scope 1 and 2 GHG Emissions (MT CO<sub>2</sub>e)<sup>9</sup>

- Scope 1
- Scope 2 (market-based)
- Scope 1 and 2 per closing



	FY2021	FY2022	FY2023
Scope 1 and 2	3,255.3	2,083.6	1,992.4
Scope 1 and 2 per closing	0.62	0.44	0.47

<sup>9</sup>Emissions calculated using the GHG Protocol Corporate Accounting and Reporting Standard. Scope 1 emissions include stationary fuel combustion, vehicle emissions and fugitive emissions from refrigerants.



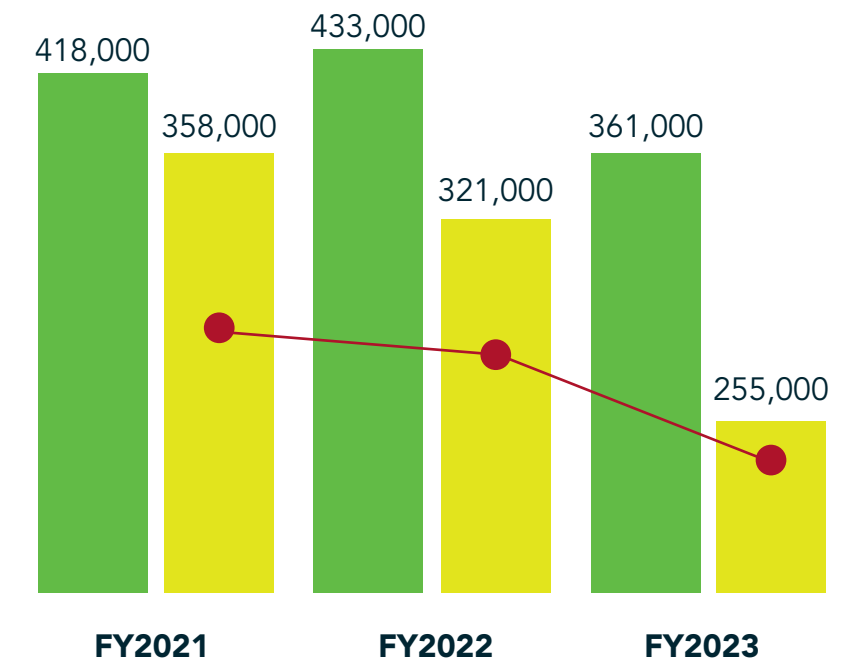


# Building efficient homes to reduce greenhouse gas emissions

The most consequential impact we can make in reducing overall GHG emissions is by building homes that are more energy-efficient. We report our Scope 3, Category 1: Purchased Goods & Services and Category 11: Use of Sold Products emissions as these two categories accounted for 99% of our Scope 3 emissions over the last three years. Our Zero Energy Ready commitment is a demonstration of our dedication to that effort. We also work with our vendors to understand the lifecycle of our inputs from raw materials, to the use of those materials, and the disposal of waste. We work with those partners to look for ways to reduce the emissions intensity of our purchased goods and services.

## Scope 3 GHG Emissions (MT CO<sub>2</sub>e)<sup>10</sup>

- Category 1: Purchased Goods & Services
- Category 11: Use of Sold Products
- Use of Sold Products per Closing



	FY2021	FY2022	FY2023
Category 1: Purchased Goods & Services	418,000	433,000	361,000
Category 11: Use of Sold Products	358,000	321,000	255,000
Use of Sold Products per Closing	4.51	4.49	4.00

<sup>10</sup>Emissions calculated using GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard. The service life of a home utilized to report Use of Sold Products emissions was 15 years. The major drivers of Use of Sold Products emissions are home HVAC systems and major appliances, both of which have an estimated service life of 15 years per the RESNET Energy Rating Standard.





# CUSTOMERS & COMMUNITY ENGAGEMENT

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## **We build for the future.**

Building for the future is about more than innovative construction techniques. At Beazer, we build homes to fit each customer's lifestyle and to stand the test of time. From single-family homes with room to grow and townhomes with an office to lower-maintenance condos and homes near must-have amenities, every home we build is designed for long-term performance, energy efficiency, durability, comfort, value and satisfaction.



# Customer Satisfaction

At Beazer, we're committed to building high-performing, energy-efficient homes that create durable value for our customers. Ensuring high customer satisfaction is a responsibility of every Beazer employee, from our CEO and Senior Leadership Team to our teams involved with construction and sales.

Starting with each team member's first day, we include customer experience training in our new hire onboarding, covering how to interact with customers and how Beazer creates value for our homeowners. On our weekly senior leadership calls, we discuss the customer experience results, share best practices as well as review new policies and initiatives.

We also set and align the expectations we have of ourselves with those of our customers—setting the foundation for a trusting relationship as we build our customers' homes, and they build their future. This includes ensuring that customers receive consistent and clear communication throughout the purchase and build process, including what is happening next, why it is done that way and how that process helps to provide them with a quality-built home.



We set high expectations for ourselves. Our expectations translate to consistent, high customer satisfaction scores that set us apart.

## Measuring how we deliver on the customer experience



To ensure we meet our customer's expectations, we conduct surveys throughout the customer journey, including the buying process and their first year of home ownership. We also partner with TrustBuilder® to conduct an independent third-party survey of our customers. These surveys help us understand our customers' experience and how we can improve.

### 2023 Ratings

**4.6** <sup>OUT OF</sup> **5 stars**  
on TrustBuilder

A top-rated national builder on TrustBuilder

**95%** Customer Recommendation Rating

**93%** Overall Customer Satisfaction



## Our Approach

Beazer's commitment to our customers starts long before we build and continues long after customers move into their new homes. We select sites that place our customers' homes near the amenities and services they'll need to maintain a high quality of life, then build each home with energy-efficient systems and quality building materials to help reduce the costs of home ownership as well as increase performance and value for years to come. Throughout each customer's journey, we collaborate and communicate to ensure the home we build together will fit their lifestyle and exceed their expectations.

## Our Products

Because homesite sizes, geographic locations and lifestyles vary, we offer a portfolio of products and options to meet our customers' needs.



**CHOICE  
PLANS®**

### FLOORPLAN FLEXIBILITY

By building flexibility into our floorplan options, we enable our customers to configure their living spaces for the way they'll live in them.



**SURPRISING  
PERFORMANCE**

### BUILT FOR WHAT'S AHEAD

By building every home with performance and efficiency in mind, we exceed customers' expectations by lowering cost of ownership, and improving indoor air quality for healthier living.



**MORTGAGE  
CHOICE**

### REAL SAVINGS

By encouraging lenders to compete and our customers to compare offers, we make it easy for our customers to shop for their best available financing, potentially leading to thousands of dollars in savings on a home loan.

## Building toward a Zero Energy future

We design every Beazer home to provide comfort, clean air and energy-efficient features. By the end of 2025, every home we start will meet or exceed all requirements of the U.S. Department of Energy's (DOE) Zero Energy Ready Home program. Our commitment to providing greater energy efficiency in our homes – often 40% to 50% more efficient than a typical new home – also reduces the cost of home ownership.

Read more about [Zero Energy Ready homes](#).

Read more about the [Beazer Difference](#).





# Product Quality

From our Beazer teammates to our partners and vendors, everyone who works on the planning and design of our homes cares about our customers and shares a commitment to meeting their needs. Our planning and design team provides flexibility, enabling each customer with options to configure a home that works best for the way they'll live in it at no extra charge. Our construction team serves our customers' needs through efficient and effective building techniques, proven by building science to create durable and efficient homes. And our purchasing team holds the customers' needs in mind when selecting high-quality materials and vendors with a reputation for quality and service.

Our quality risk assessment program helps ensure we deliver high-performing new homes to our customers by upholding rigorous construction standards. We partner with a leading third-party construction quality assurance organization that performs multiple construction process and performance audits on the construction of our homes. These auditors perform a comprehensive review of potential risks in our homes, evaluating all building elements, from overarching structural items, like foundations and framing, down to our careful execution of the details of fit and finish, including trim and paint. We learn from the insights and metrics gathered from these audits and report them to our Senior Leadership Team and the Board of Directors. By integrating these findings into the way we design and build our homes, we can assure our customers that their homes are safe and durable. That's all part of what distinguishes us from other homebuilders.

Our team and partners conduct additional inspections of our homes. Through our SSQ—Safety, Schedule and Quality—quality assurance program, 'Every Home, Every Room, Every Day,' each home and room is inspected by the Beazer team while the house is under construction. Lastly, our in-house construction leaders review and approve every home to verify that it is move-in ready. Customers are also provided with opportunities to review and inspect their homes throughout the building process.



## ENSURING QUALITY THROUGH ACCOUNTABILITY

We hold ourselves accountable for ensuring quality construction for our customers by integrating quality metrics into our incentive compensation program for our team members and executives. These include metrics from internal and third-party construction quality assessments as well as reports of customer satisfaction. This commitment to quality helps us deliver a home that is superior in its performance and provides our customers with extraordinary value.





## Customer Care

Caring for customers doesn't end when they move into their home. To help Beazer homeowners prepare for moving day and beyond, we provide information on warranty coverage and home maintenance and offer complimentary, 24/7 customer advocacy and answers through our New Home Contact Center.

### Standing behind our quality and performance

We stand behind our homes and the quality and performance they deliver. Every home we build comes with an extensive warranty that covers the performance of key items in their home, including a 10-year structural warranty. We also partner with our vendors to provide warranties on HVAC systems, appliances and other key items.

#### 2023 Ratings

**94%**  
Warranty  
Experience  
Rating

**"In any business, it is a certainty that there will be challenges, and perhaps customer dissatisfaction at some level. The difference is how a company responds and what they do to quickly rectify the issue. This is what the Customer Advocate team at Beazer brings to the table. The dedication to a spectacular customer experience and journey after buying a Beazer home."**

 *Donnie Craft, Sr. Customer Care Representative, Raleigh, North Carolina*



# Community Engagement and Philanthropy

Wherever we live and work, Beazer and our employees seek opportunities to make a positive impact on the communities we serve.

From local service activities to company-wide initiatives, our contributions to causes we care about are driven by employees, championed by management and embraced by partners who share our commitment to giving back. In 2023, the Beazer Charity Foundation and our employees and partners supported 47 charities through grant making, fundraising and volunteering efforts across the country.

## Charity Title Agency and the Beazer Charity Foundation

Wholly owned by Beazer Homes, Charity Title Agency is a title insurance agency on a mission to make a positive impact in the communities where our customers and employees live and work. Charity Title Agency donates 100% of its net profits to the Beazer Charity Foundation, our company's philanthropic arm, which supports nonprofits working in communities to build a brighter future.

**\$2.5M**  
in Net Profits  
given to charity

Learn more about [Charity Title Agency](#).



**“Our Charity Title Agency team is dedicated to providing professional and efficient title services that make a difference. We proudly donate 100% of our profits to our Charity Foundation to help make a positive impact in our local communities where we operate and across the nation.”**

 *Tiffany Ortiz, Director, Title Operations*





## Fisher House Foundation

As members of a team working to build homes for our customers, we find fulfillment in supporting the work of nonprofit organizations providing homes for those in need. The Fisher House Foundation provides a home away from home to U.S. service members, veterans and military families. Offered at no cost, these comfort homes enable families to be together as loved ones receive treatment at military and VA medical centers around the world.

Across the Fisher House’s 25-year history, the program has saved military and veterans’ families millions in out-of-pocket costs for lodging and transportation. It’s a mission that resonates with us and our employees, aligning with our passion for quality housing and commitment to supporting our veterans.

**\$1.1M** 2023 giving to the Fisher House Foundation from the Beazer Charitable Foundation, employees and partners



## Building a sense of community around a cause

At Beazer, supporting causes we care about is a team effort. Every year, we lace up our running shoes for a 10-K and half marathon where we log countless miles together—training, running and raising funds plus awareness for the Fisher House Foundation.

Since we began our employee-driven participation in the Rock ‘n’ Roll Running Series event in 2016, our participation has continued to grow. In 2023, more than 200 individuals joined the Beazer Team for festivities at the Las Vegas Rock ‘n’ Roll Marathon. Others who could not attend the event participated virtually, training and fundraising in their local communities. In 2023, our Virginia team also participated in a local running event to raise funds and awareness for Fisher House.

Some of our teams bring regional flavor to their local Fisher House fundraising events. In 2023, our Charleston, South Carolina, team hosted a chili cookoff and cornhole tournament. And in Nashville, Tennessee—the Volunteer state—our team came together to create amenity kits for individuals at Fisher House.



# Making an impact in our local markets

In each of our markets, we entrust Charitable Engagement Champions with identifying charities and supporting volunteerism in their local communities. These employees also manage the submission of grant applications to Beazer Charity Foundation for the market's philanthropic work.

## Supporting our local communities

Lending a helping hand in our communities is not only meaningful but crucial. In Dallas and Atlanta, Beazer teams support two special spaces and provide a sense of safety and belonging for local children, including some of the most vulnerable.

### Local Giving Spotlights:

#### GIGI'S PLAYHOUSE

Atlanta, Georgia

In Atlanta, one of our team's chosen charities is working to change the way the world views Down syndrome. Gigi's Playhouse provides valuable support and services to families in metro Atlanta—all free of charge. Through educational support, therapy opportunities, teen-focused groups, job training, adult transition programs and more, the local nonprofit establishes a sense of belonging for children with Down syndrome and their families.

Our employees donate funds and time to help Gigi's Playhouse ensure that no family is ever denied services due to costs.

#### JONATHAN'S PLACE

Dallas, Texas

Our Dallas team's relationship with Jonathan's Place enables the organization to provide safe, loving homes for children who have experienced neglect and abuse. In Texas, on average more than four children die from abuse and neglect each week. The local nonprofit provides emergency shelter for children ages newborn to 18 and cares for them until they're placed with a family member or foster home or adopted. The Beazer team volunteers at events and donates gifts and school clothing to help meet the children's needs.

For their dedicated support of their chosen charity, the Dallas team received the Jonathan's Place 2023 Volunteer Service Award.







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## OUR TEAM

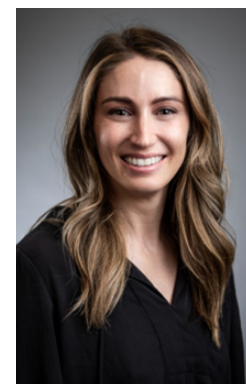
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### **We focus on our people.**

If the Beazer family is the foundation of our company, our employees are the cornerstones. We cultivate an environment where our employees can be proud to come to work every day, so that they can build rewarding careers that reflect their individual talents and aspirations for the future. We continually work to improve the way we promote life-work balance. We provide opportunities for autonomy and the flexibility to make valuable contributions regardless of physical location.



Our recognition as a **Top Work Place** in 2022 and 2023 was based on survey responses of those who know best what Beazer has to offer: **our employees.**



## Grit Award

The Beazer Grit Award is an annual recognition of an employee who repeatedly and successfully exemplifies grit, a key attitude and aspiration of our company. Our 2023 Grit Award recipient Kay Larsen, Senior Marketing Manager, Atlanta, rises to every occasion. Kay is tenacious and collaborative, ensuring successful marketing strategies that power growth in the Atlanta division. In 2023, she also led companywide initiatives, such as our implementation strategy for UTour, the technology behind our self-guided model home tours.



# Our Approach

As we compete to attract and retain skilled talent, candidates are increasingly looking for more than competitive salary and benefits. They want a diverse, inclusive culture where they feel safe, respected and valued. We have learned that when we do what's best for our employees, we most often find it's best for our business, too. Beazer goes beyond providing fair, equitable and competitive pay to deliver a comprehensive, customizable benefits package that supports employees' physical, emotional and financial well-being. We invest in opportunities for every Beazer employee to learn, grow and contribute at their highest potential. And we never stop improving, continuously evaluating how we approach development opportunities, engagement initiatives, benefits and life-work balance.

# Our Culture

At Beazer, our key principles—*safety, integrity, respect and inclusion*—unite us in our purpose and inform every decision and action we make across our organization. As a team, we are dedicated to our purpose of creating durable and growing value for our all of our stakeholders. As individuals, our employees demonstrate an extraordinary commitment to helping each other do better, be better and better serve our customers and our communities. And as a company, we are committed to prioritizing the well-being, job satisfaction and personal growth of every member of our team.

To help our employees feel valued and supported throughout their Beazer journey, we provide competitive compensation models, personalized benefits programs, flexible life-work opportunities and ongoing training and development. By fostering a people-first culture, Beazer continues to attract and retain outstanding talent with the skills to deliver durable and growing value for our customers.



## CULTIVATING A CULTURE OF BELONGING

Providing our team members with a safe space ensures that everyone is comfortable and free to be themselves. Through our You Belong series, team members are encouraged to authentically express themselves, and to share their perspectives and experiences with one another.

**“Creating a sense of belonging is one of the most important things we do. When employees feel like they’re in an environment built on trust and respect, they show up to work with enthusiasm and purpose. Fostering this environment comes from a consistent effort to do the next right thing and routinely challenging ourselves to be open to new ideas. That’s how we build a virtuous cycle of belonging and compassion—and that’s what I found at Beazer.”**

 *Erica Champion, Chief Investment Officer*



## Building a Career at Beazer

Our recruitment strategy focuses on hiring individuals from a range of backgrounds, with a range of experience and diverse skills we need to deliver on our commitment to our customers—both now and for the long run. Our approach is skills first; hiring managers are coached to look beyond job titles and assess candidates by their skillsets and fit for the role.

We look to hire people who are passionate, dedicated, perseverant and eager to learn. Then, we invest in their personal and professional development so that they can lead with curiosity, find opportunities to learn new things and build a career with us. By widening our recruiting net to a broader pool of qualified candidates, we're better able to find talented individuals from diverse backgrounds and support them with Beazer's wide-ranging opportunities to acquire new skills, build expertise and unleash their full potential.

## Employee Engagement

Transparency and collaboration are critical to providing our customers with the durable, sustainable homes of their dreams. We also understand that our growth as a company depends on our commitment to seeking and acting on consistent and transparent feedback from our employees. And just as we expect our team members to be open and transparent with our customers, we hold ourselves accountable for creating an environment in which our employees feel comfortable sharing their insights, concerns and expectations.

At Beazer, we maintain regular communication with employees through a number of formal and informal feedback channels. We hold monthly town hall meetings across the company to review company performance, discuss initiatives, recognize associates, detail upcoming goals and discuss any other relevant matters. We also conduct regular engagement surveys to better understand and respond to the needs of our teams. Conducted through a third party, the surveys enable our team members to play an active role in their workplace and help shape meaningful, lasting policy changes. Our CEO and Senior Leadership Team read every comment submitted through the survey and readily act on appropriate suggestions for improvement. To ensure employees know their voices are heard and valued, our CEO presents survey themes at a company-wide event, laying out the company's plans to act on the feedback.

Our high participation rate speaks to employees' confidence in our commitment to acting on their feedback. In 2023, 96% of our employees participated in the engagement survey. Our engagement for this year ranks in the top tier for companies across all industries.

## 2023 Employee Engagement Survey Results

**96%**  
employee participation

**92%**  
of employees would recommend working at Beazer Homes

**"We're committed to building an inclusive environment and a culture where everyone thrives. This starts with a shared understanding of our business objectives and then working together to shape a culture where everyone has a sense of belonging. Between a continuous dialogue with our teams and our annual survey, our teams inform us what matters most to them. The result is an organization where intellectual curiosity is encouraged and our teams feel valued, and we can retain and attract talent that is representative of the communities where we build."**

 *Laura Frazzetta, Chief Human Resources Officer*



# Employee Health and Safety

To protect the health, safety and well-being of our employees, every aspect of our work at every level of our organization is driven by a shared pursuit of zero safety incidents and a 100% reporting rate.

We believe that even the smallest incident should be reported so our team can put the necessary procedures in place to reduce the chances of recurring mistakes and ensure employees and trades involved feel supported. Our companywide, written safety policy outlines procedures to ensure that all incidents are reported properly and promptly and that mistakes are not repeated. Incident reporting goes through our Vice President of Field Operations to our CEO and the Board. Our full Board of Directors receives quarterly updates on our safety initiatives. The Audit Committee of the Board meets regularly to approve initiatives and address any significant incidents that may have occurred.

Our culture of safety is supported by a series of training programs, policies and initiatives. Our safety program outlines the company's health and safety policy and procedures, guidance on how to employ safe practices, and how to prevent injury and illness. Employees also have access to our Safety First intranet site for additional opportunities to learn about our safety practices and receive safety training. All Beazer job sites have at least one employee who is trained and certified in first aid, including CPR.

Safety is integral across all levels of Beazer, from our employees on site every day to the associates in our corporate offices. Each and every one of our field, sales, operations and finance associates are field safety certified to ensure a culture of safety is instilled throughout Beazer.

New in 2023, a number of employees completed the Workplace Violence Instructor Certification-Awareness Training through the Center for Personal Protection and Safety. As part of the certification program, these employees will train others on how to effectively identify, prevent and mitigate workplace violence through appropriate channels of communication.



**“Ensuring the safety of our colleagues, partners and trades is our highest moral obligation. Nothing is more important than making sure that everyone goes home safely to their families every day.”**

 *Allan P. Merrill, Chairman and Chief Executive Officer*



## On Site Safety

Our on-site safety process helps ensure our team members are aligned on the steps necessary to maintain a safe workplace. Every week, construction managers across our operations inspect their operating site (i.e., home construction site) and document their findings. A third party conducts more thorough monthly safety assessments for every division to identify and assess 40 to 50 criteria. Once documented, assessment results are shared with management and reviewed internally.

Team members working at all Beazer job sites are also required to carry a card that lists the three words guiding our operations: Safety, Schedule and Quality (SSQ). The SSQ Safety Card also outlines rules and tips for maintaining a healthy and safe job site and staying on track for our customers.

## National Safety Award

To affirm our commitment to providing safe workplaces for our employees, we honor one Beazer employee with our annual National Safety Award in recognition of their exceptional efforts to maintain a safe and healthy job site for their team.



**“Beazer’s culture of safety is evident in the training every employee receives, the standards we must uphold and the resources we have available to both promote safety onsite and provide safe worksites for our teams. Employees enjoy coming to work when jobsites are safe, so Beazer’s culture of safety goes a long way to help provide job satisfaction. And engaged employees put safety first.”**

- Jill Johnson, Area Construction Manager, Southern California, *winner of our 2023 National Safety Award*

Safety Data	FY2021	FY2022	FY2023
Total recordable incident rate (TRIR) for direct employees	0.47	0.29	0.36
TRIR for contract employees	0	0	0
Total recordable fatality rate (TRFR) for direct employees	0	0	0
TRFR for contract employees	0	0	0

We are guided by our construction motto of “every home, every room, every day,”—our practice of inspecting every room in each home every day—we are not satisfied until our customers can be certain that every aspect of the home is built in a safe and healthy manner.



# Investing in Our People

Our goal is to provide meaningful training opportunities for all learning styles and disciplines and all Beazer employees—wherever they are in their career journey.

We continually evaluate and improve our training programs to keep employees engaged and maximize their learning opportunities. For example, in 2023, we reduced the amount of time new team members spend on Beazer University course content and shifted more focus to hands on, in-person training. In-person trainings such as Foundations and Essentials are attended by new employees and include an opportunity for time with our CEO.

## Housewarming

Each employee is welcomed in Virtual Housewarming with senior leaders where they are provided an overview of Beazer’s core values and beliefs to help foster an understanding of our culture.

## Foundations Training

Foundations training provides an overview of Beazer’s operations, customer-centric culture and differentiators. It includes an extensive focus on the safety measures taken in our home-building process and provides team members with insight into the value and durability of our homes so that they can effectively communicate these qualities to our customers. This training is required for all sales and marketing associates.

## Essentials Training

Essentials training emphasizes an understanding of our core values and cultural commitments. Team members are trained in innovative construction techniques, including weatherization and water intrusion management. Safety and sustainability are emphasized throughout this training to ensure the protection of our team members and value of our homes. Leaders throughout the company help facilitate Essentials training so that expectations are consistent across divisions. Our Essentials training is required for our construction and operations associates. As part of our Essentials training, our purchasing associates undergo extended instruction to focus on effective contracting and procurement practices.

## Performance and Development Plans

We expanded our investment in the development and retention of employees with the creation of new development programs set to launch in 2024. Informed by learnings from our most recent employee engagement survey, the expanded programs build on our existing personalized development plan and quarterly performance feedback model with additional offerings to encourage skill mastery, leadership and cross-functionality.

## Leadership and Executive Development Programs

The Leadership Development program helps manager-level employees access experiences and skills to succeed in their careers at Beazer. The Executive Development program provides enhanced readiness training for individuals with high potential or have been named successor to a leadership role at Beazer. This training includes mentorship and coaching, special projects and assignments.

## Training Hours

	FY2021	FY2022	FY2023
Safety	2,532	2,099	2,364
Ethics	3,480	3,931	3,744
Cybersecurity	1,828	1,253	1,298
Inclusion and Diversity	1,383	1,106	762
In-person Training	N/A <sup>9</sup>	3,773	6,579
Other Beazer University Training	6,514	3,970	9,544
<b>Total Training Hours</b>	<b>15,737</b>	<b>16,132</b>	<b>24,291</b>
<b>Average Hours of Training by Employee</b>	<b>15</b>	<b>14</b>	<b>21</b>

<sup>9</sup>Due to COVID-19



# Inclusion, Diversity and Belonging

We believe that by fostering a culture of inclusion, diversity and belonging, we are better positioned to serve our team members, customers, partners and greater community. In 2023, we developed a new vision for Inclusion, Diversity and Belonging (ID&B) to cultivate a workforce that embraces fresh perspectives, provides individuals with equitable opportunities and enables every employee to feel valued and respected. We continually work to reflect our ID&B themes of compassionate advocacy, engagement and authenticity throughout our operations, including recruitment, retention, employee development and engagement, training and promotions.

**Our ID&B Vision: We're committed to building an inclusive culture in which everyone feels welcome, respected, safe and valued. By embracing diversity in all its forms, we will better serve our employees, customers, partners and connect with our communities. Each of us has an opportunity and responsibility to create an environment where we all know we belong.**

Our culture of inclusion begins with a recruitment and hiring process designed to be efficient, easy, fair and free from bias and extends across our engagement and development programs. We work with a third party to help ensure our job listings are free of unconscious biases and promoted on internal and external job boards that capture a diverse audience. We understand the demographics of the markets we operate in, and seek to attract diverse candidates that reflect those demographics. Through partnerships with national associations, we host recruitment events aligned with our commitment to attracting diverse candidates and our skills-first approach to hiring. And to ensure fair treatment of job candidates during the interview process, our hiring managers receive training on unconscious bias.

Our Board of Directors and Senior Leadership Team oversee our ID&B initiatives. We've also established a dedicated role focused solely on building an inclusive and equitable workplace and creating accountability for our ID&B commitment. The Enterprise Manager of Inclusion, Diversity and Belonging works with all divisions to cultivate an inclusive culture through the holistic employee experience, attract talent reflective of the markets we serve and create awareness across the organization.

## Pay Equity

We recognize the importance of pay equity within the broader framework of inclusivity and workplace fairness. To ensure that all Beazer employees are compensated fairly, equitably and without bias, we conduct annual third-party pay parity audits to help us determine what disparities in pay may exist across gender and race. If our audit results identify any outliers, we examine the circumstances and take corrective action as warranted. In FY23, we did not identify any gaps across our payment practices.

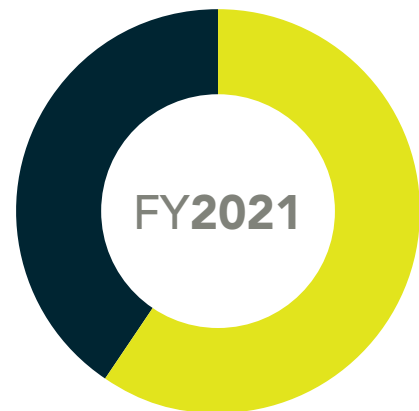


In our most recent engagement survey, **89%** of employees responded favorably to our ID&B efforts.

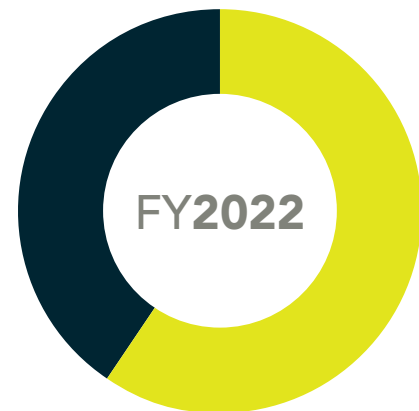




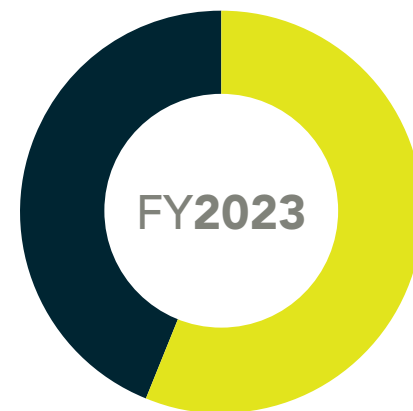
# Diversity Demographics<sup>11</sup>



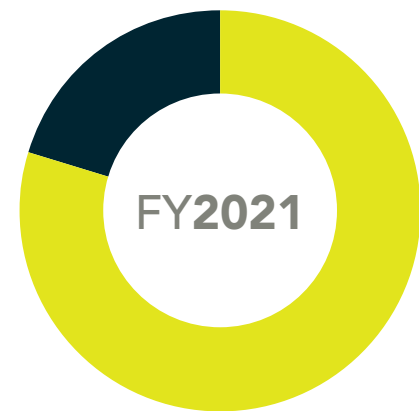
Female 40.3% | Male 59.7%



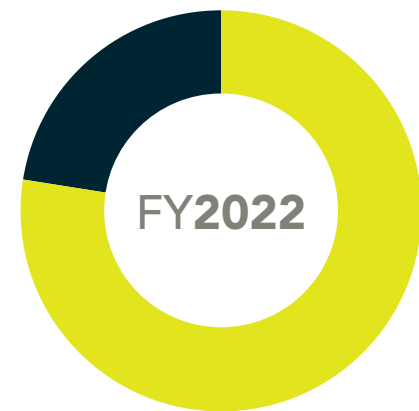
Female 40.7% | Male 59.3%



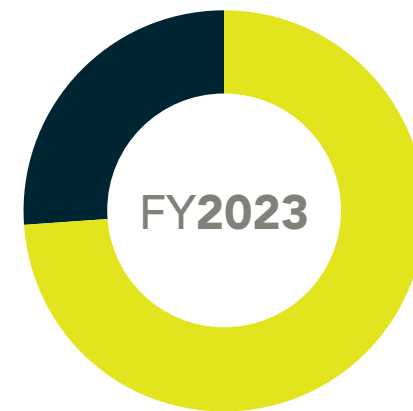
Female 43.7% | Male 56.3%



Racially/Ethnically Diverse 20.2% | White (Non-Hispanic) 79.8%



Racially/Ethnically Diverse 22.3% | White (Non-Hispanic) 77.7%



Racially/Ethnically Diverse 26.0% | White (Non-Hispanic) 74.0%

## Female Employees

	FY2021	FY2022	FY2023
Managers	31.7%	31.5%	33.0%
Professionals	26.1%	27.9%	32.1%
Administrative Support Workers	86.2%	86.3%	84.7%
Sales Workers	54.7%	57.2%	59.4%

## Racially/Ethnically Diverse Employees

	FY2021	FY2022	FY2023
Managers	12.0%	14.8%	16.6%
Professionals	24.7%	26.7%	29.6%
Administrative Support Workers	28.5%	30.5%	30.6%
Sales Workers	21.2%	24.6%	34.8%

<sup>11</sup>All metrics are as of fiscal year end (Sept. 30).





## GOVERNANCE

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### **We build on a solid foundation.**

Corporate governance is like the foundation of a home. It may not be visible, but its integrity is critical to the durability and value of the structure it supports. To ensure our stakeholders can trust the integrity of our oversight process even when they can't observe it, our strong governance framework is anchored by our rigorous Code of Ethics and Business Conduct. Our commitment to transparency provides more windows into the boardroom to ensure that our decision-making process is fair, accountable and in the best interest of our shareholders, employees and the public at large.



# Our Approach

Trust is an asset as valuable as any that can be found on our balance sheet and our most important value driver. We are committed to creating durable and growing value for our customers, employees, partners and shareholders. We do this by delivering extraordinary value at an affordable price for our customers, creating a work environment where our teammates can thrive, building relationships on transparency, innovation and sustainability with our partners and balancing our growth and risk management efforts for our shareholders.

# Sustainability Structure and Oversight

Beazer’s strategy is developed and executed by cross-departmental leadership, overseen by our Board of Directors and anchored in our commitment to building energy-efficient homes and supporting our employees and communities.

The Board of Directors revised its approach to oversight in November 2023, allocating to its committees the appropriate oversight responsibility for selected ESG matters that align with their respective roles and responsibilities. This revised approach was guided by feedback and the evolving needs of our business, including a desire to allow the Board to focus on overall sustainability risks and opportunities in the context of Beazer’s longer-term business strategy.

The full Board oversees and engages with Senior Leadership concerning sustainability oversight, including our strategy, risks and opportunities, objectives and commitment progress. Each of the Board’s committees reports to the Board on the ESG matters it oversees, as detailed here and in the committee charters.

## AUDIT COMMITTEE

Quality, reliability and integrity of ESG reporting.

Data privacy and cybersecurity risk exposure.

Review of supply chain corporate responsibility.

## FINANCE AND DEVELOPMENT COMMITTEE

Strategy and objectives with respect to land development, including as it relates to the environmental impact of land development efforts and community and product sustainability matters.

## HUMAN CAPITAL COMMITTEE

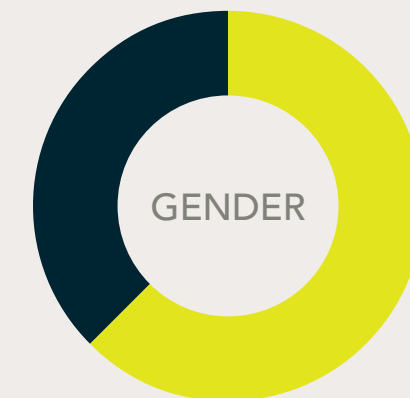
Management of human capital matters, including diversity, inclusion and belonging, culture and employee engagement, growth and development and pay equity.

## GOVERNANCE COMMITTEE

Overall approach to corporate responsibility, public policy and political activities.

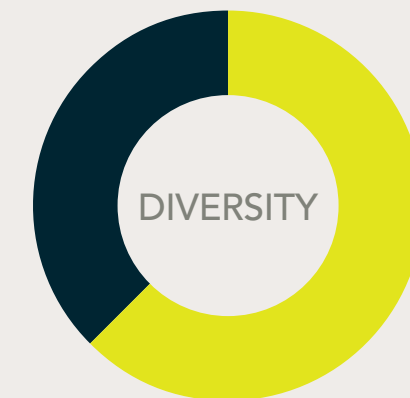
## Board Composition

As of February 8, 2024



Percent Female  
37.5%

Percent Male  
62.5%



Racially/Ethnically Diverse  
37.5%

White (Non-Hispanic)  
62.5%

## 2023 Board Tenure

4

>7 Years

1

4-7 Years

3

<4 Years

**6** OUT OF **8** directors have ESG expertise

For more information see the Corporate Governance Overview section of our most recent [Proxy Statement](#).



## Business Ethics

Our [Code of Business Conduct and Ethics](#) establishes clear standards for the ethics, business practices and behaviors expected of everyone who works for or represents Beazer. Built on the foundation of our Core Principles—Safety, Integrity, Respect and Fun—our Code provides a blueprint for the way we operate, make decisions and engage with our customers, communities, shareholders and each other.

By promoting honesty, transparency and fairness across our operations, our Code fosters an ethical, values-based culture in which everyone feels empowered to speak up, share their perspectives, ask challenging questions and raise concerns without fear of retaliation. Procedures for reporting complaints are outlined in our Code and are communicated to employees at onboarding. Employees must also complete our annual code of conduct and ethics training and certify that they have reviewed and understand the Code and all relevant policies.

To promote accountability, we encourage team members, customers and other stakeholders to voice concerns about possible misconduct. Our Ethics Hotline is available to all employees, customers and members of the public for anonymous reporting 24/7. Beazer’s Compliance Officer reviews and investigates all complaints.

The Audit Committee of the Board has oversight of our ethics program and receives quarterly updates that include information on complaints received. To ensure adherence to the Code, internal auditors conduct an annual audit of our Code and our operations.

## Human Rights

We believe that all human beings deserve to be treated with dignity, fairness and respect, and we continually work to support the health, safety and well-being of our employees, partners, customers and communities through our Human Rights Policy. Guided by the UN Universal Declaration of Human Rights, we require all Beazer employees to adhere to the policy and expect our partners to do the same.

## Supplier Code of Conduct

As an extension of our operations, our suppliers are vital to our ability to deliver extraordinary value to our customers. Our [Supplier Code of Conduct](#) sets the expectations that we have for our partners, including labor and human rights, environmental protection and ethical business practices. We strive to ensure the partners we work with are aligned with our policies and practices.

## Information Security and Privacy

We are committed to protecting the data we are entrusted with and our critical information assets. Our information security program is aligned with the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF 2.0). We’ve established multiple layers of security, commonly known as a “Defense in Depth” approach and align our capabilities with the six functions of the NIST CSF: Govern, Identify, Protect, Detect, Respond and Recover.

Among other efforts, we monitor our environment and user activity and escalate critical events. We also use automation to ensure that events are processed quickly and efficiently. We conduct annual third-party assessments and network penetration tests to ensure our program remains effective against evolving threats and aligns with our business’s growth. The third-party assessment includes an evaluation of our capabilities based on the NIST Cybersecurity Framework.

Our Chief Information Officer and Chief Information Security Officer manage our information security program. The Audit Committee and full Board receive a quarterly information security dashboard covering some of the most active and relevant threats to Beazer as well as trends and updates on our program, including the results of our independent, third-party cybersecurity assessment. We also conduct an annual tabletop exercise involving simulated cybersecurity incidents with key company stakeholders and Senior Leadership.

### Data Privacy

Our privacy policy outlines our data practices regarding the personal information we obtain from our customers as well as job applicants and employees. We comply with the California Consumer Privacy Act, as amended by the California Privacy Rights Act, in addition to any other applicable privacy laws. We contractually require vendors that receive personal information from us, or process it on our behalf, to protect such data and comply with applicable law.

### Training

Beazer employees participate in mandatory annual privacy and data security training, which includes recurring phishing awareness campaigns designed to assess our team members’ recognition of and responses to phishing requests. We also publish monthly cybersecurity awareness articles covering various relevant topics.





# INDEX

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# About this Report

This Sustainability Report covers our environmental, social and governance (ESG) strategies, activities, progress, metrics, and performance for our operations for our 2023 fiscal year, from October 1, 2022, through September 30, 2023, unless otherwise noted. Information included in this report is aligned with the Sustainability Accounting Standards Board (SASB) Home Builders standards and the United Nations' Sustainable Development Goals. This report covers disclosures for Beazer Homes USA, Inc., and its subsidiaries.

## More Information

[California Privacy Policy](#)

[Code of Business Conduct and Ethics](#)

[Corporate Governance and Committee Charters](#)

[Environmental Policy](#)

[Human Rights Policy](#)

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[Supplier Code of Conduct](#)





# SASB Index

## Activity Metrics

METRIC	FY2021	FY2022	FY2023
Revenue (billion)	\$2.14	\$2.32	\$2.21
Net Income (million)	\$122.0	\$220.7	\$158.6
Adjusted EBITDA (million)	\$262.7	\$370.1	\$272.0
Employees	1,052	1,129	1,067
Number of controlled lots SASB: IF-HB-000.A	21,987	25,170	26,189
Number of homes closed* SASB: IF-HB-000.B	5,287	4,756	4,246
Number of active selling communities (average) SASB: IF-HB-000.C	127	120	125
Average Selling Price (thousand)	\$402	\$484	\$518
Dollar Value of Backlog (million)	\$1,284.0	\$1,144.9	\$886.4

\*Metric revised to use the term closed instead of delivered to reflect Beazer terminology.



SASB TOPIC	SASB CODE	ACCOUNTING METRIC	FY2021	FY2022	FY2023
Land Use & Ecological Impacts	IF-HB-160a.1	Number of lots located on redevelopment sites	859	515	493
	IF-HB-160a.1	Number of homes delivered on redevelopment sites	83	134	134
	IF-HB-160a.2	Number of controlled lots in regions with High or Extremely High Baseline Water Stress	Not Calculated	2,159	1,806
	IF-HB-160a.2	Number of homes delivered in regions with High or Extremely High Baseline Water Stress	Not Calculated	517	475
	IF-HB-160a.3	Total amount of monetary losses as a result of legal proceedings associated with environmental regulations	0	0	0
	IF-HB-160a.4	Discussion of process to integrate environmental considerations into site selection, site design, and site development construction	See <a href="#">Purposeful Land Development</a>		
Workforce Health & Safety	IF-HB-320a.1	Total recordable incident rate (TRIR) for direct employees	0.47	0.29	0.36
	IF-HB-320a.1	Total recordable incident rate (TRIR) for contract employees	0	0	0
	IF-HB-320a.1	Total recordable fatality rate for direct employees	0	0	0
	IF-HB-320a.1	Total recordable fatality rate for contract employees	0	0	0



SASB TOPIC	SASB CODE	ACCOUNTING METRIC	FY2021	FY2022	FY2023
Design for Resource Efficiency	IF-HB-410a.1	Number of homes that obtained a certified HERS Index Score	5,287	4,756	4,246
	IF-HB-410a.1	Average HERS Index Score (Gross) <sup>12</sup>	56	54	49
	IF-HB-410a.2	Percentage of installed water fixtures certified to WaterSense specifications	100%	100%	100%
	IF-HB-410a.3	Number of homes delivered certified to a third-party multi-attribute green building standard	5,287	4,756	4,246
	IF-HB-410a.4	Descriptions of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers			See <a href="#">Efficient Building Practices</a>
Community Impacts of New Developments	IF-HB-410b.1	Description of how proximity and access to infrastructure, services, and economic centers affect site selection and development decisions			See <a href="#">Purposeful Land Development</a>
	IF-HB-410b.2	Number of homes delivered on infill sites	1,741	903	735
	IF-HB-410b.2	Number of lots located on infill sites	6,679	951	921
	IF-HB-410b.3	Number of homes delivered in compact developments	878	1,487	1,506
	IF-HB-410b.3	Average density of compact developments (dwelling units/acre)	n/a	15.5	16.9

<sup>12</sup>Beazer reports this metric using the "Gross Average HERS Index Score" and not the "Net Average HERS Index Score." The Gross Index Score does not include the benefits of renewable energy.



SASB TOPIC	SASB CODE	ACCOUNTING METRIC	FY2021	FY2022	FY2023
Climate Change Adaptation	IF-HB-420a.1	Number of lots located in 100-year flood zones	0	0	0
	IF-HB-420a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	<p>As a national homebuilder, we operate in diverse regions exposed to various climate-related risks. We have developed tailored site selection criteria and conduct comprehensive risk assessments to ensure that our construction and development processes address these risks.</p> <p>When selecting new development sites, our policy is to build homes on land parcels situated above the 100-year flood plain. To the extent that any acquired land parcels include areas considered to be higher risk for flooding, we work to remove the flood risk by improving land areas in a durable way and request that the Federal Emergency Management Agency (FEMA) recognize the improvement by issuing a Letter of Map Revision.</p>		



# United Nations' Sustainable Development Goals

The Sustainable Development Goals (SDGs) are a set of goals, targets, and indicators developed by the United Nations to guide countries, communities, and organizations in their work to create a sustainable world by 2030. While we recognize that making progress on all SDGs is vital to creating a sustainable economy, in our most recent review we have identified the SDGs below as directly relevant to, and aligned with, our current activities and objectives.

GOAL	GOAL DESCRIPTION	REPORT SECTIONS
	<p>Good Health and Well-Being</p> <p>Ensure healthy lives and promote well-being for all at all ages</p>	<p>Investing In Our People</p>
	<p>Clean Water and Sanitation</p> <p>Ensure availability and sustainable management of water and sanitation for all</p>	<p>Purposeful Land Development</p>
	<p>Affordable and Clean Energy</p> <p>Ensure access to affordable, reliable, sustainable and modern energy for all</p>	<p>Our Zero Energy Ready Commitment, Sustainable Home Features, Greenhouse Gas Emissions</p>
	<p>Decent Work and Economic Growth</p> <p>Promote sustained inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p>Our People-First Culture, Building a Career at Beazer, Investing in Our People, Inclusion, Diversity and Belonging</p>
	<p>Industry, Innovation and Infrastructure</p> <p>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p>	<p>Our Products, Product Quality, Sustainable Home Features</p>
	<p>Sustainable Cities and Communities</p> <p>Make cities and human settlements inclusive, safe, resilient and sustainable</p>	<p>Developments that Build Community, Purposeful Land Development</p>
	<p>Responsible Consumption and Production</p> <p>Ensure sustainable consumption production patterns</p>	<p>Our Products, Product Quality, Efficient Building Practices, Purposeful Land Development</p>
	<p>Climate Action</p> <p>Take urgent action to combat climate change and its impacts</p>	<p>Greenhouse Gas Emissions</p>



# Reconciliation of Net Income to Adjusted EBITDA

Reconciliation of Adjusted EBITDA to total company net income (loss), the most directly comparable GAAP measure, is provided for each period discussed below. Management believes that Adjusted EBITDA assists investors in understanding and comparing the operating characteristics of homebuilding activities by eliminating many of the differences in companies' respective capitalization, tax position and level of impairments. These EBITDA measures should not be considered alternatives to net income (loss) determined in accordance with GAAP as an indicator of operating performance. The following table reconciles our net income (loss) to Adjusted EBITDA for the periods presented:

Fiscal Year Ended September 30

IN THOUSANDS	FY2021	FY2022	FY2023
Net income	\$122,021	\$220,704	\$158,611
Expense from income taxes	21,501	53,267	23,936
Interest amortized to home construction and land sales expenses and capitalized interest impaired	87,290	72,058	68,489
Interest expense not qualified for capitalization	2,781	-	-
EBIT	233,593	346,029	251,036
Depreciation and amortization	13,976	13,360	12,198
EBITDA	247,569	359,389	263,234
Stock-based compensation expense	12,167	8,478	7,275
Loss (gain) on extinguishment of debt	2,025	(309)	546
Inventory impairments and abandonments	853	2,524	641
Litigation settlement in discontinued operations	120	-	-
Restructuring and severance expenses	(10)	-	335
Adjusted EBITDA	\$262,724	\$370,082	\$272,031



# Disclaimer and Forward-Looking Statements

All estimates and claims related to energy savings or performance are derived from third-party suppliers, rating services, consultants and/or our own assumptions, based on the Environmental Protection Agency's methodology/information and average energy use and scores. The information covered by this Summary contains forward-looking statements within the meaning of the United States federal securities laws, including statements regarding our goals, aspirations, strategies or our future initiatives or actions and their expected results. These statements are based on current expectations, beliefs, intentions and projections about future events and are not guarantees of future performance. Actual events and results may differ materially from those expressed or forecasted in forward-looking or aspirational statements due to a number of factors which are identified in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the Securities and Exchange Commission. Those reports are available on our website and on the Securities and Exchange Commission's website ([www.sec.gov](http://www.sec.gov)). Except as required by law, we assume no obligation to update any forward-looking statements or information, which speak as of their respective dates.

The HERS® Index is a registered trademark of RESNET. Indoor airPLUS is the U.S. Environmental Protection Agency program for new homes that builds on the ENERGY STAR® program to recognize indoor air quality features in a new home. ENERGY STAR® and the ENERGY STAR mark are registered trademarks owned by the U.S. Environmental Protection Agency. DOE Zero Energy Ready Home™ and the DOE Zero Energy Ready Home mark are registered trademarks owned by the U.S. Department of Energy.







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