


PULTEGROUP

2023

SUSTAINABILITY
REPORT




A MESSAGE FROM OUR PRESIDENT AND CEO

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“Beyond making things better within our own house, we are working to make an even bigger impact in our communities and the world at large.”



I recall my high school science teacher talking about critical mass being that instant when an action, a nuclear chain reaction in this case, becomes self-sustaining. Thought of another way, it is that remarkable moment when singular actions collectively gain enough momentum to become an independent and powerful force unto itself.

Within PulteGroup, I believe that our sustainability efforts are reaching just such a point. A point where sustainability is no longer about steering committees, special projects, and new initiatives, but rather the commitment is self-sustaining and simply becomes “this is how we operate” throughout our organization. And perhaps most importantly, these efforts are viewed through a lens of creating shareholder value. I believe this type of transition is critical to deriving the long-term people and business benefits such sustainability efforts are meant to support.

For example, back in 2018 we purposefully modified our search criteria to help ensure we achieve and maintain greater diversity among our Board of Directors. Now this is just how we operate, such that with the recent addition of Kristen Actis-Grande, the CFO of MSC Industrial Direct, our Board diversity has increased to almost 50%. Less visible, but also demonstrating a capacity to be self-sustaining, our Business Resource Groups have grown to four in total, as employees established and are leading programs to support each other.

Beyond making things better within our own house, we are working to make an even bigger impact in our communities and the world at large. Our homebuilding operations are well down the path of improving the energy efficiency of the homes we build. This effort has demanded that we take a holistic approach in assessing everything from how our homes are designed and engineered to the building products we use and the construction practices we employ. We have sought innovative new technologies to achieve our goal of having all the homes we start in 2025 and beyond be capable of ENERGY STAR® 3.1 certification. According to ENERGY STAR, homes certified to meet program performance standards are at least 10% more energy efficient than homes built to code and achieve a 20% improvement on average. This win-win is benefiting our consumers and the environment.

We will have invested a lot of time, money and effort in creating a portfolio of more energy efficient, high-performing homes. These new plans will then be deployed within our divisions and become PulteGroup’s standard offering for all our homebuyers. It will simply be how we do business going forward.

Along with making our homes more energy efficient, we are also working to make them more accessible to individuals who may need a little help achieving the dream of home ownership. After three years and countless hours navigating our Hope to Homes program through a gauntlet of regulatory challenges, we look forward to a robust relaunch of the program in 2024.

While it has taken longer to lay the groundwork, the fundamental goal of our Hope to Home program remains the same, which is to provide assistance to lower-income, first-time homebuyers who might not otherwise have access to buying a new home. With the support of key government agencies now in place, we are optimistic that Hope to Home is reaching its own state of critical mass. Being able to improve the opportunity for homeownership among more Americans can make a positive and very powerful impact on society.

Across the following pages, we provide updates on our efforts toward building a sustainable business that serves our employees and our homebuyers, along with the local, national and global environments in which we operate. Homebuilding is incredibly local in nature, but global in terms of impact so I am proud of the success PulteGroup continues to realize across its platform.

Sincerely,

RYAN MARSHALL | President and CEO



Building a Great Company



It began like so many American dreams, with a mix of ambition, hard work and a willingness to try something new. When 18-year-old William “Bill” Pulte, with the help of some high school friends, decided to build a five room bungalow near Detroit, it was more than just a unique teenage hobby. It was the start of something remarkable.

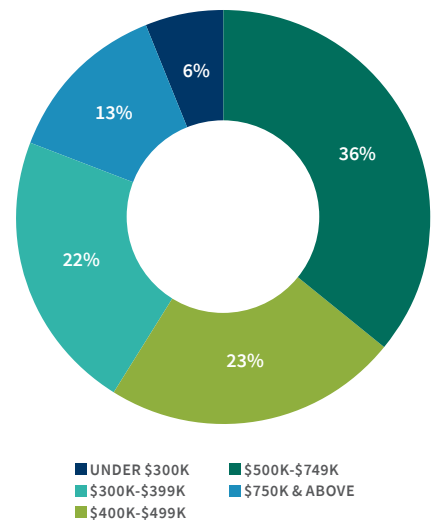
A few years later, he launched his first subdivision.

From those modest roots, PulteGroup has grown to include operations in 26 states and 46 major markets across the country. But we never outgrew the entrepreneurial spirit that went into that first home.

Through the most trusted brands in homebuilding -- Centex, Pulte Homes, Del Webb, DiVosta Homes, American West and John Wieland Homes and Neighborhoods -- PulteGroup serves homebuyers through every step of their lives. Whether they are buying their first home, moving up to new spaces and amenities, or an active adult seeking a community designed to meet their evolving needs, they'll find a Pulte home designed to meet their needs.

Our promise to homebuyers has always been to deliver high-quality construction and customer satisfaction throughout the entire home buying and home ownership experience. To help our customers confidently navigate the complex process of buying a new home and to ensure a seamless experience, Pulte Financial Services is available to provide mortgage, title and insurance services to our homebuyers. In 2023, 82% of customers, up from 78% the prior year, who required financing obtained their mortgage through Pulte Mortgage. The 400-basis point increase in our mortgage capture rate, in part reflects the innovative mortgage-related incentive programs we can make available exclusively to our homebuyers. Our ability to provide a lower interest rate for the full 30-year life of the mortgage has been a critical bridge to homeownership for many of our customers.

2023 CLOSINGS BY PRICE POINT

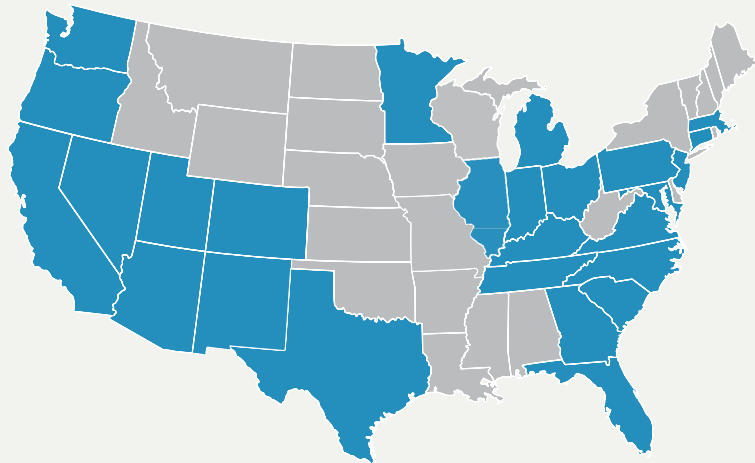


STATES OF OPERATION

Over its 73 years of operation, the Company has delivered approximately

825,000

homes throughout the United States.



When you build homes for a living, the most important thing to build first is trust – with the customers we serve, the communities we enhance and the broader world around us. Being a good corporate citizen is the first step in building and maintaining that trust.

In this report, you will learn more about our strategic and intentional efforts to weave responsible environmental, social and governance practices throughout our business.

While good corporate citizenship and successful business operations might seem like a balancing act, we believe strongly that they complement one another. Practices that are consistent with being a good corporate citizen can also improve our operating and financial performance. They make us a better company, improving our ability to deliver even greater value to customers and shareholders.

• **Being mindful of our impact on the environment is the right thing to do ...**
and helps us surface more efficient and thoughtful approaches to our land development and construction practices.

• **Creating a welcoming and respectful work culture is the right thing to do ...**
and it helps us retain high-performing employees who grow in their roles, take on additional responsibilities and continue to build a great career with us.

• **Upholding ethics in corporate governance is the right thing to do ...**
and helps us to better manage enterprise risk and cultivate trust.

Transparency is the cornerstone of that trust. And what gets measured gets accomplished. In this report, our goal is to show our employees, customers, shareholders, trade partners and other stakeholders that our principles translate into action and results.

	FY 2019	FY 2020	FY 2021	FY 2022	FY2023
Closings	23,232	24,624	28,894	29,111	28,603
Home Sale Revenues (\$B)	\$9.8	\$10.4	\$13.2	\$15.5	\$15.6
Diluted EPS	\$3.66	\$5.18	\$7.43	\$11.01	\$11.72
ROE	20%	24%	28%	33%	27%
Share Repurchases & Dividends (\$M)	\$397	\$301	\$1,045	\$1,219	\$1,150
Lots Controlled Under Option	41%	49%	52%	48%	53%
Employees	5,245	5,249	6,182	6,524	6,392

OUR VISION



BE CONSIDERED THE MOST RESPECTED
HOMEBUILDER IN AMERICA

OUR PURPOSE



BUILDING INCREDIBLE PLACES WHERE
PEOPLE CAN LIVE THEIR DREAMS

OUR GOALS



INSPIRED EMPLOYEES
EXCEPTIONAL CUSTOMER SERVICE
SUPERIOR OPERATIONAL EXECUTION
FORESIGHT FOR THE FUTURE

OUR GUIDING PRINCIPLES



DO THE RIGHT THING
COMPASSION FOR THE CUSTOMER
CARE ABOUT QUALITY
TEAM-FIRST MENTALITY



Our Commitment to the Environment

What we build, where we build and how we build affects entire communities for generations to come. To ensure that our projects are additive to every community that welcomes us, we have to do it right.

As PulteGroup's Director of Corporate Sustainability, I see our commitments in action every day. We have an extensive process in place to care for the land we build on – the most precious resource in our industry. We are integrating sustainable practices into every aspect of our operations. And we acknowledge the urgent need to provide attainable housing options across diverse socio-economic backgrounds.

The following principles guide our efforts:

Resource Efficiency: Through innovative building techniques and optimizing material usage, we reduce waste and minimize environmental impact while simultaneously lowering construction costs.

Energy Affordability: We are committed to building energy-efficient homes that not only reduce carbon emissions but also lower utility bills for homeowners, through features such as efficient insulation, high-performance windows and renewable energy technologies.

Affordable Design: Efficient layouts and scalable design solutions optimize space utilization and construction efficiency, ultimately reducing the overall cost of homeownership.

Inclusive Communities: We believe that everyone deserves access to safe, healthy and high-quality housing options. We are committed to fostering inclusive communities that accommodate a diverse range of needs and income levels. Through mixed-

income developments and affordable housing initiatives we can create vibrant neighborhoods where people from all walks of life can thrive.

Collaborative Partnerships: We recognize that addressing the complex challenges of home availability and affordability requires collaboration across sectors. We engage with national and local government agencies, nonprofits and community stakeholders to develop innovative solutions, leverage resources and create meaningful impact at scale.

Continuous Improvement: By monitoring key performance indicators, soliciting feedback from stakeholders and embracing a culture of innovation, we are better able to meet the needs of our employees, homebuyers and the communities in which we operate.

Doing the right thing is a North Star for everyone here at PulteGroup. It's how we build and maintain relationships with customers and communities, how we build our culture for – and with – employees, and how we build trust with our shareholders. I hope the information in this report reinforces the strength of that commitment.



COREY SELF
DIRECTOR,
CORPORATE
SUSTAINABILITY

OUR COMMITMENT TO THE ENVIRONMENT

LAND ACQUISITION

Working with the community: We work in partnership with local municipalities, residents and other stakeholders to ensure environmental considerations are well represented in our planning process. We comply with all relevant regulations, approvals and permitting requirements.

Seeking redevelopment opportunities: One of the best ways we can add value to an entire community is by repurposing land that has previously been developed for residential or commercial use. This is our way to breathe new life into existing spaces and improve the world around us. In 2023, 9% of the homes PulteGroup delivered were built on redeveloped sites. And 11% of the homes we closed in 2023 were built on infill -- vacant or underutilized land with existing infrastructure.

Environmental review: An environmental assessment is part of the comprehensive feasibility analysis that PulteGroup leaders use to evaluate all potential land transaction. This includes soil testing by a qualified environmental engineering firm; a Phase I environmental report, which must comply with American Society for Testing & Materials (ASTM) standards to evaluate the likelihood of any contamination; and a Phase II environmental report where required. This testing helps to determine whether land is suitable for residential construction and whether any remediation efforts are needed.

Approval: All new projects are reviewed and approved at multiple levels within the organization. After approval at the division and area levels, potential projects undergo a comprehensive assessment by PulteGroup's Asset Management Committee (AMC) for final approval and funding. AMC reviews include senior operating and financial officers, along with market analysts. The environmental analysis, and any needed remediation steps, are considered as part of this process.



LAND DEVELOPMENT

Responsibly managing materials: Being responsible stewards of the environment means taking all the necessary steps to ensure that any potential pollutants are managed and handled appropriately.

We operate in strict compliance with the Clean Water Act, including the National Pollutant Discharge Eliminate System. Our industry-leading national storm water quality program includes improved rainwater management and measures to keep dirt, paint, concrete residue, oils or other waste from leaving construction sites.



Holding partners to our standards: PulteGroup encourages its trade partners and vendors to continuously reduce waste. Our trade partners and vendors must comply with all applicable environmental laws and immediately alert PulteGroup regarding a spill of pollutants on our job sites.

Efficient use of materials: We have significantly increased our efficient use of materials and energy by streamlining the number of floor plans we offer to homebuyers. In 2023, 78% of 28,000-plus homes we delivered were from approximately 700 plans shared in communities and markets across the country. That stands in sharp contrast to a decade ago, when we maintained a library of 3,500 floor plans. By producing components that fit multiple floorplans, we can optimize our construction process while still offering all the customization options our homebuyers expect.



Technology continues to advance the construction industry, and PulteGroup is always assessing opportunities to incorporate the latest in building practices so we continue to use resources more efficiently – both in terms of cost and environmental impact.

Individual Pulte homes have green technology features such as high-efficiency HVAC systems, smart appliances, Low E glass windows, solar panels and advanced insulation. And from a company-wide perspective, we are increasing our use of automation to build more home components in centralized locations.

PulteGroup's Innovative Construction Group (ICG) produces components such as wall panels, roof trusses and floor cassettes in two plants, located in Florence, SC and Jacksonville, FL, with plans to add more in the future. These plants produce high-quality components more efficiently and at lower costs, while allowing us to save multiple days in the construction process.

CONTINUOUS INNOVATION

Responsibly managing materials: One example of how ICG helps us achieve new levels of efficiency for Pulte homeowners can be found in our partnership with Rheia, an industry leader in HVAC systems.

When producing walls for Pulte homes, ICG uses a precision milling process to create pass-through channels for Rheia ducts. By moving ductwork out of attics and into spaces that are climate-controlled, we make significant gains in energy efficiency.



MEETING CLEAN WATER STANDARDS

Preserving one of our most precious resources – water – is front of mind at PulteGroup. This is particularly true for our operations in California, where new regulations and guidelines intended to promote sustainability and conservation have taken effect at the state and local levels.

PulteGroup is committed to meeting these guidelines – and often exceeds them. Our efforts include:

- Incorporating drought-tolerant landscape designs for common areas and front yards;
- Analyzing water use and providing designs that meet use restrictions;
- Reducing natural turf within common areas;
- Including drought-tolerant plants in residential yards;
- Installing reclaimed/recycled water distribution systems and water conservation measures within homes;
- Using low-water-volume appliances and fixtures;
- Including water conservation measures and requirements in HOA Governing Documents;
- Implementing construction-phase water conservation measures and
- Using locked metered sources of construction water and temporary reservoirs to store construction water

OUR COMMITMENT TO THE ENVIRONMENT



A STEP THAT MAKES SENSE

PulteGroup is committed to using WaterSense®-certified fixtures that reduce water use by at least 20% from federal standards.



That includes saving an estimated 494 million gallons of water in 2023 by using water-efficient fixtures from longtime PulteGroup partner Moen. Because Moen fixtures also feature recycled plastic that has been recovered from the ocean, PulteGroup and Moen also repurposed an estimated two tons of recycled ocean plastic in 2023.

SETTING A HIGH STANDARD

To ensure that PulteGroup remains on the leading edge of environmental compliance in the homebuilding industry, the company has set an ambitious goal: Having all new home started in 2025 and beyond capable of qualifying as ENERGY STAR® 3.1 Certified. This represents a significant commitment to helping lower greenhouse gas emissions and combat climate change.

ENERGY STAR certification meets strict U.S. Environmental Protection Agency requirements and is based on independent inspections and testing by certified professionals.



According to the ENERGY STAR website, through improvements such as efficient ventilation, high-performance windows, energy-efficient lighting and appliances, ENERGY STAR-certified homes are at least 10% more energy efficient than homes built to code -- and many homeowners will experience a 20% improvement or more.

INCREASING TRANSPARENCY



In 2023, PulteGroup took another step in its environmental transparency efforts by becoming one of the first major homebuilders in the U.S. to voluntarily adopt Task Force on Climate-related Financial Disclosures (TCFD) reporting recommendations.

TCFD recommendations guide companies to increased disclosures around climate-related risks and opportunities affecting their business. The task force was created by the international Financial Stability Board (FSB), which monitors and makes recommendations about the global financial system.

The recommendations cover four areas: governance, strategy, risk management, and metrics and targets. The full data set can be found in the appendix of this report.

Opting in to TCFD reporting builds upon PulteGroup's existing efforts to reduce our environmental footprint and provide greater transparency.



In 2022 we became one of the first U.S. homebuilders to complete the Climate Change disclosures from the Carbon Disclosure Project (CDP). We will continue to work within the CDP framework to promote greater transparency to our stakeholders.



Our efforts also include ongoing updates to our Greenhouse Gas Protocol (GHG) assessment, first released in 2021. These worldwide accounting standards allow organizations to measure, manage and report greenhouse gas emissions from their operations and associated value chains.

A summary is provided on the next page. A more comprehensive analysis can be found in the appendix of this report and on PulteGroup's corporate website.



PULTEGROUP OVERALL FOOTPRINT RESULTS

	2022 mtCO ₂ e	2023 mtCO ₂ e
SCOPE 1	4,316	5,795
SCOPE 2	106,796	91,573
SCOPE 3	6,448,386	5,780,507
TOTAL EMISSIONS	6,559,497	5,877,875

Our GHG emission estimates include assumptions and estimates in order to provide a meaningful assessment of the emissions related to our operations. Where appropriate, these estimates were developed in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, calculating our emissions using both spend-based and activity-related data.

Our Scope 1 carbon emissions continue to be our least significant due to the relatively small number of manufacturing facilities, vehicles and buildings that we own and operate. Our headquarters and division offices are leased and the purchase of electricity and heating is dictated by our various commercial landlords. Our Scope 1 emissions increased in 2023 due to the addition of our ICG plant in Florence, SC which became operational in 2023. As we continue to grow the ICG footprint, we anticipate further increases in our Scope 1 emissions in line with our increased manufacturing facilities.

For Scope 2, spend data related to our combined utility consumption was collected to develop estimations of the impact from purchased energy. These values were location-based, with certain facility specific details used depending on the type of information available per location. Our Scope 2 emissions decreased in 2023, driven by a combination of factors including changes in the footprint of our office space, our model homes, and local utility rates. We anticipate each of these factors will vary from year to year which may lead to increases or decreases in Scope 2 emissions in future years.

Consistent with most companies in our industry, Scope 3 continues to be the primary source of our GHG emissions, accounting for 98.3% of our total estimate in 2023, since the emissions from our value chain capture the construction of our homes and homeowners' use of the homes. The most significant Scope 3 Categories continue to be Category 1 (purchased goods and services) and Category 11 (use of sold products) which account for 32.3% and 64.8%, respectively, of our total 2023 emissions.

Our Category 11 estimate is based on energy consumption data per home sourced from RESNET and the estimated 20-year lifetime of the energy system within the homes to generate energy consumption. The decrease in 2023 is driven by fewer home closings with marginal offsets related to lower expected lifetime emissions per home. We anticipate the Category 11 emissions will vary in future years as the number of home closings increases or decreases and additional data is gathered for more of our homes.

Our Category 1 estimate decreased in 2023, driven by our use of inflation adjusted US Environmentally-Extended Input-Output models. This reduction does not necessarily reflect a proportionate decrease in the emission estimates for our homes.

This is a summary, please see the full report in the appendix.

Additionally, our methodology for reporting our emissions intensity was updated for 2023 to include all FTEs, regardless of their work location. Prior to 2023, we included only those FTEs located at our home office or a division office, excluding community and field personnel.

A woman with long, wavy, light brown hair is seated in a black wheelchair, facing right. She is wearing a grey long-sleeved shirt and dark pants. She is holding a blue pen in her right hand and gesturing with her fingers. In the background, another woman with dark hair, wearing a black and white striped shirt, is seated at a table, looking down. The setting appears to be a bright, modern office or meeting room with large windows in the background showing greenery. A dark blue horizontal bar is overlaid on the image, containing the text "Building a Great Culture".

Building a Great Culture



A GREAT PLACE TO WORK

At PulteGroup, we know that maintaining our great company culture enhances our ability to deliver high-quality homes as it allows us to attract and retain talented people. Our continuing efforts to create a welcoming and supportive culture have been recognized by Fortune’s 100 Best Companies to Work For® for three straight years, as PulteGroup climbed to No. 36 on the 2023 list.

We consider the Fortune rankings to be particularly meaningful because they are based on survey responses from employees. These ratings tell a story about a company’s culture. The 2023 PulteGroup employee surveys reaffirmed the broad-based strength of our culture. Here are the percentage of employees surveyed who agreed with the following statements:



Q&A: PULTEGROUP CHIEF PEOPLE OFFICER KEVIN HENRY

Maybe it was destiny that Kevin Henry became PulteGroup's Executive Vice President and Chief People Officer in June 2023, because it was over a year prior that he and his wife purchased a Pulte home in Atlanta, GA. Under Kevin's guidance, the company is rolling out new leadership development, professional development and diversity and inclusion programming in 2024. Kevin discusses how he is working to shape the company's culture and the employee experience.



KEVIN HENRY
EXECUTIVE VICE
PRESIDENT AND
CHIEF PEOPLE
OFFICER

Q: What have you learned so far in this role?

KH: I've learned a lot about home building, and about our culture. I've discovered areas where I think we perform well and some areas that we could get better in. We've identified ways that we can invest more heavily in training and development of our teams.

I've also learned that this is a really good company. Some would say we're a great company, and a great place to work. We have the opportunity to be an extraordinary company as we move forward.

And it's a great business to be in. We help people realize their dreams and give them the opportunity to make memories with their families.

Q: Knowing that people have different perspectives, what challenges and opportunities exist in defining a company's culture?

KH: I learned a long time ago that where somebody stands depends upon where they sit. We can talk about our culture all day -- but ultimately others get to judge. Cultivating a good culture starts with recognizing that.

People will interpret things through their own lens. There is no one-size shoe that fits all. Our culture needs to meet people where they are. It needs to be flexible, it needs to be inviting and it needs to always be evolving and iterating -- rooted against our core tenets, our core principles, our core values, our core beliefs. Those things are bedrock.

Q: How do you want people to feel when they come to work?

KH: I want people to feel valued. I want people to feel appreciated. I want people to feel like they're a part of something bigger than themselves -- because they are.

We're an organization of over 6,000 people across these wonderful United States, delivering tens of thousands of homes to people each year. We're all part of this ecosystem that is really well positioned to deliver great things to those consumers with whom we earn the right to serve. I want the people who join PulteGroup to feel that and understand that.

I want people to be able to bring their authentic selves to work, and feel like they're being satisfied with the opportunity to earn great rewards and experience a tremendous career opportunity -- but also benefit from the satisfaction of being of service to others.

Q: What do you enjoy most about your job?

KH: I have a great role. I get to interact with people, with our teams, all the time and try to find ways that we can care for, support, energize, motivate and inspire our teams and their families. We can use this great platform, this amazing company, to deliver pure goodness to our employees and their families.

This work is ongoing. There's always more to do, and we can always get better.

We've got bold ambitions. We want to continue to be a great place to work, and make progress against this aspiration to be an extraordinary place to work.

We're in this together and we'll get even better, together. I look forward to continuing the work.

A GREAT PLACE TO WORK

OUR COMMITMENT TO DIVERSITY AND INCLUSION

To be considered the most respected homebuilder in the country, we must build and grow our own culture of respect.

As part of our efforts to ensure that everyone feels welcome, included and respected, PulteGroup has an established a Diversity & Inclusion Board that reports directly to President and CEO Ryan Marshall.

In 2023, the D&I board continued to promote greater awareness, understanding and acceptance inside the organization, while working to make a meaningful change in the world around us. The board chose a national partner for organization-wide training, played a key role in promoting volunteering opportunities through PulteGroup's national partnership with Boys & Girls Clubs of America and has been actively involved in PulteGroup's affordable housing efforts.

The D&I board also supported efforts by the company's PEACE Business Resource Group to introduce language into PulteGroup's employee handbook to prevent discrimination against natural hair. This effort was a result of employees learning about the CROWN Act, legislation that protects against discrimination based on hairstyles commonly associated with a particular race or national origin.

Consistent with our efforts to build an organization that reflects the diversity of the communities and people we serve, in 2021 we began sharing the data we report to the U.S. Equal Employment Opportunity Commission (EEO-1) to allow the public to track changes in the composition of our workforce over time. Updated data can be found in the appendix of this report.

CONNECTING ACROSS OUR COMPANY

To create connections and provide opportunities for people who share common backgrounds, interests or passions to come together in a nurturing environment, PulteGroup employees established several Business Resource Groups (BRGs) – employee-led, voluntary networks that any employee is welcome to join.

IN 2023, WE LAUNCHED TWO NEW BRGS:



MVP | MILITARY VETERANS AND SUPPORTERS OF PULTE



WIN | WOMEN'S INTEREST NETWORK

BRINGING OUR TOTAL NUMBER OF BRGS TO FOUR, INCLUDING:



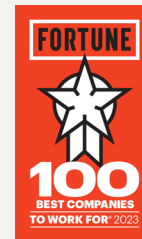
PEACE | PEOPLE EMBRACING AND ADVOCATING FOR CULTURAL EQUITY



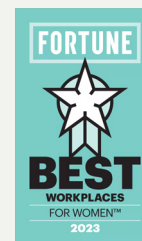
YOPROS | YOUNG PROFESSIONALS

RECOGNIZING OUR INCLUSIVE CULTURE

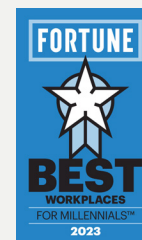
In 2023, we were honored with the following awards, which are based on employee survey data:



NO. 36 IN FORTUNE 100 BEST COMPANIES TO WORK FOR® 2023



NO. 83 IN FORTUNE BEST WORKPLACES FOR WOMEN™ 2023 (LARGE COMPANY CATEGORY)



NO. 50 IN FORTUNE BEST WORKPLACES FOR MILLENNIALS™ 2023 (LARGE COMPANY CATEGORY)



PROMOTING EMPLOYEE HEALTH AND WELLNESS

Our people have always been the source of PulteGroup’s success. We can’t say this enough -- and we show it by providing significant resources to help ensure their personal success and overall well-being.

Thrive, PulteGroup’s health and wellness program, goes beyond physical and emotional health to include financial and social wellness, too. PulteGroup provides expansive benefits that offer personalized recommendations to help employees reach their health goals while having the potential to earn incentives by being more active, eating healthier, losing weight, quitting smoking, coaching and so much more.

Enhanced benefits for employees also include more flexibility with out-of-network coverage for both medical plans, therapy visits — physical, mental, occupational, speech and chiropractic — acupuncture services, 8-10 weeks of paid maternity leave, 2 weeks of paid paternity, adoption-related benefits and a fertility solutions program.

PulteGroup also provides financial assistance to help employees secure their retirement goals by providing immediate 401(k) eligibility and a competitive matching contribution every pay period.

Employees are encouraged to maximize their overall well-being by finding the time to rest and recharge through a generous paid time off program.

PRIORITIZING SAFETY

Heavy equipment and powerful tools create risks, so job site safety is a top priority for everyone at PulteGroup. We routinely conduct on-site and unannounced safety audits, with results reviewed by operating leadership and reported to our Board of Directors.

We voluntarily disclose our Occupational Safety and Health Administration reportable incident rate for employees within our Sustainability Accounting Standards Board (SASB) reporting and our sustainability reports. Our reportable incident rate in 2023 was 0.61.

We comply with all applicable federal, state and local laws regarding working conditions and occupational safety standards – and we require our employees and trade partners to meet our own internal standards.

DEVELOPING LEADERS AT EVERY LEVEL

Good companies want their employees to stay. Great companies help them grow.

You don’t have to look far to find examples of what’s possible at PulteGroup: In 2001, Ryan Marshall joined the company as Vice President of Finance for the Tucson division. Today, he’s our president and CEO. Examples of rewarding and retaining our homegrown talent can be found throughout the company. The average tenure of our executive team and homebuilding area presidents is 17 years, and the average tenure of our homebuilding division presidents is 18 years.

Professional development is not limited to senior leaders. Our commitment to a company-wide culture of improvement includes the resources to back it up. We provide support throughout an employee’s career, from a comprehensive onboarding process to continuing education, mentor training, leader training and required courses covering ethics and cyber security. And under the direction of Chief People Officer Kevin Henry, there is more to come in 2024.

And we’re committed to building a sustainable pipeline of talent into PulteGroup. In 2023, we launched a pilot internship program – and ultimately hired approximately 70 percent of those interns into full-time roles. We are growing this program into 2024 and beyond.

2023 PULTE ROLES	EMPLOYEES ENROLLED	TOTAL HOURS OF TRAINING
Total Sales	1,303	46,713
Total Construction*	3,669	183,298
Management	1,779	21,392
Procurement	150	2,560
Pulte Financial Services - Loan Processors/Consultants and Compliance		15,666

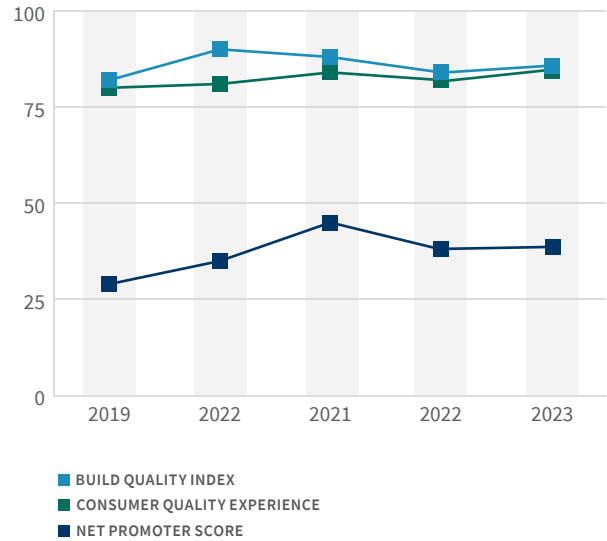
* Includes construction and customer care

CARING FOR OUR CUSTOMERS


Becoming America’s most respected homebuilder by building incredible places where people can live their dreams means listening to our customers through every step of the home buying, building and ownership process. Our industry-leading Build Quality Experience™ is designed to keep us in touch with each customer every step of the way.

Each customer goes through a 10-step process that begins with meeting their construction manager, who will be their partner throughout the building process. And we stay in touch well after the homeowner gets their keys, including a build-quality survey administered one year after the home has been delivered. By collecting feedback throughout the process, we continuously improve the build quality of our homes and the overall home buying and ownership experience.

ACHIEVING CONTINUOUS IMPROVEMENT



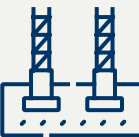
THE COMPLETE PULTE HOMES BUILD QUALITY EXPERIENCE



1.

INTRODUCTION


- Meet your Construction Manager
- Plan selections and options
- Establish a communication plan



2.

FOUNDATION INSPECTION


- Foundation inspection by Construction Manager
- Third party inspections completed
- Foundation is poured



3.

FRAME INSPECTION


- Construction Manager inspects framing and ensures quality control



4.

MECHANICAL INSPECTION

- Construction Manager reviews insulation, plumbing and mechanical installations



5.

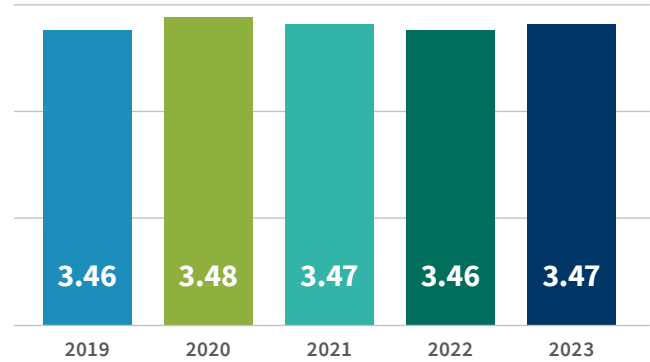
PRE-DRYWALL ORIENTATION

- Walk-through with Construction Manager
- View mechanical systems



OUR CONSTRUCTION QUALITY ASSESSMENT

(CQA) audits cover everything from job site safety and site conditions to the house construction and interior finishes. CQA best practices are assessed on a graduated scale of 0 to 4, with 4 being the highest level of compliance.



6.

FINAL INSPECTION

- Construction Manager reviews and verifies the quality of all aspects of the home



7.

HOME COMPLETE CONFIRMATION

- Final inspection by Construction Manager
- Independent quality review performed



8.

PRE-CLOSING ORIENTATION

- Construction Manager gives guided tour
- Review all installation, functionality, warranty and maintenance
- Address any concerns



9.

CELEBRATION

- Home is complete
- Meet Construction Manager to validate completion
- Close on new home



10.

FEEDBACK

- Opportunity to provide feedback on new home
- Pulte follows up after one year for additional feedback

A DECADE OF SUPPORTING VETERANS

In 2023, PulteGroup celebrated the 10th anniversary of its Built to Honor program. Through Built to Honor, PulteGroup works with partner organizations to provide mortgage-free homes to wounded veterans. The program has built and donated 80 homes – and counting -- with a combined value of more than \$30 million.

To support these efforts, PulteGroup received a three-year \$300,000 commitment from the Pulte Family Charitable Foundation, the philanthropic organization directed by the family of PulteGroup founder William J. Pulte. The Pulte Family Charitable Foundation has supported the program since 2021.

Built to Honor serves honorably discharged veterans living with disabilities due to injuries incurred during active military service. Veterans are selected for the program based on their financial need and other eligibility requirements. PulteGroup President and CEO Ryan Marshall was recognized at Building Homes for Heroes’ 11th Annual Honoree Gala in 2023.



80

HOMES DELIVERED THROUGH
THE BUILT TO HONOR
PROGRAM

**“IT IS A PRIVILEGE TO HAVE
THE OPPORTUNITY TO
IMPACT THE LIVES OF
OUR NATION’S HEROES AND
THEIR FAMILIES. WE ARE
COMMITTED TO CONTINUING
THIS EFFORT.”**

– PULTEGROUP PRESIDENT AND CEO
RYAN MARSHALL, SPEAKING AT
BUILDING HOMES FOR HEROES’
HONOREE GALA

**“TO BE BLESSED WITH
THIS, IT’S CHANGED MY LIFE
FINANCIALLY, SPIRITUALLY
AND EMOTIONALLY.
OVERALL, I’M JUST
THANKFUL AND GRATEFUL
FOR EVERYTHING AND FOR
EVERYONE INVOLVED.
MAY GOD BLESS EACH AND
EVERY ONE OF YOU.”**

– U.S. ARMY SERGEANT KEYSIA
CALMESE, WHO RECEIVED THE KEYS
TO HER NEW BUILT TO HONOR HOME
ON VETERANS DAY WEEKEND IN 2023

CARING FOR OUR COMMUNITIES

The PulteGroup Charitable Foundation supports organizations and initiatives prioritized around three pillars: Giving back to our active military members and veterans, meeting housing needs and educating the next generation of homebuilders. The non-profit foundation is funded annually with a portion of the company's pre-tax income. In 2023, this funding totaled \$1.5 million.

In 2023, the foundation issued approximately \$981,000 in grants. That includes \$608,000 in grants requested by PulteGroup divisions or to corporate partners, spread across more than 40 recipient organizations. An additional \$373,000 was donated to 385 charitable organizations under PulteGroup's Matching Gifts and Dollars for Doers programs.

PulteGroup employees give their time, too.

PulteGroup launched a nationwide partnership with the Boys & Girls Clubs of America, a leading youth-development organization that provides safe places, caring mentors and life-enhancing experiences for young people across the nation. The partnership was first envisioned and championed by PulteGroup's Diversity Board.

PulteGroup also continued to partner with National Angels, an organization founded by a former PulteGroup employee which is dedicated to helping children and families in the foster care community. Activities included a school supply drive in late summer, supporting 883 students with more than \$33,000 in donations and in-kind contributions.



\$1.5M

IN CHARITABLE FOUNDATION
FUNDING SUPPORT IN 2023



**BOYS & GIRLS CLUBS
OF AMERICA**

70%

70% OF OUR DIVISIONS ENGAGED WITH
THE CLUBS IN 2023, PROVIDING MORE
THAN 1,431 VOLUNTEER HOURS
ACROSS 43 ACTIVITIES.

ACTIVITIES INCLUDED:
CAREER PANELS
LIFE SKILLS PANELS
TUTORING
COMPUTER LAB VOLUNTEERING
ATHLETICS AND ARTS & CRAFTS
BUILDING BIRDHOUSES TO CELEBRATE
EARTH DAY
SCHOOL SUPPLY DRIVES



EQUITY IN HOUSING

Housing affordability is one of the most significant issues facing our country, and PulteGroup is committed to doing its part.

In 2023, PulteGroup closed 88 affordable housing units – not including the six additional homes we awarded to wounded veterans through the Built to Honor program. We are currently building affordable housing in Southeast Florida, the Washington, D.C. metro area, the New England market and in California. We have set a long-term goal of having up to 1% of our annual closings priced below market and made available to buyers making 60% to 80% of area median income.

PulteGroup also is making progress with financing assistance programs, and our divisions also are partnering with local governments and the nonprofit community to assist with projects on the local level.

HIGHLIGHTS FOR 2023 INCLUDE:

Carver Square: Located between Fort Lauderdale and West Palm Beach, the community of Delray Beach, FL often is short of affordable housing options. To increase the availability of affordable housing for workers in the area, PulteGroup built 20 new homes in the Carver Square community. After receiving 59 applications from potential buyers who met requirements for a county workforce housing program, homes were awarded based on a lottery system and priced according to income level. New residents include educators, nurses and first responders.



We Are Home: Also in Delray Beach, PulteGroup worked with local officials, Stuart & Shelby Development, and other partners to build new homes in The Set, a historically relevant community of color. This program built attainable new homes on property that has been owned by local families for generations, preserving their deep roots in the community. Pulte Homes provided planning and oversight for the project, which is ongoing.



Equity down payment assistance: In 2023, Pulte Mortgage offered an innovative approach to assisting qualifying buyers with down payment and closing fees: A second loan that is payment- and interest-free, then forgiven after five years of owner occupancy. The program was designed to serve the first-time homebuyers and diverse communities, and included closings in the Houston and Las Vegas markets in 2023.





 **Habitat**
for Humanity
@Habitat4USA
WE BELIEVE IN
each other
NOW... more than ever!

 **Habitat**
for Humanity
of Carolina
WE BELIEVE IN
each other

GOVERNANCE: INFORMED AND INDEPENDENT OVERSIGHT

PulteGroup’s Board of Directors is elected by shareholders to oversee the company’s management and ensure that the long-term interests of the shareholders are served. The Board is the ultimate decision-making authority within the company, except with respect to matters that are reserved for the Company’s shareholders. Directors are expected to discharge their duties in good faith and in the best interests of the company.

To ensure a diversity of thought and perspectives in guiding PulteGroup, our 10-person Board includes nine independent directors, and we maintain separate Chairman and CEO functions.

Oversight for sustainability goals and objectives is a responsibility of the Board’s Nominating and Governance Committee. The committee conducts routine reviews, receives detailed quarterly sustainability updates and evaluates key risks regarding environmental, diversity, and health and safety issues, along with policies related to employee conduct and ethics. The committee also seeks new director candidates who can provide a diversity of expertise, viewpoints, culture and overall life experiences. In 2024, Kristen Actis-Grande, Executive Vice President and Chief Financial Officer of MSC Industrial Direct Co., Inc., was nominated for election as a new independent director. The full Board and executive leadership team also receive regular updates on the company’s sustainability efforts.



BOARD MEMBERS

45%

OF DIRECTORS ARE GENDER/
ETHNICALLY DIVERSE

30%

WOMEN

3

HAVE 1-5 YEARS BOARD
TENURE

4

HAVE 10 YEARS OR MORE
BOARD TENURE

43-73

AGE RANGE OF BOARD MEMBERS

OUR COMMITMENT TO ETHICS

Throughout this report, we have reinforced the importance of building trust as we build incredible homes where people can live out their dreams. Our commitment to ethics forms the bedrock of that trust.

Our Board of Directors and all company employees are subject to PulteGroup's Code of Ethical Business Conduct. Every year, employees must certify that they have reviewed and understand our code.

We maintain meaningful share ownership guidelines for executive officers and directors, and have prohibitions against hedging and pledging company securities by all employees and directors.

PulteGroup also maintains an ethics hotline that allows employees, customers and the public to alert the Board of possible issues or abuses in any areas of our operations. Concerns can be reported, named or anonymously, by phone (800-498-5629) text (904-782-6958) or through a link on PulteGroup's website ([speakup.pultegroup.com](https://www.pultegroup.com/speakup)). All complaints are thoroughly investigated and properly reviewed.

Senior leadership, working in partnership with our Board, proactively engages with PulteGroup's institutional shareholders to review our operating and financial results as well as our sustainability policies and practices. We also work to provide timely responses to sustainability-related shareholder inquiries and to provide greater transparency by participating in established sustainability and broader environmental surveys.



PROTECTING OUR DATA

Cybersecurity continues to be a significant and growing risk to companies around the world. To mitigate the risk of a cyberattack materially impacting our business, we maintain a data security and privacy program that protects company, employee, partner, customer and consumer data. We regularly evaluate this program to identify new vulnerabilities and take action.

We follow the National Institute of Standards and Technology (NIST) framework, and our Chief Information Officer reports to our Board on cybersecurity and privacy matters on a regular basis.

Every employee participates in mandatory training on multiple policies related to data security and privacy, which includes a recurring phishing awareness campaign.

“WE WANT TO BE KNOWN AS THE MOST RESPECTED HOMEBUILDER IN AMERICA. THAT MEANS DOING THE RIGHT THING – EVERY DAY, THROUGHOUT EVERY PROJECT AND PROCESS, AND IN EVERY INTERACTION WE HAVE WITH CUSTOMERS, FELLOW TEAM MEMBERS AND OUR BROADER COMMUNITY. BY HOLDING OURSELVES AND ONE ANOTHER TO THE HIGHEST ETHICAL STANDARDS, WE WILL CONTINUE TO BUILD THE RESPECT WE SEEK.”

RYAN MARSHALL
PRESIDENT & CEO

A photograph of a modern two-story house at dusk. The house features a combination of light-colored stone masonry on the lower level and horizontal siding on the upper level. A prominent window on the ground floor is illuminated from within, showing a warm interior light and a decorative spherical light fixture. The roof is dark grey with a gabled design. The foreground shows a well-maintained lawn and a landscaped garden bed with various shrubs and plants. The sky is a deep blue with a hint of purple from the setting sun.

Our Commitment to Transparency



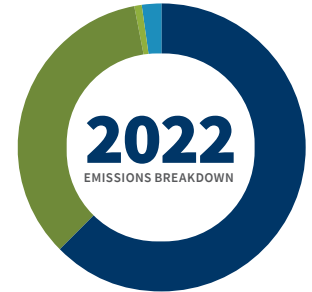
610

GHG INVENTORY SUMMARY

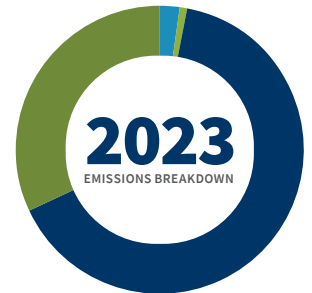
PulteGroup's 2023 carbon footprint was **5,877,875** mtCO₂e, a **10.4%** decrease from **6,559,497** mtCO₂e in 2022.

Pultegroup Overall Footprint Results

		2022 mtCO ₂ e	2023 mtCO ₂ e
SCOPE 1	Refrigerant leakages	505	500
	Equipment fuel usage (diesel + gasoline)	514	707
	Vehicle fuel usage (diesel)	3,297	4,588
SCOPE 2	Electricity	80,342	68,364
	Natural Gas	26,454	23,209
SCOPE 3	Category 1: Purchased goods & services	2,270,116	1,898,049
	Category 2: Capital goods	22,597	17,495
	Category 3: Fuel- and energy-related activities	33,814	29,526
	Category 4: Upstream transportation	138	86
	Category 5: Waste	13,450	18,015
	Category 6: Business travel	3,891	3,776
	Category 7: Employee commuting, incl. teleworking	4,521	7,545
	Category 11: Use of sold products	4,099,859	3,806,015
TOTAL EMISSIONS		6,559,497	5,877,875
Number of office dwelling FTEs		3,780	6,610
Operational (Scope 1+2) emissions per FTE		29 mtCO ₂ e	15 mtCO ₂ e
Total (Scope 1+2+3) emissions per FTE		1735 mtCO ₂ e	889 mtCO ₂ e



- SCOPE 3, CAT 1, 34%
- SCOPE 3, CAT 11, 62%
- SCOPE 3, OTHER, 1%
- SCOPE 1, 0% & SCOPE 2, 1%



- SCOPE 3, CAT 1, 32%
- SCOPE 3, CAT 11, 65%
- SCOPE 3, OTHER, 1%
- SCOPE 1, 0% & SCOPE 2, 2%

Employment Information Report (EEO-1)

	HISPANIC OR LATINO		NOT HISPANIC OR LATINO												
	MALE	FEMALE	MALE						FEMALE						OVERALL TOTALS
			WHITE	BLACK	NATIVE HAWAIIAN	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	WHITE	BLACK	NATIVE HAWAIIAN	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	
EXECUTIVE/SR OFFICIALS & MGRS	2	0	69	1	0	1	2	1	15	0	0	0	0	1	92
FIRST/MID OFFICIALS & MGRS	87	52	996	41	3	20	3	13	446	33	0	25	2	18	1,739
PROFESSIONALS	262	140	1,235	89	7	42	4	34	632	87	3	53	0	24	2,612
TECHNICIANS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SALES WORKERS	63	69	321	29	1	10	2	17	422	45	2	30	0	18	1,029
ADMINISTRATIVE SUPPORT	13	65	80	24	0	4	0	0	351	53	2	20	2	19	633
CRAFT WORKERS	15	0	41	5	0	0	0	0	0	0	0	0	0	0	61
OPERATIVES	9	0	17	16	0	0	0	0	2	1	0	0	0	0	45
LABORERS & HELPERS	59	0	51	164	0	0	1	3	2	6	0	0	0	1	287
SERVICE WORKERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	510	326	2,810	369	11	77	12	68	1,870	225	7	128	4	81	6,498

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS

TABLE 1.

Land Use & Ecological Impacts

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	2021	2022	2023
Number of lots delivered on redevelopment sites	Quantitative	Number	IF-HB-160a.1	5,169	4,690	4,276
Number of homes delivered on redevelopment sites	Quantitative	Number	IF-HB-160a.1	2,757	2,700	2,588
Number of lots delivered in regions with High or Extremely High Baseline Water Stress	Quantitative	Number	IF-HB-160a.2	11,013	10,257	9,301
Number of homes delivered in regions with High or Extremely High Baseline Water Stress	Quantitative	Number	IF-HB-160a.2	2,801	2,329	2,546
Total amount of monetary losses as a result of legal proceedings associated with environmental regulations	Quantitative	Reporting currency	IF-HB-160a.3	\$0	>\$100K	\$0

Workforce Health & Safety

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	2021	2022	2023
Total recordable incident rate (TRIR) for direct employees	Quantitative	Rate	IF-HB-320a.1	1.24	.91	.61
Total recordable incident rate (TRIR) for contract employees	Quantitative	Rate	IF-HB-320a.1	0	0	0
Total fatality rate for direct employees	Quantitative	Rate	IF-HB-320a.1	0	0	0
Total fatality rate for contract employees	Quantitative	Rate	IF-HB-320a.1	0	0	0

Design for Resource Efficiency

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	2021	2022	2023
(1) Number of homes that obtained a certified HERS® Index Score and (2) average score	Quantitative	Number, Index Score	IF-HB-410a.1	6,749 60	7,755 63	8,575 58
Percentage of installed water fixtures certified to WaterSense® specifications	Quantitative	Percentage (%)	IF-HB-410a.2	98%	98%	100%
Number of homes delivered certified to a third-party multi-attribute green building standard	Quantitative	Number	IF-HB-410a.3	4,294	4,569	6,025

Community Impacts of New Developments

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	2021	2022	2023
Number of lots delivered in infill sites	Quantitative	Number	IF-HB-410b.2	5,008	3,715	3,219
Number of homes delivered in infill sites	Quantitative	Number	IF-HB-410b.2	3,719	3,450	3,258
(1) Number of homes delivered in compact developments and (2) average density	Quantitative	Number	IF-HB-410b.3	2,411 6.39	2,099 6.19	1,948 6.65

Climate Change Adaptation

ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	2021	2022	2023
Number of lots located in 100-year flood zones	Quantitative	Number	IF-HB-420a.1	3,049	2,287	1,537

TABLE 2. ACTIVITY METRICS

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE	2021	2022	2023
Number of controlled lots	Quantitative	Number	IF-HB-000.A	228,296	211,112	222,630
Number of homes delivered	Quantitative	Number	IF-HB-000.B	28,894	29,111	28,603
Number of active selling communities (1)	Quantitative	Number	IF-HB-000.C	799	810	906

(1) Reflects the average number of active communities during the year

INTRODUCTION

The Task Force on Climate-Related Financial Disclosures (TCFD) was established in 2015 by the Financial Stability Board (FSB) to identify the information needed by investors, lenders and other key financial stakeholders to appropriately assess and price climate-related risks and opportunities. The climate-related financial disclosure recommendations are designed to facilitate the provision of information to support informed capital allocation and are structured around four thematic areas in which companies operate: governance, risk management, strategy and metrics and targets. In late 2023, the FSB officially named the IFRS Foundation as its successor in monitoring the progress of companies' climate-related disclosures – thus, continuing the mission and vision of TCFD.

As this is PulteGroup's first TCFD report, the scenario analysis is qualitative in nature, and we intend to evolve our modeling to include the quantitative and financial impacts of each risk and opportunity in future years.

GOVERNANCE

Board Oversight

At PulteGroup, we are committed to being responsible environmental stewards and oversight is key in maintaining this commitment. Our Board-level Nominating and Governance Committee, chaired by Bryce Blair, holds the primary responsibility of providing oversight and direction on the company's sustainability goals and objectives. At least quarterly, the Committee reviews climate-related metrics, initiatives and performance, which includes the company's greenhouse gas (GHG) emissions and disclosure against relevant frameworks such as CDP, TCFD, and SASB.

Ongoing progress and strategic developments are reported to the full Board at each meeting. As of 2023, sustainability and climate-related metrics and initiatives have also been included as part our Chief Executive Officer's (CEO) performance objectives, further demonstrating our leadership's dedication to the environment.

MANAGEMENT'S ROLE

PulteGroup's management structure allows for adaptability in the approach to managing sustainability and climate-related issues. Area Presidents oversee climate risk management for their relevant divisions, inclusive of reviewing each land deal and adhering to regional compliance. While each division is responsible for their own structure and preparedness plans for climate risks, management works to ensure there is collaboration and shared best practices across the company.

RISK MANAGEMENT

As a public production builder, PulteGroup's risk management begins on the ground with the site selection process. Multi-phased and comprehensive, the site selection process includes assessing opportunities to reuse previously developed land and analyzing environmental factors that underlie successful construction. Once approved at the division and area levels, our Asset Management Committee (AMC) and senior officers conduct a final round of review and approvals before the division acquires the land. The AMC review provides further assurance that best practices are employed across the company.

Throughout every evaluation, identified climate-related topics relevant to our direct operations are integrated into our multi-disciplinary company-wide risk management process. These are assessed at least twice per year to highlight those with the greatest potential impact and probability. Risks are further reviewed as part of our annual strategic planning process for each of our 32 operating divisions.

In addition to our business-as-usual risk management activities, PulteGroup conducted a high-level qualitative assessment of both physical and transitional climate-related impacts, where:

- Physical scenario analysis looks at the results from effects of physical hazards (e.g., weather events) on facilities, infrastructure, operations and supply chain; and
- Transition scenario analysis assesses the results from the changes and actions of transitioning to a lower-carbon economy.

STRATEGY

Physical Risks

PulteGroup conducted physical scenario analysis for several of our key sites to better determine the impacts of physical hazards to our business operations. An initial higher-level evaluation was performed to identify locations with a greater likelihood of physical hazard exposure, while being reflective of our national coverage. Based on this initial analysis, 11 sites across our portfolio were selected for further modeling.

We used an AI-powered climate risk modeling tool to quantitatively assess the exposure of the specific locations over multiple scenarios and time horizons. The selected scenarios were developed by the Intergovernmental Panel on Climate Change (IPCC) based on the latest climate science. PulteGroup chose to focus on a worst-case projection (SSP5-8.5: Fossil-fuel development scenario) in which we would see unabated emissions continuing to rise to the end of the century, leading to an estimated temperature increase of ~4.4oC by 2100. The time horizons used were short-term (0-3 years), medium-term (3-10 years), and long-term (10 years+).

While this worst-case scenario indicates that PulteGroup has low exposure to most hazards, it also revealed signs of medium exposure to heatwaves and medium-to-high exposure to hurricanes and water stress, especially in the long-term. Highest relative exposure for PulteGroup was seen from hurricanes – where we build homes (primarily our Florida and Texas divisions) and where we have Innovative Construction Group (ICG) manufacturing plants (Florida and South Carolina) both show high exposure across all time horizons. See Table 1 below for more details.

TABLE 1. SUMMARY OF PHYSICAL RISKS

		PHYSICAL RISK SUMMARY	CURRENT MITIGATION STRATEGY
ACUTE	HURRICANES	PulteGroup builds homes that have proven to be resilient against impacts from hurricanes. However, sites with high exposure to these weather events pose a high risk to operations within those regions. Due to customer demand, operation in potentially affected areas is expected to continue.	There are division-specific comprehensive plans in place for PulteGroup to respond to extreme weather events, including a company-wide early response system.
	FLOODS	PulteGroup operational areas include locations where flooding can occur, especially the coastal regions.	In addition to flooding potential being assessed during the land acquisition process, PulteGroup homes are built to withstand 100-year flood events and meet stringent flood resilience requirements.
	WATER STRESS	Water stress poses a risk to PulteGroup’s operations in affected divisions due to increasing regulations and permit requirements.	PulteGroup will continue to monitor regulations and permitting requirements in divisions with high water stress and adapt operations accordingly.
	WILDFIRES	Although wildfires pose a relatively minimal risk, the possibility of potential exposure can lead to increased insurance costs for PulteGroup customers.	PulteGroup will continue to offer in-house insurance options to help potential home buyers in difficult insurance markets, such as those impacted by wildfires.
CHRONIC	HEATWAVES	Several PulteGroup divisions are in areas of high heat where increasing temperatures can disrupt build cycles. Due to customer demand, operation in potentially affected areas is expected to continue.	PulteGroup will continue to monitor temperature trends in our divisions and implement any necessary process changes to account for effects on the build process. This may include collaborating with municipalities on home construction requirements.
	SEA LEVEL RISE	Overall risk of exposure to sea level rise is low based on PulteGroup’s portfolio distribution. Due to customer demand, operation in potentially affected areas is expected to continue.	Although sea level rise does not currently have a significant impact on PulteGroup’s business operations, we will continue to monitor potentially affected divisions.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES REPORT

TRANSITION RISKS

In addition to risks associated with physical hazards, PulteGroup analyzed the impacts associated with a shift to a lower-carbon economy. The assessment looked at all four risk types put forth by the TCFD recommendations, including potential disruptions from regulatory, technological, market and reputational factors. Through our latest rounds of TCFD engagement, workshops with eight key stakeholders, inclusive of senior leadership and Area Presidents, allowed us to capture leadership input and perspectives on the identified risks and impacts. See Table 2 below for the highest priority transition risks identified.

TABLE 2. SUMMARY OF IDENTIFIED TRANSITION RISKS

POLICY AND LEGAL	Increased costs associated with regulation and limitations imposed on critical homebuilding materials, such as electrical transformers
	Increased litigation exposure and expenses associated with stringent building codes and environmental regulation on new construction
	Increased pressures from legislative demand for transparent reporting disclosures, including enhanced climate reporting obligations as a public company
TECHNOLOGY	Disruptions and delays from lack of supply of environmentally friendly technologies, such as solar panel equipment, HVAC, and heat pumps
	High upfront costs associated with investments into low carbon technologies and construction methods
MARKET	Decreases in customer demand for homes as a result of higher costs, such as insurance, especially in areas with higher exposure to physical hazards
REPUTATION	Negative reputational impact around failure to meet increasing demands from stakeholders, including customers and investors, regarding climate performance and climate-related disclosures

CLIMATE-RELATED OPPORTUNITIES

Growing awareness around climate change and its impact on businesses opens the doors to opportunities that PulteGroup can take advantage of and expand upon as a public production builder. We aim to continue to assess opportunities alongside risks as we further develop and improve our climate-related disclosures. See Table 3 below for more details.

TABLE 3. SUMMARY OF IDENTIFIED OPPORTUNITIES

PRODUCTS AND SERVICES	Improving product and service offerings via exploration of into new green technologies (e.g., perennial grass OSB-type board, concrete foam blocks, RHEIA technology, heat pump water heaters)
	Reduce downstream emissions associated with product lifetime (Category 11) by increasing energy efficiency of delivered homes
RESOURCE EFFICIENCY	Investment into ICG plants to use raw materials more efficiently, to reduce homebuilding waste, and to offset labor challenges from shrinking resources
MARKET	Increased revenues from integrating new sustainable products and services (e.g. responding to nationwide trend to build all-electric and low-carbon homes)
	Increased access to favorable funding opportunities through green finance
REPUTATION	Improved brand perception by maintaining position in homebuilding industry as sustainable products and service offerings expand
	Positive reputational impact around building homes resilient to extreme weather events



METRICS AND TARGETS

PulteGroup has been estimating and disclosing our GHG emissions annually since 2020. We plan to continue measuring and publicly sharing our emissions each year, while actively looking for opportunities to improve data quality. See page 29 for historical GHG emissions across scopes 1, 2, and 3 for 2020-2022.

Between 2021 and 2022, PulteGroup's footprint calculations showed a 28% decrease in emissions, primarily driven by the advancement made to the U.S. Environmental Protection Agency's (EPA) EEIO emission factor database. Given the materiality of our value chain (Scope 3) emissions in comparison to our operational (Scope 1+2) emissions, we understand the significance of setting goals on the materials we source and the products we build. Therefore, we have set an ambitious target to have 100% of our new homes capable of qualifying to be an ENERGY STAR 3.1 Certified Home by the end of 2025. We see this as a critical step in our industry in the fight against climate change and a testament to our commitment to deliver homes that are energy efficient, while balancing affordability for our homeowners.

In addition to our annual GHG inventory, PulteGroup became one of the first U.S. homebuilders to disclose to the CDP – the leading disclosure platform for environmental reporting by corporates – in 2022. We are now on our second consecutive year of reporting and we look forward to maintaining our dedication into future years.

CONCLUDING STATEMENT

PulteGroup is committed to the continued integration of climate-related topics across our business operations, strategy and financial planning areas. Based on the takeaways from our inaugural TCFD assessment, we plan to evolve our scenario analysis in future years to include quantitative and financial models. We aim to continuously enhance our understanding of the possible impacts of climate-related circumstances to which we are exposed, enabling the company to remain resilient to risks, and positioning PulteGroup to actualize opportunities in the transition to a low-carbon economy.





For more information on PulteGroup's responsible strategies and related initiatives, please contact:

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