

D·R·HORTON®
America's Builder

2025 Sustainability Report



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Introduction

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Letter From Our Chairman

Fiscal 2025 was a year defined by focus and execution. While housing market conditions remained challenging due to affordability constraints, elevated interest rates and ongoing economic uncertainty, the D.R. Horton team responded with discipline, consistency and resilience. Across our organization, we remained grounded in the purpose that has guided us for nearly five decades: enabling more individuals and families to achieve the dream of homeownership.

Our scale, geographic diversity and experienced operating teams continue to be among our greatest strengths. In fiscal 2025, we provided a place to call home to nearly 85,000 individuals and families, including approximately 43,000 first-time homebuyers. These success stories reflect the collective efforts of our employees, land developers, trade partners, vendors, suppliers and real estate agents who comprise the Horton Family and bring our mission to life in communities across the country.

Affordability remains the foundation of our strategy and a defining component of our long-term responsibility. Over the past year, our teams continued to refine product designs, adjust home sizes and utilize market-specific pricing and financing solutions to help address monthly payment challenges faced by today's homebuyers.

D.R. Horton has long operated as a decentralized, locally driven organization, empowering our operators to make decisions that reflect the unique conditions of their markets while maintaining strong centralized oversight of risk, capital discipline and governance. This operating model supports both resiliency and accountability, enabling us to adapt to changing conditions while maintaining consistent standards

across our footprint. It is also fundamental to how we approach sustainability: practically, thoughtfully and with an emphasis on long-term value creation.

As the nation's largest homebuilder, we recognize that our operations have environmental and human capital impacts that warrant careful management and transparency. This year's Sustainability Report reflects continued progress in the maturity of our disclosures and internal systems. We refreshed our enterprise materiality assessment and climate risk assessment, expanded our preparation efforts related to emerging regulatory requirements and further refined metrics related to energy efficiency, greenhouse gas emissions and human capital. We also continued to evaluate opportunities to improve internal processes, recognizing that accurate, reliable data is foundational to responsible decision-making and long-term transparency.

Our people remain at the center of everything we do. With an exceptionally tenured leadership team and a culture that emphasizes development from within and safety and accountability, our employees are instrumental in executing our strategy and advancing our sustainability efforts.

As we look ahead, we remain focused on disciplined growth, operational excellence and responsible stewardship. We continue to foster a safe, ethical and inclusive workplace and to support the communities where our employees live and work through ongoing engagement, volunteerism and disaster recovery efforts. We believe that by staying grounded in our purpose and continuously improving how we operate, we are well positioned to create enduring value for our homebuyers, communities, employees and stockholders.

Thank you to the entire Horton Family for your continued dedication and to our stakeholders for your trust and engagement as we work to meet the housing needs of today and tomorrow.

Sincerely,



David V. Auld
Executive Chairman

“Affordability remains the foundation of our strategy and a defining component of our long-term responsibility.”



Forward-Looking Statements

This report may include “forward-looking statements” as defined by the Private Securities Litigation Reform Act of 1995. Although D.R. Horton believes any such statements are based on reasonable assumptions, there is no assurance that actual outcomes will not be materially different. Factors that may cause the actual results to be materially different from the future results expressed by the forward-looking statements include, but are not limited to: the cyclical nature of the homebuilding, rental and lot development industries and changes in economic, real estate or other conditions; adverse developments affecting the capital markets and financial institutions, which could limit our ability to access capital, increase our cost of capital and impact our liquidity and capital resources; reductions in the availability of mortgage financing provided by government agencies, changes in government financing programs, a decrease in our ability to sell mortgage loans on attractive terms or an increase in mortgage interest rates; the risks associated with our land, lot and rental inventory; our ability to effect our growth strategies, acquisitions, investments or other strategic initiatives successfully; the impact of an inflationary, deflationary or higher interest rate environment; risks of acquiring land, building materials and skilled labor and challenges obtaining regulatory approvals; the effects of public health issues such as a major epidemic or pandemic on the economy and our businesses; the effects of weather conditions and natural disasters on our business and financial results; home warranty and construction defect claims; the effects of health and safety incidents; reductions in the availability of performance bonds; increases in the costs of owning a home; the effects of information technology failures, cybersecurity incidents, and the failure to satisfy privacy and data protection laws and regulations; the effects of governmental regulations and environmental matters on our land development and housing operations; the effects of changes in income tax and securities laws; the effects of governmental regulations on our financial services operations; the effects of competitive conditions within the industries in which we operate; our ability to manage and service our debt and comply with related debt covenants, restrictions and limitations; the effects of negative publicity; the effects of the loss of key personnel; and the effects of actions by activist stockholders.

Additional information about issues that could lead to material changes in performance is contained in D.R. Horton’s annual report on Form 10-K and its most recent quarterly report on Form 10-Q, both of which are filed with the Securities and Exchange Commission.



About This Report

We are pleased to share this Fiscal 2025 Sustainability Report with our employees, homebuyers, investors and communities. This report reflects our commitment to responsible business practices and transparent reporting across three core tenets: Leading with Purpose; People, People, People; and Environment.

We recognize the importance many of our stakeholders place on environmental, human capital and risk management topics and are committed to publishing consistent and relevant sustainability information on an annual basis.

The data presented within this report is as of or for the fiscal year ended September 30, 2025, unless otherwise noted, and is presented in accordance with the homebuilders industry reporting standards prepared by the Sustainability Accounting Standards Board (SASB), now part of the International Sustainability Standards Board (ISSB) of the IFRS Foundation. We have also aligned our climate risk and opportunity discussion with the recommendations of the body formally known as the Task Force on Climate-related Financial Disclosures (TCFD), now also under the purview of the ISSB. Finally, we also reference the United Nations’ Sustainable Development Goals (SDGs) where we believe our Company best aligns. Data provided within the report may reflect consolidated information that is inclusive of multiple D.R. Horton business entities in addition to its homebuilding operations, including Forestar, Rental, Financial Services and other ancillary business activities.

We continue to refine our data collection processes and internal reporting capabilities to improve our data quality and comparability.

Certain policies and governance documents referenced within this report, including our Corporate Code of Conduct, Human Rights Policy and Political Contributions Policy Statement, are publicly available on our Investor Relations website at investor.drhorton.com under the Policy & Governance Documents link within the Corporate Governance section. For any questions regarding this report, please email us at InvestorRelations@drhorton.com.

About D.R. Horton

D.R. Horton, Inc., America’s Builder, has been the largest homebuilder by volume in the United States since 2002 and has closed more than 1,200,000 homes in its 47-year history.

D.R. Horton has operations in 126 markets in 36 states across the United States and is engaged in the construction and sale of high-quality homes through its diverse product portfolio with sales prices generally ranging from \$250,000 to over \$1,000,000. The Company also constructs and sells both single-family and multi-family rental properties.

During its fiscal year ended September 30, 2025, D.R. Horton closed 84,863 homes in its homebuilding operations, in addition to 3,460 single-family rental homes and 2,947 multi-family rental units in its rental operations. D.R. Horton also provides mortgage financing, title services and insurance agency services for its homebuyers and is the majority-owner of Forestar Group Inc., a publicly traded national residential lot development company.

Ranked at #123 on the 2025 Fortune 500 list, D.R. Horton has consistently delivered top-quality new homes to homebuyers across the nation.

Our Company stock is traded on both the New York Stock Exchange and NYSE Texas under the ticker symbol DHI.

Operations in 126 Markets Across 36 States

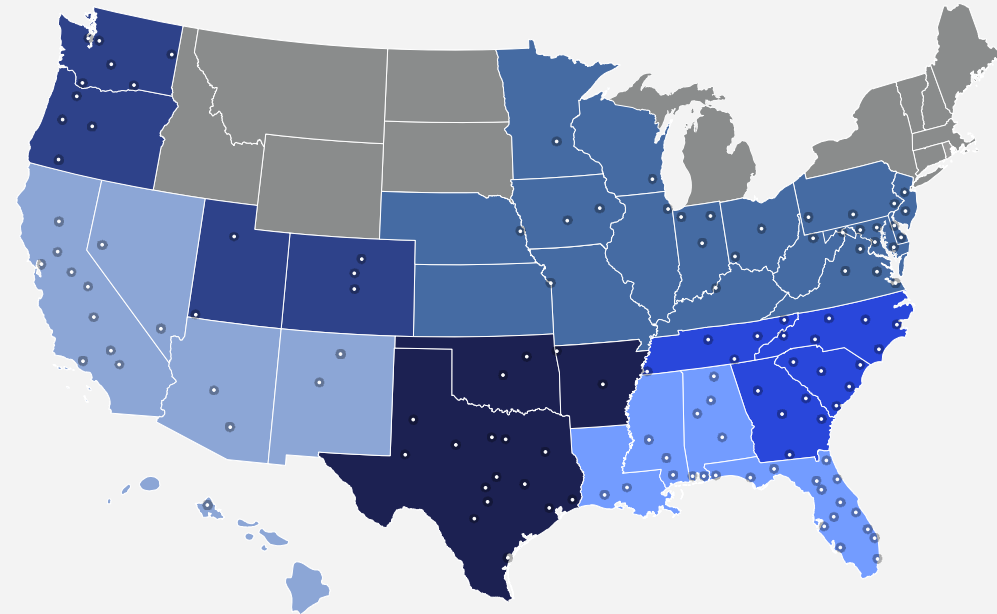
D.R. Horton’s homebuilding operating divisions are aggregated into six reporting segments. The reporting segments and the states in which the Company has homebuilding operations are as follows:

Northwest:

Colorado, Oregon, Utah, Washington

North:

Delaware, Illinois, Indiana, Iowa, Kansas/Missouri, Kentucky, Maryland, Minnesota, Nebraska, New Jersey, Ohio, Pennsylvania, Virginia, West Virginia, Wisconsin



Southwest:

Arizona, California, Hawaii, Nevada, New Mexico

South Central:

Arkansas, Oklahoma, Texas

Southeast:

Alabama, Florida, Louisiana, Mississippi

East:

Georgia, North Carolina, South Carolina, Tennessee

Company Snapshot¹

D.R. Horton was the largest builder in 60 of the 126 markets in which it operated at September 30, 2025.²

1978
Year Founded

63%
First-Time Homebuyers

14,341
Number of Employees

29,600
Homes in Inventory

1,200,000
Homes Closed Since 1978

147,000
Land/Lots Owned

84,863
Homes Closed

444,900
Lots Controlled Through Land and Lot Purchase Contracts

\$370,400
Average Sales Price (Closings)

591,900
Total Land/Lots Owned and Controlled

\$34.3 billion
Consolidated Revenues

¹ Data represents D.R. Horton’s homebuilding operations and is presented as of or for the fiscal year ended September 30, 2025, unless otherwise noted.
² Based on data provided by Zonda and D.R. Horton estimates for the trailing twelve months ended September 30, 2025.

Reporting Timeline

2020

- Began internal tracking of certain social and environmental data and metrics
- Updated our Corporate Code of Business Conduct and Ethics

2021

- Adopted Human Rights Policy and published our Political Contributions Policy Statement
- Performed initial Climate and Human Capital Risk Assessment

2022

- Published a Human Capital document with quantitative demographic metrics and EEO-1 data for the first time
- Published a Vendor Spotlight highlighting the sustainability efforts of key suppliers
- Started data collection for baseline Scope 1 and 2 GHG emissions quantification
- Obtained results of 2022 ESG Materiality Assessment and reported to Board of Directors
- Published Inaugural ESG Report

2023

- Began building internal reporting systems to enhance data completeness and accuracy
- Conducted a Vendor ESG Survey
- Completed Scope 1 and 2 GHG emissions calculation for fiscal 2022
- Completed CDP Climate Questionnaire and had it scored for the first time
- Published 2023 ESG Report

2024

- Completed Scope 1 and 2 GHG emissions calculation for fiscal 2023
- Completed scored CDP Climate Questionnaire
- Hosted our biennial National Purchasing Trade Show with Sustainability Awards presented for the first time to both a homebuilding division and a vendor

2025

- Completed Scope 1 and 2 GHG emissions calculation for fiscal 2024
- Completed a scored CDP Climate Questionnaire
- Published 2024 Sustainability Report
- Began California Climate Law SB-253 compliance preparations, including data collection to support our initial Scope 3 GHG emissions calculation
- Refreshed Materiality Assessment
- Refreshed Climate Risk Assessment

2026 & Beyond

- Completed Scope 1 and 2 GHG emissions calculation for fiscal 2025 and obtained limited assurance for the first time
- Published 2025 Sustainability Report
- Ongoing work to complete D.R. Horton's first Scope 3 GHG emissions calculation
- Ongoing review and refreshment of key policy documents, including evaluation of additional policies where appropriate
- Annual publication and disclosure of key sustainability and human capital disclosures and political contribution amounts
- Consideration of GHG reduction targets



Materiality Assessment

At D.R. Horton, stakeholder feedback is central to how we shape our business strategy, particularly in sustainability and human capital management. In preparation for our inaugural sustainability report in 2022, we engaged a third-party sustainability firm to conduct a comprehensive materiality assessment, establishing a foundation for understanding the environmental, social and governance (ESG) topics most relevant to our business and stakeholders. To keep our priorities current and responsive, we periodically review and refresh this assessment. Most recently, we partnered with the same firm at the end of 2025 to complete an updated assessment reflecting advancements in both methodology and stakeholder engagement and reinforcing our commitment to transparency and continuous improvement.

Our 2025 materiality assessment followed a similar approach to our original, drawing on prior stakeholder feedback, ESG/sustainability disclosure frameworks, ratings providers, peer homebuilding disclosures and other data sources to develop a targeted survey.

To broaden participation, we distributed the survey to 267 individuals, an increase of more than 150% from our first assessment. We received 56 complete responses representing all key stakeholder groups, including employees, suppliers, investors, customers, community members and government and government affairs representatives.

Stakeholders were asked to select, rank and explain sustainability topics they viewed as most significant for D.R. Horton today and looking ahead to 2035.

To improve clarity and better reflect how we manage our business, we streamlined the survey from 28 topics in 2022 to 16 consolidated themes in 2025. Results were evaluated on both an absolute and weighted basis. The top five most frequently selected topics of importance to D.R. Horton today are:

Important Today

- 1 Sustainable Procurement**
- 2 Responsible Business Practices**
- 3 Employee Health, Safety & Well-Being**
- 4 Business Resiliency**
- 5 Home Emissions & Energy Efficiency**

The top five topics stakeholders identified as most important in 2035 closely mirror those viewed as important today, enabling a consistent, focused sustainability strategy:

Important in 2035

- 1 Business Resiliency**
- 2 Employee Health, Safety & Well-Being**
- 3 Sustainable Procurement**
- 4 Responsible Business Practices**
- 5 Workforce Management**

Compared to our 2022 assessment, the refreshed results reflect a notable shift in stakeholder priorities, moving away from product-focused concerns, such as energy efficiency, quality and sustainable materials, toward enterprise-level considerations, including procurement, governance and resilience. This evolution signals that stakeholders are taking a broader view of D.R. Horton's business activity, examining not only what we build, but how we operate across every dimension: how materials are sourced, how workers are treated, how we position ourselves against macroeconomic and climate-related disruption and how our operations interact with the natural environment.

Three key themes emerged from stakeholders' rationale:

- Business strength and resilience
- People as foundational
- Scale-driven responsibility

These themes are embedded in our culture and operations as highlighted throughout the [Leading with Purpose](#), [People, People, People](#) and [Environment](#) sections of this report.

To build the materiality matrix on the following page, we analyzed survey responses from both internal stakeholders (employees) and external stakeholders, incorporating the rankings applied to each topic to determine relative significance. The matrix plots all 16 topics across three bands: moderate, high and very high importance. All topics rated high or very high importance are addressed in this report, as are select topics in the moderate band. Topics in the moderate band that are not currently addressed remain under active monitoring as we consider future program and disclosure updates.

These results were reviewed with D.R. Horton's Board of Directors and will continue to help guide our sustainability priorities and disclosures in the years ahead. We intend to refine our approach over time as stakeholder perspectives evolve.

Ongoing Engagement

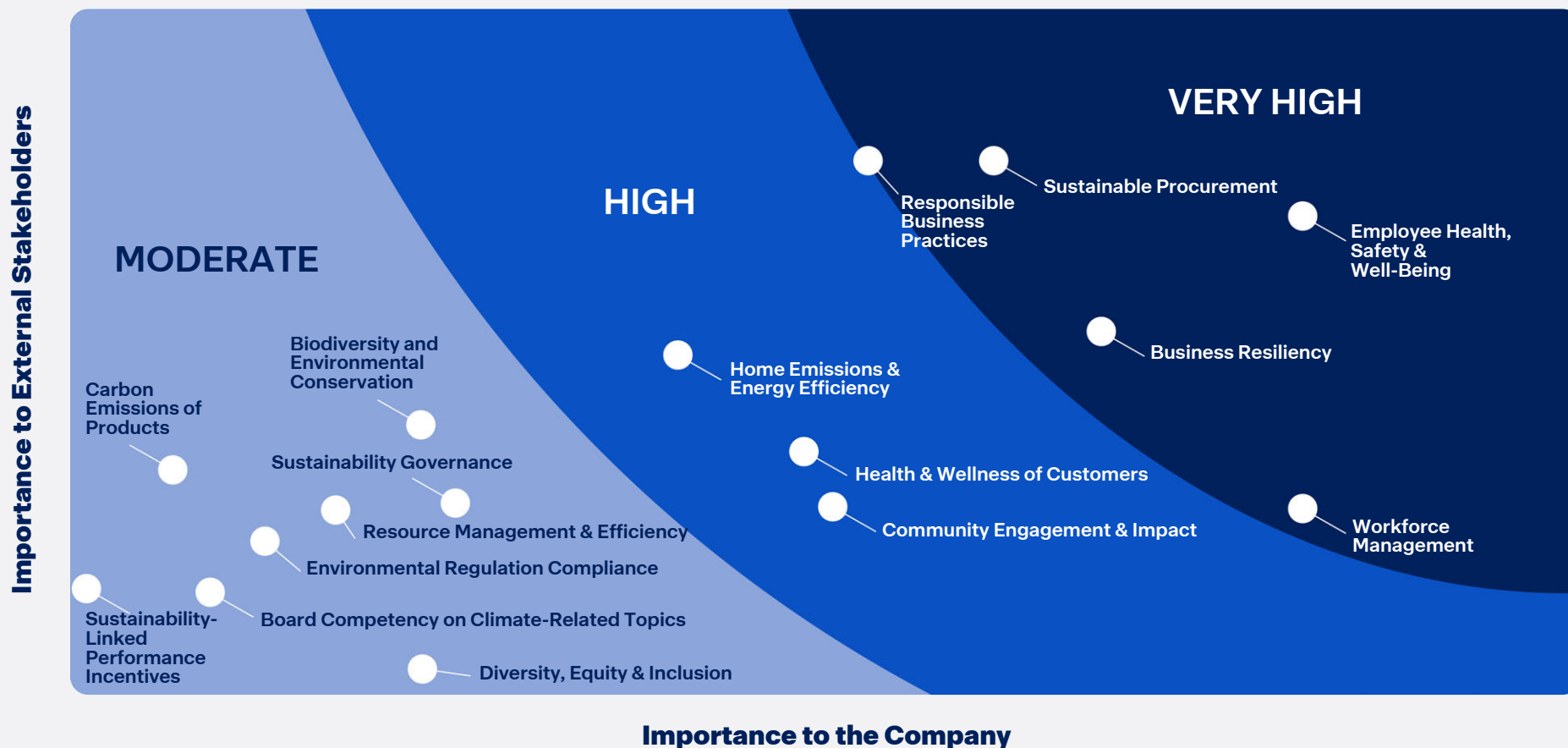
As the homebuilding industry and the broader regulatory environment have evolved, we have stayed actively engaged with stakeholders to ensure our reporting remains dynamic and relevant.

We engage with governmental and oversight bodies, industry and trade organizations and groups such as the Leading Builders of America and National Quality Council through surveys, working groups, informal discussions and advocacy efforts throughout the year.

Consistent with sustainable procurement, the most frequently selected materiality topic, we maintain ongoing dialogue with vendors and suppliers on quality, sustainability, manufacturing processes, recycling and carbon footprint. We conducted a formal vendor ESG survey in 2023 and connect in person with many of our largest suppliers at our biennial National Purchasing Trade Show, supplemented by regular virtual and in-person touchpoints throughout the year.

We welcome stakeholder feedback on our sustainability initiatives at any time, not just through formal surveys or assessments, and remain committed to continuous improvement in our sustainability initiatives while keeping affordability central to everything we do.

What sustainability topics matter most to D.R. Horton today?



The materiality matrix above reflects weighted stakeholder responses to the following question: What do you consider to be the most significant sustainability topics for D.R. Horton today? Participants each selected five topics and ranked them in order of significance. Those selections were then analyzed on a weighted average basis, with each topic's final position in the matrix determined by the combined frequency of selection and relative ranking across all respondents.

2025 Sustainability Highlights



Leading With Purpose

28 years

Average Tenure of Executive Leadership Team

75%

Independent Directors

\$6.6 billion

Total Liquidity



People, People, People

63% or ~43,000

First-Time Homebuyers

14,341

Employees

\$577,000

Monetary Donations to Philanthropic and Community Organizations



Environment

29,343

ENERGY STAR® Certified Homes

53

Average HERS® Index Score

1.5 billion

Gallons of Water Saved Through WaterSense Fixtures



Leading With Purpose

At D.R. Horton, our approach to “Leading with Purpose” is rooted in a clear commitment to integrity, accountability and long-term value creation. Our leadership prioritizes strong ethical standards, disciplined risk management and resilient operations that support consistent performance across market cycles. We recognize that effective corporate governance, thoughtful board oversight and a diverse set of perspectives are fundamental to sustaining our success. By embedding these principles into our decision-making and culture, we seek to reinforce stakeholder trust and deliver lasting benefits to our homebuyers, shareholders and the communities where we operate.

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Business Ethics

Business ethics is foundational to our culture of trust and to creating lasting value for our three key stakeholders:

- Our homebuyers,
- Our investors and
- Our employees.

Through transparency, integrity and accountability throughout our operations, we deliver quality homes, compelling returns and a workplace culture that drives long-term success for all.

Our Code of Conduct sets clear expectations across all aspects of our business, including ethical sales practices, advertising, vendor and supplier relationships, interactions with competitors and government agencies, and protection of confidential and proprietary information. It explicitly prohibits all forms of bribery and kickbacks, including gifts, bribes and facilitation payments, and maintains a zero-tolerance policy for racism, discrimination and harassment of any kind.

Human Rights

Our Human Rights Policy reflects our commitment to upholding and respecting human rights across our operations and the communities we serve. This includes supporting non-discrimination, opportunity and inclusion; providing good labor conditions,

working hours, wages and benefits; promoting health and safety in the workplace; prohibiting forced labor, child labor and human trafficking; preserving water and natural resources; not using conflict minerals; and appropriately handling hazardous materials.

Political Contributions

We also maintain a Political Contributions Policy to ensure transparency and accountability in how we engage in public advocacy. The Policy is overseen by the Board's Governance Committee and requires an annual review of both the policy and any lobbying or political contributions made during the year. During fiscal 2025, the Company's political contributions totaled approximately \$73,500, made primarily to local municipalities and organizations across our markets in support of candidates and initiatives that promote housing affordability.

Training & Reporting

We provide annual Code of Conduct and workplace behavior training for all employees, covering topics such as harassment, bullying and anti-corruption.

Each employee is also required to annually acknowledge their receipt and understanding of both the Corporate Code of Conduct and the Human Rights Policy. To ensure every employee has a safe avenue to raise concerns, we maintain an open-door policy, a confidential employee hotline and a separate confidential hotline for accounting, auditing and finance matters.

Responsible Marketing

We are committed to transparency, accuracy and fairness in every interaction with our homebuyers. Our Corporate Code of Conduct reinforces the standards we expect from our employees, including truthful and accurate statements, advertising, pricing and sales incentives.

To further support these practices, all employees have access to guidance and training materials through our Marketing intranet site, including branding and posting guidelines for social media, sales and marketing tool training, brand standards and templates, legal guidance and disclaimer language, and best practices for common questions.



Corporate Code of Conduct

Our standards of ethics, policies and procedures are communicated to employees through our Corporate Code of Conduct. All D.R. Horton employees, including executive management and our Board of Directors, are subject to the Code and must review and acknowledge it annually. The principles that underpin our Corporate Code of Conduct are:

 Honesty	 Compliance
 Accountability	 Opportunity
 Mutual Respect	 Integrity
 Quality	 Knowledge
 Civility	 Reliability
 Fairness	

Risk Management

Our business and operations are subject to numerous risks and uncertainties, which are fully described in our periodic SEC filings, including our 2025 Annual Report on Form 10-K.

While risk cannot be fully eliminated, we manage it through a robust program grounded in sound business principles. Our Board of Directors provides overall risk oversight, as described on page 17, while senior management guides day-to-day risk management through strategic decisions executed by employees across the Company.

At the Corporate level, our executives and departments establish operational policies and internal control standards, monitor compliance and maintain direct oversight of key risk elements and initiatives through the following centralized functions:



- Financing
- Cash management
- Allocation of capital
- Issuance and monitoring of inventory investment guidelines
- Approval and funding of land and lot acquisitions
- Monitoring and analysis of profitability, returns, costs and inventory levels
- Risk and litigation management
- Environmental assessments of land and lot acquisitions
- Technology systems to support management of operations, marketing and financial information, including preventing, monitoring and reporting of cybersecurity issues
- Accounting and management reporting
- Income taxes
- Internal audit
- Public reporting and investor and media relations
- Administration of payroll and employee benefits
- Negotiation of national purchasing contracts
- Administration, reporting and monitoring of customer surveys and resolutions of issues
- Approval of major personnel decisions and management incentive compensation plans

Our Risk Management Department, led by our Head of Risk Management and reporting directly to our Senior Vice President and General Counsel, is responsible for evaluating operational risks and recommending mitigation strategies across the Company. Key functions include:

- Development of various operating and safety policies and procedures
- Overseeing health and safety initiatives and compliance with state and federal OSHA rules
- Managing workplace safety incidents and injury claims
- Preparation for and prevention of property loss, including obtaining builders' risk insurance to mitigate losses from damage to our homes under construction due to fire, flood, hurricane, earthquake and other natural disasters
- Monitoring and evaluating claims related to home quality, warranty and construction defects
- Overseeing contractual obligations, vendor insurance coverage and contract requirements
- Collaborating with the National Purchasing team regarding standards for product selection for our homes



Information Technology Risks

We rely on information technology and digital resources, including artificial intelligence, to conduct key operational and marketing activities and maintain business records, making cybersecurity and information technology (IT) risk management a critical priority. Our Chief Information Officer (CIO) and IT Cyber Security Risk Officer (CSRO), together with their teams, oversee the assessment, identification and management of cybersecurity threats that could impact our systems, operations and data.

Cybersecurity

We employ a multilayered, proactive approach to identify, evaluate, mitigate and prevent potential cybersecurity threats. Each layer incorporates multiple levels of protection and adheres to industry standards, including the National Institute of Standards and Technology (NIST) Cybersecurity Framework. Technology controls we have implemented include:

- Multi-factor authentication
- Layered email protection
- Zero-trust security model
- Continuous monitoring
- Regular scans
- Quarterly penetration testing
- Collaborative evaluation and remediation
- Regular assessments and gap analyses
- Comprehensive risk assessment
- Incident response readiness
- Data backup

In addition to these technology controls, we have also implemented:

- Annual cybersecurity awareness training for all employees
- Quarterly phish testing and reporting tools available to employees
- Firewall defenses
- File scanning tools
- Regular vendor risk assessments
- Ongoing internal evaluations and vulnerability testing
- Business contingency plans and incident response procedures that are tested at least annually
- Multiple IT policies and procedures, including a security policy, available to all employees via the Company intranet
- A cybersecurity risk insurance policy with plans to explore options for renewal in the coming months

The Audit Committee of the Board of Directors holds formal responsibility for cybersecurity risk oversight, fulfilled through regular updates from Internal Audit and the Chief Financial Officer (CFO), supplemented by periodic presentations from the CIO and CSRO.

To date, no cybersecurity threats or incidents have materially affected — or are reasonably likely to materially affect — our business strategy, results of operations or financial condition. As threats continue to evolve, we regularly enhance our security measures to protect our systems and data.



Artificial Intelligence

As artificial intelligence (AI) becomes increasingly embedded in business operations, D.R. Horton has taken a prudent approach to managing related risks. Our Corporate IT Compliance team has established a formal AI Acceptable Use Policy, available to all employees on the Company intranet, which outlines approved AI tools, the process for requesting approval of additional third-party tools, and key rules and best practices governing AI use, including mandatory human review of all AI-generated content, evaluation of outputs for bias, transparency in disclosing AI use and clear employee accountability for the AI-generated outcomes.

To obtain a license for D.R. Horton's approved AI software, employees must review the Policy and complete a brief training on ethical and responsible use, appropriate use cases, data security and associated risks.

Our IT, Data Analytics, and Business Development and Innovation teams continuously evaluate emerging AI tools for feasibility, security and potential to enhance productivity across our business.

Environmental & Climate Risks

We recognize that environmental and climate-related risks could impact our business. For a more comprehensive description, refer to page [70](#) for disclosure aligned with the majority of the recommendations outlined by the Task Force on Climate-related Financial Disclosures (TCFD), covering governance, strategy, risk management, and metrics and targets. We plan to continue to work to improve our risk assessments, data tracking and disclosures across each of these topics for future reports.



The management of other types of risks is integrated into the operations of the Company. These include financial and liquidity risks, real estate and market risks, human capital risks and data privacy risks, among others. Our general strategies for addressing these types of risk are listed below:

Financial & Liquidity Risks

- Maintaining a long-term debt to total capital ratio target of ~20%
- Sustaining strong cash balances and liquidity
- Preserving flexibility through economic cycles

Real Estate & Market Risks

- Controlling land pipeline via land/lot purchase contracts
- Matching inventory investment and land supply with expected housing demand by market
- Prioritizing the purchase of finished lots
- Carefully managing housing inventory on a community-by-community basis

Human Capital Risks

- Upholding workplace standards that promote ethical conduct, respect and inclusion
- Investing in leadership development and internal succession planning
- Supporting our employees and communities through various programs and initiatives

Data Privacy Risks

- Implementing administrative, technical and physical safeguards to protect personal information
- Limiting use of sensitive personal information to legally required purposes or homebuyer-requested transactions

Business Resiliency

With more than 47 years in business, D.R. Horton is built for the long term. We continuously evolve our operations and strategic priorities to strengthen resilience and ensure the enduring sustainability of our business.

Our ability to adapt quickly to changing market conditions has long been a defining competitive advantage, one tested repeatedly in recent years. From a global pandemic marked by unprecedented demand, supply chain disruptions and operational constraints, to today's affordability-constrained market with elevated home prices, persistently high mortgage interest rates and complex public policy dynamics, we have navigated each environment with agility. We also monitor the frequency and severity of extreme weather events and their potential impact on our operations.



Through deliberate effort across the following areas, we have meaningfully strengthened our resilience since the last significant financial downturn:

- **Capital discipline:** maintaining a robust, yet nimble, land and lot pipeline supported by strict underwriting standards
- **Operational agility:** leveraging our decentralized business model, which allows for rapid adjustments to home starts, product offerings and pricing
- **Affordability focus:** serving the broadest segment of the housing market to expand homeownership opportunities and support generational wealth creation
- **Financial strength and flexibility:** repaying significant debt maturities, building liquidity and maintaining a disciplined approach to future capital obligations
- **Geographic diversification:** reducing concentration risk through a broad and balanced national footprint
- **Supply chain fortification:** expanding and strengthening supplier relationships to enhance operational continuity
- **Leadership and governance:** advancing succession planning, enhancing Board composition and independence, and designing an executive compensation plan including business resilience as a key principle

Collectively, these initiatives reflect our ongoing commitment to long-term resilience. By maintaining financial discipline, operational flexibility and a steadfast commitment to housing affordability, D.R. Horton is well-positioned to navigate uncertainty, seize opportunity and deliver lasting value for our homebuyers, employees, communities and shareholders.



	Then (2005)		Now (2025)
Capital Discipline	346,000 Total Controlled Lots	➔	591,900 Total Controlled Lots
	55% Portion Controlled Through Option Contracts	➔	75% Portion Controlled Through Option Contracts
Financial Flexibility	47.8% Debt to Total Capital	➔	19.8% Debt to Total Capital
	\$2.4 billion Total Liquidity	➔	\$6.6 billion Total Liquidity
Geographic Diversification	74 Total Markets	➔	126 Total Markets
	25 Total States	➔	36 Total States

Corporate Governance & Board Matters

Sound corporate governance, strong risk management and sustained stakeholder engagement are central to how we run our business.

Strong corporate governance principles provide the framework through which we manage risk, engage our stakeholders and pursue our mission responsibly. We believe fair, transparent and effective governance is both critical to long-term stockholder value and central to our commitment to operating sustainably across the communities where we build and serve.

Overseeing D.R. Horton’s governance is our Board of Directors, which provides independent oversight of senior management and is committed to aligning the interests of the Company with those of our stockholders.

Our Board has implemented and monitors compliance with the following corporate governance standards:

- ✓ Stockholders elect directors to one-year terms by majority vote
- ✓ Six of eight directors are independent; all three standing Board committees are comprised solely of independent directors
- ✓ Independent directors regularly meet in executive sessions led by an Independent Presiding Director
- ✓ Our Bylaws permit stockholder proxy access
- ✓ The Board and each of its committees conduct annual performance reviews
- ✓ Stock ownership guidelines for executive officers and directors reinforce alignment with long-term stockholder interests
- ✓ Executive compensation incentives are tied to Company performance and the creation of sustainable long-term stockholder value
- ✓ Stock-based compensation is subject to a minimum three-year vesting period, aligning pay with long-term performance
- ✓ Our Clawback Policy, triggered by a financial restatement, applies to both cash and equity incentive compensation
- ✓ Hedging or pledging of Company securities is prohibited for all directors and employees

- ✓ The Board holds an annual advisory stockholder vote on executive compensation
- ✓ Our director recruitment policy supports consideration of highly-skilled, qualified and diverse candidates

The Board also oversees the Company’s risk management, including, but not limited to, the following key risk areas:

- ✓ Financing and liquidity risk, including approval of maximum debt and equity repurchase levels and any public issuances of debt or equity
- ✓ Reviewing, approving and funding land and lot acquisitions
- ✓ Financial reporting, internal controls, internal audit and related regulatory compliance
- ✓ Compensation and succession planning for executive officers and other key personnel
- ✓ Environmental, climate-related and human capital risks, including employee health and safety, retention and inclusion
- ✓ Information technology and cybersecurity risk

The Board oversees these risks through its four primary committees: the Nominating and Governance Committee, the Audit Committee, the Compensation Committee and the Executive Committee. When the Board is not in session, the Executive Committee may act on the Board’s behalf in managing the Company, subject to applicable law and NYSE Rules. During fiscal 2025, the Executive Committee was composed of David Auld, Executive Chairman, and Paul Romanowski, CEO.

The composition of the other committees is as follows:

Name	Nominating and Governance	Compensation	Audit
Barbara R. Smith	C		
Benjamin S. Carson, Sr.	M		
Brad S. Anderson		M	M
Elaine D. Crowley	M		M
M. Chad Crow		C	
Maribess L. Miller		M	C

M Member C Chairperson

Board Characteristics

Strong governance begins with a Board that reflects the diversity of backgrounds, experiences and perspectives needed to lead with integrity and foresight. Our eight-member Board, including six independent directors, Executive Chairman David V. Auld and President and CEO Paul J. Romanowski, is built on this foundation. Following significant Board refreshment in fiscal 2024, fiscal 2025 was a year of purposeful execution and steady leadership, as the Company continued to honor the legacy of our founder, Don Horton.

The primary change to the Board composition in fiscal 2025 was a reduction from nine to eight members after Director Michael Buchanan, who had served since 2003, did not stand for re-election at the 2026 Annual Meeting. The characteristics highlighted on this page reflect Board composition following our 2026 Annual Stockholders' Meeting and therefore exclude Mr. Buchanan. Following his retirement, the Board committee composition was adjusted as reflected in the [Corporate Governance & Board Matters](#) section.

The Nominating and Governance Committee is responsible for identifying and evaluating director nominees in connection with Board expansion, refreshment and succession planning. Over the last eight years, the Committee has added five new independent directors. Candidates are evaluated on their qualifications, experiences and perspectives, including knowledge of real estate, business, management, accounting, finance and leadership, as well as high ethical standards, practical wisdom and sound judgment.

Independence is equally important to ensuring that our Board remains objective and accountable to stockholders. Of the director nominees at our 2026 Annual Meeting, 75% were independent as defined by the rules of the New York Stock Exchange. Because neither our Executive Chairman nor President and CEO is independent, we maintain an Independent Presiding Director who presides at all Board meetings held without them, and our independent directors regularly meet in executive sessions. All members of our Nominating and Governance, Audit and Compensation Committees are independent. Three of our independent directors are women, and one independent director is ethnically diverse.

We believe diversity of tenure strengthens Board effectiveness. The homebuilding industry is subject to economic cycles, each presenting different risks, and the most significant U.S. housing downturn began approximately 20 years ago in 2006. Our mix of directors who have firsthand industry experience and tenure with D.R. Horton through long economic cycles, alongside newer directors bringing fresh perspectives, strikes the right balance. As of September 30, 2025, the average tenure of our independent directors (excluding Mr. Buchanan) was seven years.



Board Independence at a Glance

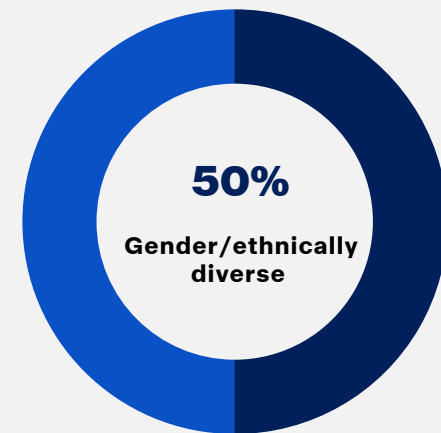
75%

Independent Directors

7 years

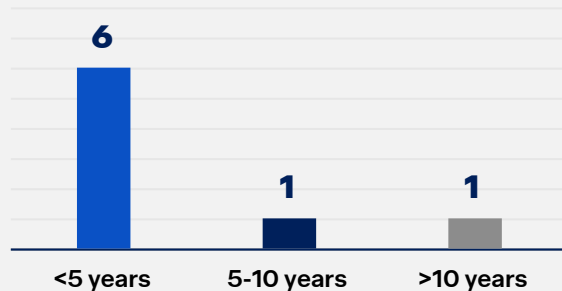
Average Independent Director Tenure

Board Diversity



- 50%** Gender/ethnically diverse Board members
- 50%** Not gender/ethnically diverse Board members

Board Tenure





People, People, People

At D.R. Horton, our people are fundamental to our success. From day one, employees become part of what we call the “Horton Family” — an inclusive, values-driven culture that brings together diverse backgrounds, experiences and perspectives, all unified by a shared purpose to serve our customers, strengthen our communities and support access to affordable homeownership. Through their work, our employees help expand housing opportunities, contribute to community impact and philanthropy efforts and foster a workplace centered on well-being, development and safety. We are committed to supporting our employees and communities, recognizing each as essential to advancing our mission of helping more individuals and families achieve the American Dream of homeownership.

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Home Affordability

Home affordability is embedded in D.R. Horton's purpose and strategy.

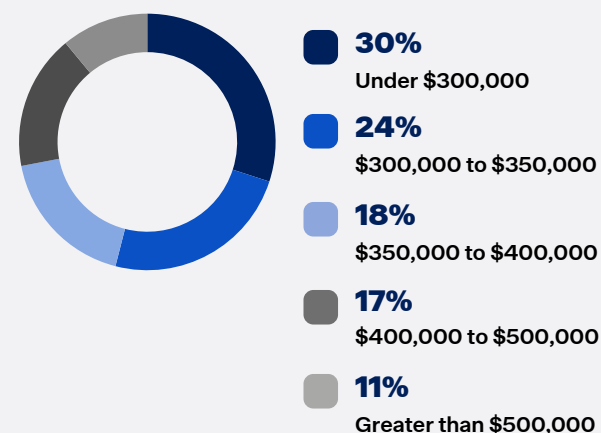
Our mission is to drive access to homeownership and create meaningful opportunities for Americans to build a better life. We believe the American Dream of homeownership should be attainable for everyone, regardless of age, gender, socioeconomic status, race or ethnicity.

We provide quality homes at a compelling value for homebuyers at every stage of life, with offerings spanning entry-level, move-up, active adult and luxury segments. With floorplans generally ranging from 1,000 to more than 4,000 square feet and prices from \$250,000 to over \$1,000,000, we serve a broad customer base — from first-time homebuyers to retired empty nesters and everyone in between.

Despite our varied offerings, affordably priced homes remain our core focus. During fiscal 2025, 72% of homes closed by our homebuilding operations were priced under \$400,000, representing 1 out of every 5 new homes under \$400,000 sold in the United States. Our overall average closing price of \$370,400 was \$137,300 below the national average for new single-family homes.

We partner with our wholly-owned subsidiary, DHI Mortgage (DHIM), to guide homebuyers through the purchase process. In fiscal 2025, 81% of homes closed by D.R. Horton's homebuilding operations were financed through DHIM.

Price Points of Homes Closed in FY 2025



DHIM also offers programs to educate and support prospective homebuyers. The Home Buyers Club helps credit-challenged buyers improve their financial standing and prepare for successful homeownership through dedicated guidance and resources. Read more in the **DHI Mortgage Home Buyers Club** spotlight. Homebuyers who finance through DHIM may benefit from additional cost savings, including discounted closing costs or participation in our mortgage rate buydown program, which is described further on the next page.

Affordability Constraints

In recent years, rapid home price appreciation has stabilized at levels well above long-term averages, while mortgage interest rates climbed from 50-year lows of approximately 2.5% to 3.5% in 2020 and 2021 to approximately 6.5% to 7.5% in late 2022, where they have largely remained. Together, these factors have significantly impacted monthly payments for our homebuyers.

We also navigate a variety of local regulatory challenges, including lengthy entitlement and permitting processes, lot size limitations, product design requirements and resistance to incremental housing, among other obstacles, that can further constrain affordability. Thoughtful engagement and collaboration with local communities and oversight bodies can help ease these challenges.



Home Affordability at a Glance

\$370,400
Average Closing Price

72%
Portion of Homes Closed Under \$400,000

1,954
Average Square Footage of Homes Closed

17%
Portion of Attached Home Closings

\$96,000
DHIM Homebuyer Average Annual Income

63% or ~43,000
First-Time Homebuyers Utilizing DHIM

All metrics represent homes closed by homebuilding operations in fiscal 2025, unless otherwise noted.

DHI Mortgage Home Buyers Club®

A strong credit score is a critical component of the mortgage qualification process, yet for many prospective buyers, it remains a significant barrier to qualifying for a mortgage. The DHI Mortgage Home Buyers Club® (HBC) was established in 2008 to help prospective homebuyers overcome these obstacles and build a foundation for sustainable homeownership.

Interested homebuyers begin by completing a mortgage application with DHIM. Those who don't yet qualify are referred to HBC, where they work one-on-one with a dedicated credit consultant. Each consultant conducts a detailed credit profile review and develops a personalized improvement strategy tailored to an individual homebuyer's financial goals, while also providing access to credit education and practical tools for rebuilding positive credit.

Upon completing the program, the participants are referred back to their DHI Mortgage loan originator to reassess their eligibility for mortgage financing.

In fiscal 2025, approximately 7,000 individuals enrolled in the HBC program. Of those, 3,246 people completed the credit improvement steps, achieving an average credit score improvement of 65 points, and were able to close on their new home. This improvement opens the door to more favorable loan programs, interest rates and financing opportunities.

Since formation, the HBC has helped 35,400 homebuyers improve their credit rating and close on a home, building a foundation for a more secure financial future.

HBC conducts regular outreach and works closely with our homebuilding divisions and third-party real estate agents to educate consumers and create awareness of the program. In 2025, HBC hosted or participated in over 300 events nationwide.

7,000

individuals enrolled in the HBC program in fiscal 2025

65 points

average credit score improvement for HBC grads in fiscal 2025

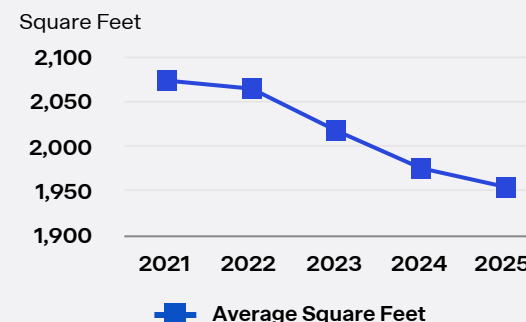


Affordability Playbook

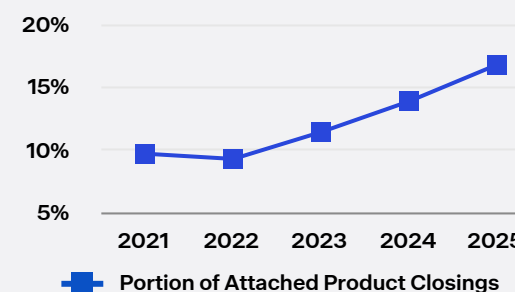
While affordability challenges and strategies are locally driven, we employ several general approaches across our markets to improve the affordability of our product offerings.

- **Increase density:** Smaller lot sizes, reduced home sizes and a greater mix of attached product, such as duplexes and townhomes, maximize land usage and generally support more affordable price points. See the charts illustrating the trend in our home sizes and portion of closings composed of attached products.

Average Square Footage of Closed Homes



Attached Portion (Townhomes, Duplexes, etc.) of Closed Homes

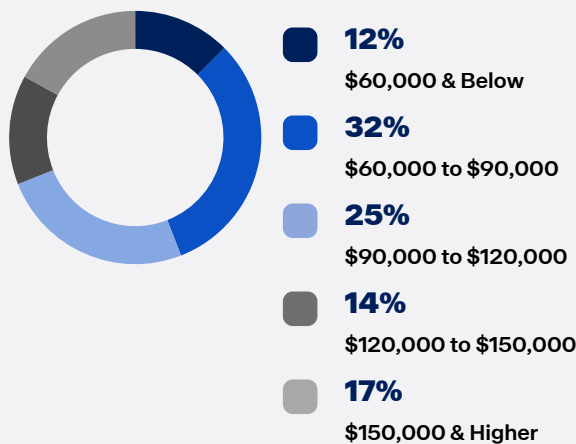


- **Leverage scale and streamline offerings:** Our purchasing power often allows us to negotiate lower costs on materials nationally and labor locally, savings we may pass on to homebuyers. We may also reduce the number of standard product SKUs and work to streamline our floorplan library.
- **Adjust construction techniques and features:** Substituting certain fixtures and finishes with less expensive, high-quality alternatives can meaningfully improve affordability. For example, many of our markets utilize luxury vinyl plank in place of hardwood, offering durability at a more attainable price point.
- **Participate in special programs:** Federal (HUD) and local programs targeting median income earners, along with special credits or incentives designed to help offset costs of homeownership, are valuable affordability tools. Read more in the **Affordability Avengers Assemble** spotlight.
- **Adjust incentives:** In the current elevated interest rate environment, mortgage rate buydowns are our most effective affordability tool. Through DHIM, we offer financing at rates generally at least one point below the prevailing market rate on select homes, in most cases, for the life of the 30-year loan. In fiscal 2025, approximately 87% of homes closed through DHIM included some form of rate buydown. Division leadership tailors buydown strategies with other local incentives.

- **Engage in community and public policy** – Beyond local engagement, D.R. Horton is a member of the Leading Builders of America (LBA), alongside many of the nation's largest builders. LBA's mission includes preserving home affordability for American families, through active engagement in federal and state policy dialogue. Through actions taken by the LBA, we participate to influence public policy to support greater housing availability and affordability, as well as philanthropic, recruiting and workforce training initiatives related to homebuilding.

Through our disciplined focus on affordability, we serve a broad customer base, including more first-time homebuyers than any other builder in the United States, as well as many buyers with incomes below the median in their local markets.

DHIM Homebuyer Average Annual Income



Affordability Avengers Assemble

In the Garver Heights community, the D.R. Horton Houston Central division assembled a superhero team to create a unique homeownership opportunity — bringing together a developer, local lenders, real estate agents and city programs to make it a reality. The division worked with a third-party developer to purchase finished lots ready for home construction at a reduced price, with the stipulation that at least 30% of the homes in the community go to homebuyers who qualify for an Area Median Income (AMI) program, meaning they earn 120% or less of the designated local median income. Homebuyers earning less than 80% AMI may also qualify for additional assistance.

This AMI program is overseen by the City of Houston, which offers several established programs to help drive home affordability, including various down payment assistance programs. Homebuyers who qualify can receive up to \$50,000 in assistance from the City. Because qualifying requires additional documentation outside the typical mortgage loan application process, the local DHI Mortgage branch and a third-party preferred lender educated themselves on these special programs to better serve homebuyers in this community and make the loan application process more efficient.

To raise awareness and educate prospective homebuyers about available programs and resources, the Houston Central division partnered closely with a trusted real estate agent who specializes in the City of Houston's housing assistance programs and teaches classes on the possibilities of homeownership. Together, they planned multiple events to drive awareness of and excitement about Garver Heights, including a bus tour that brought approximately 100 lenders and real estate agents to the community to learn about the product and how best to serve homebuyers through an affordability program. The division also hosted a "Christmas on Us" event at the model home featuring special promotions, giveaways and an introduction to the Home Buyers Club.

More events and initiatives are planned for the Garver Heights community, reflecting our Houston Central division's ongoing commitment to expanding access to homeownership.



Community Impact

While D.R. Horton operates nationally, homebuilding is inherently a local business.

Our division offices across 126 markets are staffed by people who live and work in those communities. Each division makes its own decisions, from land sourcing and product offerings to pricing and philanthropy, ensuring that we best serve local homebuyers. Learn more about our 2025 philanthropic efforts in the [Philanthropy](#) section, and see how our Fort Wayne division made a difference in their local community in the **A New Home Near the Old Fort** spotlight.

No two markets in which we build are alike. From major metro areas to up-and-coming towns, one need is universal: more affordably priced housing, which is a challenge we work to address every day.



Local Trades

Our local trade partners are equally vital to our mission. They work alongside our teams to build quality homes, and many of these small businesses have grown alongside D.R. Horton in recent years. Yet the broader construction industry continues to face structural challenges in meeting U.S. housing demand. The construction workforce is aging, and many workers in the skilled trades left the industry during the Great Recession and have not returned. At the same time, limited access to training and education, coupled with a lack of awareness of the long-term career opportunities available in construction, has constrained the pipeline of new entrants. The industry also continues to face gaps in workforce diversity. Together, these dynamics have contributed to a persistent shortage of skilled labor. This shortage limits the pace at which homes can be built, placing upward pressure on costs and ultimately impacting housing affordability for the communities we serve.

Addressing this shortage requires a long-term, sustainable approach. The Building Talent Foundation (BTF) is leading that effort, advancing education, training and career progression for young people and underrepresented groups as skilled technical workers and business owners in residential construction. To learn more about BTF, how they are re-energizing the construction industry, and D.R. Horton's relationship with them, visit the **Building Talent Foundation** spotlight.

A New Home Near the Old Fort



donated, from framing lumber and insulation to flooring, with all construction labor completed by volunteers and skilled trade partners at no charge. The division achieved their goal: a quality home completed and delivered at zero cost to Habitat for Humanity, allowing more families to benefit from future builds.

For Sabrina, this home represents years of perseverance and patiently waiting for the opportunity for homeownership. Through Habitat's Homeownership Program, she completed 200 hours of "sweat equity," including volunteering on a Habitat construction site and at their local ReStore and completing financial empowerment and homeowner readiness classes, while also balancing full-time work, earning her degree and raising her two sons.

Now, her family is stepping into a place of their own, where they can build new memories and enjoy a long-awaited backyard.

The home dedication in early fiscal 2025 marked more than the completion of a home — it celebrated a community coming together to make a lasting impact. As one Habitat leader shared, collaborations like this turn the dream of affordable homeownership into reality. We are proud our Fort Wayne team and their trade partners could make a meaningful difference in their community to bring Sabrina and her family the home of their dreams.

The D.R. Horton Fort Wayne division teamed up with Habitat for Humanity of Greater Fort Wayne and an extraordinary network of local trade partners to build a home for a deserving single mother, Sabrina, and her two sons.

What began as a vision quickly became reality, with home construction coming together in less than two months — from the pouring of the foundation to the dedication of the home. The Fort Wayne division sought support for this build from many of their local vendors and trade partners, and that group delivered. All of the materials needed to build the home were

Building Talent Foundation

As a founding partner of the Building Talent Foundation (BTF), D.R. Horton is encouraged by the organization's growth and impact since its launch in 2019. BTF is a nonprofit organization established by members of the Leading Builders of America to address the skilled labor shortage in residential construction by helping build a stronger, more sustainable workforce.

BTF works across the industry to connect students, schools, trades, homebuilders, suppliers, and government and community organizations, creating pathways into construction careers. Through hiring events, training programs and industry collaborations, the organization helps to expand awareness of opportunities in the skilled trades and strengthen the talent pipeline.



One of BTF's key initiatives is JobsToBuild, a free online career platform that connects employers with job seekers interested in construction careers. In 2025, BTF expanded the platform's reach to nearly 30,000 job seekers and signed up additional employers, which led to an estimated 12,000 interviews and 3,300 job offers.

Since its founding, BTF has expanded from 3 markets to 27 and has connected 9,050 individuals with quality construction and skilled trade opportunities. The organization has seen excellent retention in candidates placed, noting 85% retention after working for six months.

In addition to our founding partnership, D.R. Horton sponsored the launch of three core markets for BTF and provides ongoing support in the Knoxville, TN, market and at the corporate level, contributing \$237,500 in fiscal 2025.

Throughout the year, BTF hosts and participates in hundreds of skills training, career fair and community events and collaborates with major homebuilders and various construction industry partners on special projects to further advance the sustainable workforce vision and promote careers in construction. Through these efforts, BTF engaged 275,000 people in discussions about careers in construction over the past five years.

In 2025, the D.R. Horton Dallas North and South divisions partnered with BTF to host a skilled trades showcase at their division office. Students were bused in from nearby schools and construction

programs and had the opportunity to meet with trades in a career fair-style event. This event connected 40 students with 17 trade partners for a successful day of networking. Each participating student and company registered on JobsToBuild to remain in contact about future opportunities. The D.R. Horton Knoxville division also collaborated with BTF for three events during the year, providing additional opportunities for candidate and trade partner connections.



We are proud to support BTF's important work and look forward to collaborating on their future initiatives as they continue to strengthen the skilled trades workforce.

Read more about BTF here: buildingtf.org.

Infrastructure and Accessibility

The local nature of our business makes us fundamentally community-focused. We are not simply building homes, but neighborhoods where residents have access to parks, gathering spaces and opportunities for recreation and connection. While each community is tailored to local needs, all are designed to balance affordability with thoughtfully planned amenities.

Location remains a central priority in our development strategy. We plan communities with convenient access to schools, shopping, employment centers and essential services, and in some cases build within mixed-use, infill or redeveloped areas to further enhance connectivity.

We support local infrastructure through impact fees and, at times, through land donations or direct construction of community facilities such as schools, public safety buildings and parks. In collaboration with land developers, municipalities and utility providers, we also contribute to the expansion of roadways and critical utility systems, including water, sewer and electric service.

While most of our communities are located in suburban areas, supporting attainable price points for our homebuyers, we also develop in selected urban locations. In these markets, we often build on infill lots, which are already served by existing infrastructure, such as roads, sewer, water and power, and are ready for home construction.

These infill sites may be small clusters that form new communities or individual “spot lots” located within established neighborhoods, allowing us to thoughtfully integrate new homes into existing areas.



We primarily acquire infill lots in land-constrained markets, including the Bay Area of California, the Mid-Atlantic, Seattle and Chicago, as well as select markets in Florida. Through this approach, we are able to expand housing access in well-located areas while leveraging existing infrastructure and community connectivity. Read about one example of an infill project on a repurposed land parcel in the **From Storefronts to Stoops** spotlight.

In fiscal 2025, 4,780 of the lots we purchased for home construction were infill lots, and we closed 3,692 homes on infill lots purchased since 2022.

4,780

Infill Lots Purchased in Fiscal 2025

From Storefronts to Stoops

Searching for a new home is a different kind of shopping trip. At D.R. Horton Chicago's The Summit at Yorktown, homebuyers can walk out their front door and enjoy the convenience of nearby shops, restaurants and services. Located on the former site of retail stores at the Yorktown Shopping Center in Lombard, Illinois, this 90-unit townhome community demonstrates how underutilized commercial land can be transformed into thriving neighborhoods.

Both the Chicago division and the Village of Lombard recognized the opportunity to transform the vacant retail site into new homes and worked together to execute the vision. The division worked through the approvals and development of the site, including a few challenges unique to a redevelopment project. The team demolished the prior retail sites, while carefully preserving adjacent sites, including a shared wall. The land development process also required completion of some environmental remediation on the site before it was ready for home construction. After nearly two years of approvals and development work, the community opened for sales in early fiscal 2024.

Since then, The Summit at Yorktown community has welcomed over 80 individuals and families home. Residents enjoy premium shopping, including a Target, restaurants, medical offices and other services, within

walking distance of their homes. For those who enjoy spending time in the city, Lombard is only about 20 miles west of Downtown Chicago and a short driving distance to a metro station. The Village of Lombard also has great schools and is close to entertainment.



The Summit of Yorktown has seen such success that the Chicago division is already planning an additional future phase and is in search of additional redevelopment and infill opportunities with similar qualities to bring more new homes to established neighborhoods.

Philanthropy

Local Business Supporting Local Communities

We take seriously the impact we have across the 126 local markets where we operate and believe our local teams are best positioned to lead our philanthropic efforts. As active members of these communities, our employees have a deep understanding of where support is needed most and how to make a meaningful difference.

Philanthropy at a Glance

- 66**
Divisions Participated in at Least One Philanthropic Event
- 3,800**
Employee Volunteer Hours
- 57,000**
Food Items Donated
- 4,300**
Toys Donated
- \$577,000**
Monetary Donations

Estimated values based on internal survey data collected from our divisions for fiscal 2025

We encourage employees to engage in their communities and provide opportunities to participate in the charitable programs we support.

Our philanthropic efforts focus on supporting local needs through a range of initiatives, including school supply and holiday drives, construction of ramps and playgrounds, donations of essential goods such as food, diapers and clothing, volunteer service and financial contributions throughout the year. Notable division-led initiatives from 2025 are highlighted in the **A Fortress in Fort Worth**, **Five Stars for Forestar Day** and **Spokane's Canned Goods** spotlights.



A Fortress in Fort Worth



What does it take to build a fortress? In this case, it started with a shared mission to serve those who have served.

Founded in 2006, Building Homes for Heroes is a national nonprofit dedicated to supporting injured veterans and first responders by constructing or modifying homes and gifting them mortgage-free, helping create a stable foundation for life after service.

The D.R. Horton Fort Worth division joined efforts with Building Homes for Heroes and Hillwood Communities to bring that mission to life, gifting a mortgage-free home to U.S. Army Sergeant First Class Michael Smith and his family in Northlake, Texas, in late 2025.

Smith served nearly 24 years in the Army, including four overseas tours, before a life-changing injury resulted in the loss of his right arm. Determined to continue serving, he

completed rehabilitation, met rigorous physical standards and became the first above-elbow amputee to return to active duty. Today, he continues to push limits as an elite Paralympic athlete.

The home gifting celebration brought together D.R. Horton division leadership, supporters and members of the local community to recognize Smith's perseverance and to welcome his family to a place they can call their own. The celebration was also marked by a dramatic arrival from the Patriot Parachute Team.

This home donation through the Building Homes for Heroes program reflects the power of coming together for a shared purpose. By helping create stability and opportunity for a deserving veteran, the Fort Worth team helped build more than a home. They helped create a true fortress for a family who has sacrificed and endured.

Our offices contributed more than \$577,000 through a combination of employee donations, fundraising initiatives and Company gifts, in addition to in-kind donations.

Of this total, \$237,000 supported the Building Talent Foundation (further discussed in the [Community Impact](#) section), and \$25,000 was donated to the MBA Opens Doors Foundation, which provides mortgage and rental payment assistance through grants to families in crisis.

The remaining \$315,000 was directed to a wide range of local charities and organizations supporting causes important to our communities. In fiscal 2025, these included:

- Habitat for Humanity
- Toys for Tots
- Salvation Army
- Boys and Girls Club
- Meals on Wheels
- Second Harvest
- Local school districts, youth sports and booster programs, animal shelters, civic and community organizations, veterans' groups, children's hospitals, food pantries and many others.



Five Stars for Forestar Day

Forestar Group Inc. ("Forestar"), our majority-owned lot development subsidiary, traces its roots back to November 4, 1954, when it was established as Lumbermen's Investment Corporation. Over the decades, the company evolved into Forestar and ultimately joined the Horton Family in 2017. Since that time, the Forestar team has grown significantly from less than 100 employees to over 400 today, developing lots and building new traditions along the way.

In recent years, Forestar divisions across the country have celebrated Forestar Day on November 4th with a day of service supporting various projects in their local communities.

The 2025 Forestar Day celebration included participation in service projects nationwide, some of which are listed here:

- Team members from the Dallas and Fort Worth divisions and Forestar's Corporate office joined forces at the Impact Center in Arlington, Texas, to pack bags with snacks and hygiene items for those in need
- The Southern California team gathered to pick up trash on and around a local beach
- In Greenville, South Carolina, the team cleaned up a local park and gave the park's gate a fresh coat of paint
- A group from the Houston South division decorated lunch bags for Kids' Meals, an organization that delivers meals to the homes of hungry children

Together, these service projects highlight the spirit of teamwork and community that defines Forestar. Forestar Day continues to be a meaningful way for employees to make a positive impact where they live and work.



Spokane's Canned Goods

The Inland Northwest division found a meaningful way to give back this year by helping fill shelves and tummies across Spokane and the greater Inland Northwest region. The team hosted a food drive and collected an impressive 24,366 food items from employees, national and local trade partners and even a few homeowners to donate to Partners INW, a nonprofit dedicated to feeding, clothing and empowering neighbors in need.

Serving thousands of individuals and families across Eastern Washington and Northern Idaho,

Partners INW provides essential support, including food, diapers and emergency assistance, ensuring that local families have access to life's basic necessities during challenging times.

With each can, box and bag donated, the Inland Northwest team played an active role in the fight to end hunger in their local community, proving that a little generosity can go a long way. Sometimes, the best kind of homebuilding starts long before a foundation is poured. It starts with building stronger, more resilient communities.



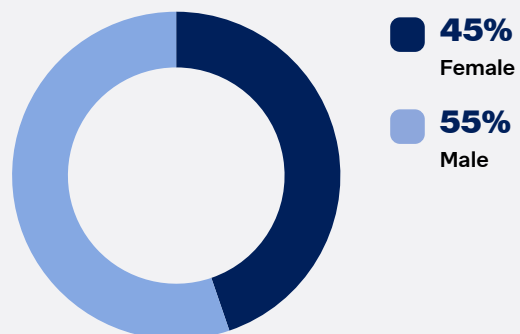
Workforce Composition

Our people have been central to D.R. Horton since our founding in 1978. We are committed to fostering a workplace where employees feel respected, empowered, included and valued and to reflecting those principles in how we engage with homebuyers and stakeholders.

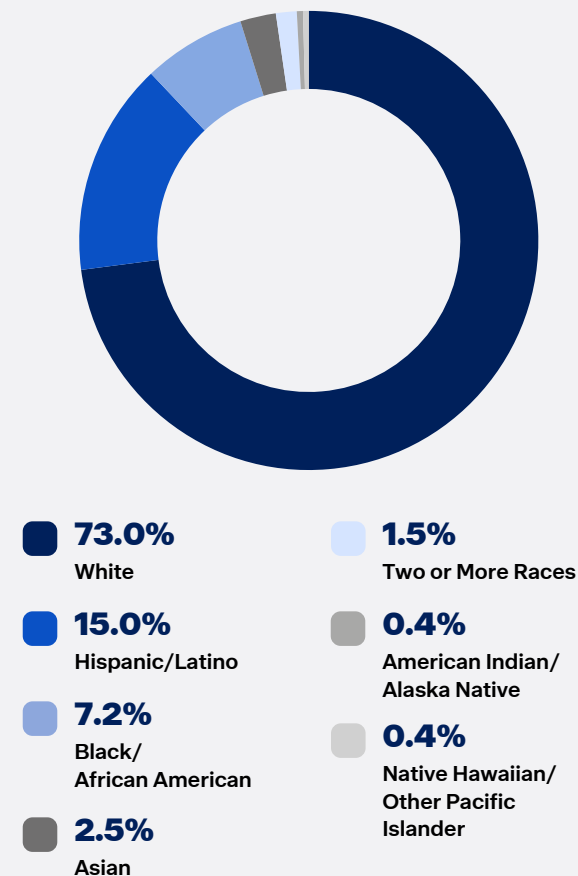
Over the last five years, our workforce has grown 48% to 14,341 employees nationwide, supporting the continued growth of our business and expansion into new markets. We recognize that a team with varied backgrounds and experiences is best equipped to understand and serve our broad homebuyer base. Our workforce spans multiple generations and ethnic backgrounds, bringing a wide range of perspectives to our offices and jobsites.



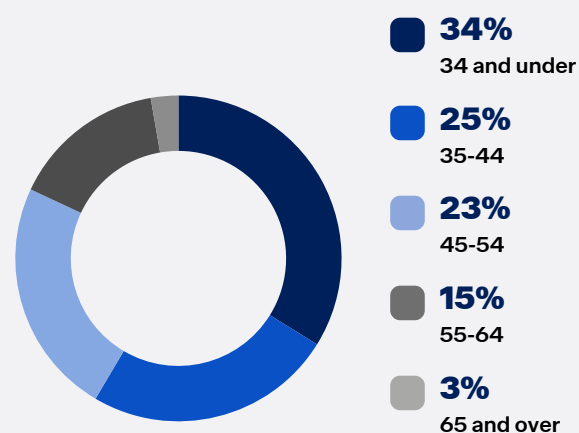
Employee Gender



Employee Race/Ethnicity



Employee Age



Women in Leadership

As a company operating in a traditionally male-dominated industry, we are encouraged by the representation of women across our organization. Female employees account for 45% of our workforce today. As we have grown and expanded into new markets, opportunities for advancement have increased — supporting the continued growth of women in leadership roles. Female representation among our homebuilding division presidents, city managers and other market leadership positions has grown from minimal levels to 21% of leaders overseeing local homebuilding operations. At DHI Financial Services (DHIFS), women represent 71% of the workforce and 59% of leadership roles.

We support the advancement of our female leaders through professional development and networking opportunities, most notably our Women in Leadership (WIL) conference, organized by the DHIFS team. Following the sixth annual WIL conference in 2024, DHIFS hosted a virtual conference in 2025 focused on Leading with Confidence. Sessions included The Art of Public Speaking, a generational leadership roundtable and a keynote by the founder and CEO of Gravitas exploring confidence frameworks, authenticity and courage.

Enhancing Our Workforce

Our dedicated recruiting team collaborates with college campuses and external organizations to attract exceptional new hires and seasoned professionals with diverse backgrounds and fresh perspectives. We are committed to cultivating the next generation of leaders from within our existing workforce, recognizing that advances in diversity among our emerging talent and new hires represent a meaningful, long-term investment in our Company's future.

For detailed gender and race/ethnicity data, please refer to our [EEO-1 Report](#) on page [66](#).



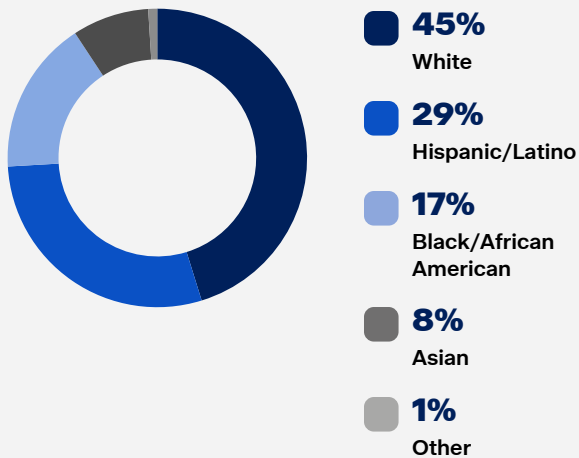
DHI Financial Services

DHI Financial Services (DHIFS), encompassing our subsidiary mortgage and title companies, plays an integral role in serving our customers and expanding homeownership opportunities nationwide. The DHIFS team fosters a collaborative environment that encourages innovation, productivity and professional development, and team members actively participate in industry initiatives, trade organizations and associations to help shape the future of homeownership.

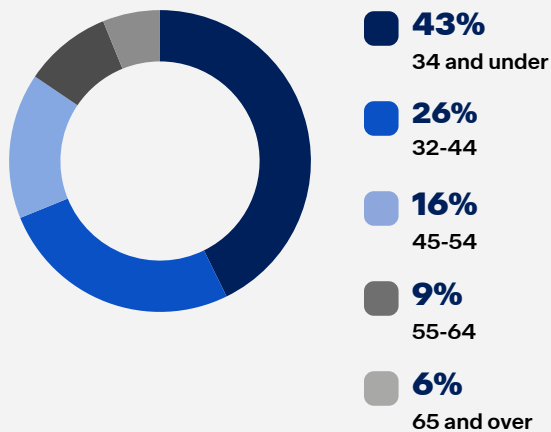
Of D.R. Horton homebuyers who closed with DHI Mortgage in fiscal 2025, approximately 55% were non-white, and 43% were age 34 and younger — reflecting the broad and diverse base of Americans we are proud to serve.



Homebuyer Race/Ethnicity



Homebuyer Age



DHIFS Housing Policy Participation

The DHIFS team actively engages with leading trade organizations and housing policy conferences to champion the real estate finance industry and uphold fair, sustainable and responsible lending practices.

In 2025, DHIFS participated in a broad range of industry events, including the MBA National Annual Conference, MBA Secondary Annual Conference, CMBA, MBA Legal and Regulatory Conferences, the National Advocacy Conference at state and national levels, Texas MBA, the Asian Real Estate Association of America (AREAA), the National Association of Hispanic Real Estate Professionals (NAHREP) and the Independent Mortgage Bankers Conference. Team members also received industry honors in 2025 from the National Association of Minority Mortgage Bankers of America (NAMMBA), NAHREP and the Texas MBA.

DHIFS Language Certification Program

In 2018, DHIFS leadership launched a companywide campaign encouraging team members to become language certified to better serve a broad array of homebuyers. The program currently includes approximately 230 employees, with 23 new certifications in 2025. American Sign Language (ASL) was added as a certification option in 2022.



Talent & Retention

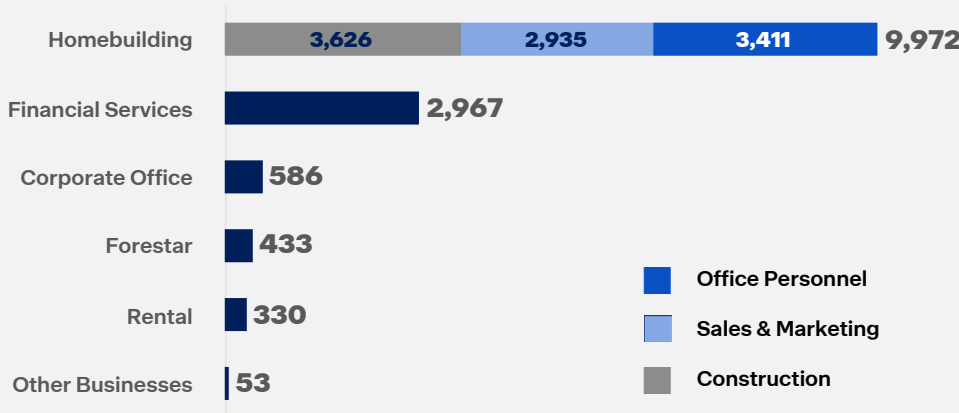
We believe the people who work for our Company are fundamental to our continued success.

We are committed to attracting and retaining talented, experienced individuals to support and guide our operations. Our long-tenured leadership teams have deep experience across the homebuilding industry and at D.R. Horton, which provides guidance and stability to our local market operations. This continuity of leadership is a key competitive advantage for D.R. Horton.

To sustain this strength, our management team is committed to developing our future leaders from within our existing workforce. We believe this approach fosters long-term alignment, operational continuity, and meaningful growth and career progression opportunities, while preserving a strong culture. During the year, 18 employees were placed into a new homebuilding market leadership position, and of those, 100% were promoted from within the organization.

This commitment is also reflected in the tenure of our leadership. The tenure of our employees across all levels of the organization is reflected in the accompanying chart, which also reflects the significant growth in our business and workforce over the past five years.

As of September 30, 2025, we employed 14,341 people among the following business segments:



Average Tenure of D.R. Horton Leadership

28 years

Executive Team

20 years

Region Presidents & Vice Presidents

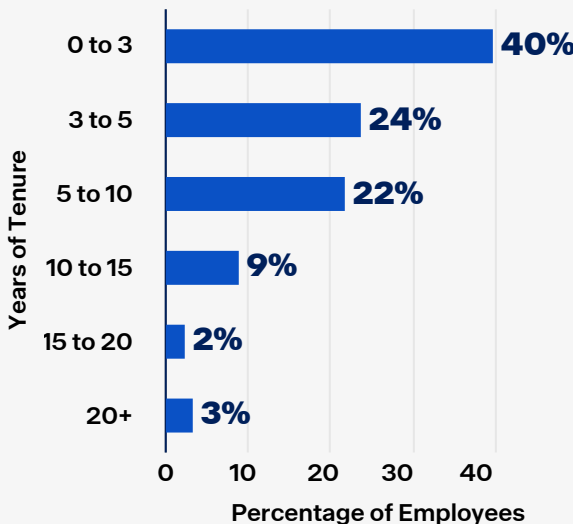
17 years

Division Presidents

12 years

City Managers

Employee Tenure



What drives employees to stay with an organization? We believe it comes down to culture — one that develops people, encourages collaboration, rewards hard work and fosters healthy competition. By investing in our employees and providing meaningful opportunities for growth and advancement, we attract and retain the best people in the homebuilding industry. This commitment to our people and culture earned the Company multiple recognitions in 2025:

Forbes

- America's Best Companies
- America's Best Large Employers
- Most Trusted Companies in America
- America's Dream Employers
- America's Best Employers for Women

Newsweek

- America's Most Admired Workplaces
- America's Greatest Companies
- America's Greatest Workplaces for Inclusion & Diversity



Despite the measures we have in place to support and retain our employees, attrition is a normal part of any workplace. In fiscal 2025, our voluntary employee turnover rate was 12%, and total employee turnover, including voluntary turnover, was 21%. This compares to a voluntary turnover rate of 11% and a total turnover rate of 14% in fiscal 2024. With limited public disclosure available for comparison, we believe these turnover rates are in line with or better than homebuilding industry norms.

Training and Development

We are committed to hiring, developing and supporting an energetic workforce and maintaining a productive, positive and inclusive workplace. From those entering the workforce for the first time, to experienced professionals seeking career growth, and everyone in between, we are committed to helping our employees build strong careers.



Internship Program

College students and recent graduates seeking early career experience, development and leadership opportunities are eligible to participate in our paid internship program. The mission of the D.R. Horton Internship Program is to provide students with hands-on experience and leadership exposure in the residential construction industry as they prepare for entry level roles following graduation. During the 12-week summer program, interns work alongside experienced professionals in the homebuilding industry and gain exposure to various disciplines of the residential construction process. At the completion of their internship, students are expected to understand the work ethic and expectations required to succeed in the homebuilding industry. At the conclusion of the internship, many candidates receive offers for full-time employment with D.R. Horton.

Internship Program at a Glance

80

Interns in 2025 Program

49%

Eligible Interns Received Full-Time Offers

97%

Full-Time Offer Acceptance Rate

General Training

With a strong commitment to promoting from within, D.R. Horton offers numerous mentorship and advancement opportunities throughout our local division offices. During 2025, we held specialized trainings for employees within key business functions of our homebuilding operations, such as purchasing, construction and sales. Several departments of our corporate office also hosted trainings, meetings and conferences for employees from our region and division offices, including Accounting and Finance, Customer Care, Marketing and Human Resources. In the field, our divisions leverage a variety of tools and each other to conduct specialized trainings and share resources and best practices. We have also invested in our library of virtual training modules on various topics and key job functions, which aids in the delivery of important content in between in-person training sessions and on-the-job training.

In addition to core on-the-job training and the special programs described above, we also provide our employees with training on safety, business ethics, cybersecurity and other pertinent topics that empower our teams to reach their fullest potential. Incorporated into the trainings are our Corporate Code of Conduct and Human Rights Policy, which employees are required to read and acknowledge on an annual basis. Required trainings completed by employees during the year included an Ethics, Human Rights and Code of Conduct course; a Harassment Awareness course; and a Bullying Awareness course. Completion of these required courses totaled approximately 2.5 hours of formal training per employee on these topics for the year, which did not include additional hours dedicated to specialized trainings required of certain departments or job functions.



DHIFS Mortgage & Title Mastery Program

The DHI Financial Services (DHIFS) Mortgage & Title Mastery leadership development program recruits, trains and develops future leaders within DHIFS. Candidates are recruited from colleges and universities in targeted high-growth housing markets for a variety of roles throughout DHIFS. The program provides structured training and mentorship to promote employee development, retention and long-term success. Since the program's founding class in 2013, more than 580 teammates have graduated from the Mortgage & Title Mastery program. In fiscal 2025, 19 new employees were recruited and joined the Company through the program. DHIFS takes pride in helping develop the next generation of financial services professionals.



Compensation

We strive to provide our employees with a fair and competitive living wage and to ensure full compliance with applicable wage, work hours, overtime and benefits laws across the markets and states in which we operate. We offer a comprehensive compensation and benefits package that includes a broad range of offerings that are further described in the [Employee Well-Being](#) section. In addition to base pay, eligible employees may participate in other benefits, including:

- **401(k) Plan:** Employees who have been with the Company for six months or more are eligible to participate in our 401(k) plan, and the Company matches a portion of employees' voluntary contributions.
- **Employee Stock Purchase Plan (ESPP):** Provides eligible employees the opportunity to purchase D.R. Horton common stock at 85% of the fair market value on designated purchase dates. Under the terms of the plan, the total fair market value of common stock that an eligible employee may purchase each year is limited to the lesser of 15% of the employee's annual compensation or \$25,000.
- **Short-Term Incentive Bonus Program:** Provides eligible employees with performance-based incentive compensation aligned with Company and individual results.
- **Stock Incentive Plan:** Provides for the grant of equity awards, including performance stock units (PSUs) and restricted stock units (RSUs) to executive officers, key employees and non-management directors. PSUs are earned based on the achievement of Company performance goals, and RSUs vest based on continued employment over a specified period. Each stock unit represents the contingent right to receive one share of the Company's common stock upon satisfaction of applicable performance or vesting conditions.

Market Leadership Compensation

The compensation plans for our executive officers, region presidents and market leaders, including division presidents and city managers, are designed to provide fair and competitive compensation that attracts, motivates and retains highly qualified and experienced leaders. These plans reward strong performance and align incentives with Company results, with an emphasis on maximizing long-term stockholder value.

Leaders who oversee our regional and local market operations are primarily compensated based on the returns and pre-tax profits generated in their respective regions or markets. Compensation is based on four key performance metrics:

- Return on inventory
- Pre-tax income
- Homes closed
- Cost control in the form of selling, general and administrative expenses as a percentage of revenues

We believe these metrics appropriately incentivize our regional and local teams to sustain and maximize profits and returns, aligning the interests of our market leadership with those of the Company's stockholders.

Compensation at a Glance

96%
Eligible Employees Participating in 401(k) Plan

35%
Eligible Employees Participating in ESPP

159,460
Number of Shares Purchased Through ESPP

\$18.1 million
Spent on Shares Purchased Through ESPP

1,595
Employees Who Received RSU Grants

11%
Portion of All Employees Who Received RSU Grants

Employee Well-Being

We believe every D.R. Horton employee is a valued member of the Horton Family, and we are committed to supporting their well-being so they can thrive at home and at work.



To uphold this commitment, eligible D.R. Horton employees are offered a comprehensive and competitive benefits program including:

- Paid time off, including holidays, personal holidays, vacation days, sick time and other time off
- Medical, prescription, dental and vision healthcare insurance options
- Paid parental leave for both primary and secondary caregivers
- Basic term life insurance
- Long-term disability coverage
- Access to an Employee Assistance Program, which provides counseling, consultation for legal and financial planning and referrals for pet services, among other benefits
- Caregiver support

Additional employer-paid health benefits offered to our employees include:

- Bring it Home wellness program, which allows employees to reduce their medical premiums by completing basic health requirements annually
- Access to expert second medical opinions via the Teladoc program
- Telemedicine services
- Wellness challenges related to physical activity, nutrition and stress management
- Omada digital lifestyle change programs for diabetes and hypertension
- Airrosti Remote Recovery for muscle and joint pain
- Healthy Pregnancies, Healthy Babies pregnancy health program
- WINFertility fertility, surrogacy and adoption resources
- Access to the Calm app for mental wellness

Additional voluntary benefits offered to our employees include:

- Accident insurance
- Critical illness insurance
- Hospital care insurance
- Supplemental life insurance
- Identity theft insurance
- Legal protection plan
- Pet insurance

Our comprehensive benefits and holistic approach to well-being empower employees to support themselves and their families — while continuing to build the American Dream for others.

Other Benefits

Beyond competitive compensation and benefits, we invest in our employees' experience in and out of the workplace. Our teams across business segments and markets foster a collaborative, engaging work environment, regularly hosting events and celebrations that strengthen team connections. Our divisions and regions also periodically hold contests, such as sales challenges, to encourage engagement and friendly competition.

Employees also have the opportunity to connect and recharge at our 90,000-acre Company-owned ranch in West Texas, a Company retreat for more than 20 years. In 2025, several corporate office departments

and employees from around the country enjoyed getaways to the ranch. See **The Spirit of the Ranch** spotlight for highlights from these trips. The ranch is also home to Camp Horton, an annual summer camp for employees' children and relatives offered at no cost. Started by our late founder, Don Horton, the program continues to reflect his legacy today.

As the largest homebuilder in the United States, we are proud to support employees on their own homeownership journey. Through our employee home purchase program, eligible employees can purchase a D.R. Horton home at a discount. We also offer a variety of additional discounts on popular products and services as a way to recognize their hard work.



The Spirit of the Ranch

A trip to the D.R. Horton Ranch truly puts the “treat” in “retreat.” Spanning roughly 90,000 acres in the Trans-Pecos region near Fort Stockton, Texas, the ranch offers expansive views, striking sunsets, abundant wildlife and a few prickly cacti along the way.

Beyond the scenery, the ranch is designed for connection and camaraderie. Guests can enjoy a wide range of activities, including hunting, ATV and horseback riding, skeet shooting, games and even a movie room — creating the perfect backdrop for both relaxation and genuine connection.

Since 2001, the ranch has welcomed employees and other members of the Horton Family for meetings and events year-round. In 2025, over 1,800 visitors experienced all the ranch has to offer.

Guests in 2025 ranged from national vendors and land development partners to sales contest winners and teams from across the Company.



Rooted in the Company's Texas heritage, the spirit of the ranch is both authentic and enduring. Experiencing the ranch is something many employees consider a highlight of their time at D.R. Horton.



Help After Helene

When Hurricane Helene made landfall in Florida's Big Bend region in September 2024, it left a trail of devastation across the Southeast. For many of our teams, the impact was felt close to home but so was the response.

Across multiple divisions, employees quickly stepped in to support impacted communities. In Northeast Tennessee, teams came together to pack and deliver more than 400 food bags for first responders and recovery workers, along with 100 hygiene kits for residents displaced from their homes. Donations from employees in Northeast Tennessee, Knoxville and Chattanooga also helped provide water, grills, charcoal, propane and critical cleaning supplies to nearby communities.

In Wilmington, a large group of employees traveled to Western North Carolina to volunteer, helping clear debris, distribute supplies and support families navigating the aftermath. In Southwest Florida, employees contributed clothing donations to those affected.

Time and again, our teams show what it means to be part of the Horton Family by stepping up and supporting one another when it matters most.



Disaster and Emergency Relief

When we say our employees are part of the Horton Family, we mean it. During times of personal hardship or natural disaster, the D.R. Horton, Inc. Foundation provides critical financial support.

The Foundation is a Company-sponsored 501(c)(3) nonprofit that administers a Disaster and Emergency Relief Program offering assistance to past and present employees and their families affected by natural disasters. Funding comes through Company contributions and voluntary employee donations, and impacted employees can apply online for assistance.



In late 2024, Hurricane Helene and Hurricane Milton significantly impacted many of our eastern markets, including Tennessee, North Carolina and Florida. The Foundation supported affected employees who suffered property damage and loss of personal belongings, distributing over \$200,000 in grants. In the wake of natural disasters, the Foundation plays a vital role in helping employees access the aid, supplies and repairs needed for recovery. Many of our divisions also rallied to assist with cleanup and recovery efforts following Hurricane Helene. Read more in the **Help After Helene** spotlight.

Beyond Foundation grants, the Company also supports employees displaced by severe weather and disasters by providing temporary housing in completed inventory homes until they can return to their own residences.

D.R. Horton Foundation at a Glance

\$898,000

Inception-to-Date Grants

\$209,000

Fiscal 2025 Grants

Health & Safety

The health and safety of our workforce is our highest priority. We are committed to maintaining a safe work environment for every member of the Horton Family, including all D.R. Horton employees and subcontractors.



While health and safety is everyone's responsibility, our companywide safety program is overseen by the Risk Management Department, and day-to-day onsite safety is the direct responsibility of our construction superintendents, who are embedded in the field and critical to our operations. The Risk Management Department is chiefly responsible for the following:

- Ensuring compliance with state and federal Occupational Safety and Health Administration (OSHA) rules and all applicable health and safety laws, regulations and statutes
- Establishing and maintaining standards to minimize or eliminate exposure to hazardous substances
- Developing processes and procedures
- Continually monitoring risk management performance

The department also plays a direct role in vendor and contractor selection by overseeing compliance with our national master independent contractor agreement, which each subcontractor must sign before working with D.R. Horton. This agreement requires contractors to maintain an ongoing safety program and conduct regular jobsite inspections.

Policies, Procedures & Resources

Employees have access to a range of safety resources through the Risk Management section of the Company's intranet, including:

- **Monthly safety newsletters** covering a wide range of on- and off-jobsite safety topics distributed to all employees and incorporated into our internal training system, enabling engagement tracking and supervisor follow up
- **A comprehensive safety program guide** covering D.R. Horton's key policies, procedures and requirements, including jobsite safety inspections, incident reporting and our vendor incident prevention program
- **Incident-specific policies and protocols** covering blood-borne pathogens, mold prevention, and remediation and disaster preparedness, including hurricanes
- **Additional resources** including safety checklists, OSHA training and incident reporting links, emergency preparedness procedures and contact information for the Risk Management team

The Company's comprehensive safety program is overseen by the Corporate Safety Director and the Risk Management team.

Quarterly Safety Updates

To measure effectiveness and compliance, each division completes a Quarterly Safety Update within 15 days of quarter end, ensuring consistent communication between homebuilding divisions and the Risk Management Department on key topics, including:

- Completion of safety orientation for all new hires
- Completion of the OSHA 10-Hour Construction Course for designated employees
- Participation logs and meeting topics for "Toolbox Talks" — required onsite training sessions for field employees
- Injuries and incidents reported for workers' compensation claims and OSHA recordkeeping
- OSHA citations received by the division
- Recorded safety violations by subcontractors
- Questions, comments or suggestions for the Risk Management Department

Employee Training

Our Safety Training and Education Policy applies to D.R. Horton employees who spend a significant portion of their workday on construction sites or perform construction-related activities, including project managers, superintendents and warranty technicians. Applicable employees must complete safety orientation on their first day in a field position and the OSHA 10-hour construction safety course within 90 days of starting. Ongoing training is required through monthly Toolbox Talks, and employees must refresh their 10-hour OSHA course every four years. D.R. Horton also offers a 30-hour OSHA construction safety course for more extensive training, particularly for superintendents and other management roles.

Jobsite Safety Inspection Policy

At the core of our health and safety program is our Jobsite Safety Inspection Policy, which requires local construction superintendents, managers or area managers to perform random, periodic inspections of each community at least once per month, or more frequently if required by local regulations, in addition to informal day-to-day inspections. Only employees who have completed all required trainings are eligible to conduct inspections. Inspections follow a Jobsite Safety Checklist covering 12 categories, including site and trailer requirements, hazardous material handling and storage, excavation and trenching, fall protection and personal protective equipment. Completed checklists are maintained in a log documenting communities and dates inspected, which is required for audits and tracking improvement over time.

Recordkeeping

Despite a robust safety program, incidents can occur. When they do, employees follow D.R. Horton’s Incident Management Procedures, which govern how injuries to both employees and subcontractors, as well as property loss incidents, are reported and recorded. Each incident is investigated and thoroughly documented to ensure compliance with OSHA’s reporting and recordkeeping requirements via Form 300 (Log of Work-Related Injuries and Illnesses) and Form 300A (Summary of Work-Related Injuries and Illnesses).

A summary of all work-related health and safety incidents meeting OSHA’s definition of “recordable,” irrespective of severity, is below:

	2025	2024	2023
Total Recordable Incident Rate (employees)	1.24	1.29	1.06
Number of Incidents	152	182	138
Fatality Rate (employees)	0	0	0



Subcontractors

We require all subcontractors, trade partners and vendors to develop, implement and maintain their own safety programs, including conducting inspections to ensure safe working conditions and equipment, observing safe practices and providing a qualified competent person onsite to oversee safety at all times. Full compliance with all applicable federal and state laws, regulations and standards, including OSHA regulations, is also required.

To monitor subcontractor safety performance, we implemented a Vendor Incident Prevention Program that establishes a formal process for reporting and responding to safety violations identified by qualified D.R. Horton employees, while providing incentives to encourage vendors to strengthen safety awareness among their workers.

When a hazardous condition is identified, the D.R. Horton employee must report it through a formal process and bring it to the vendor's attention for remediation. The report is reviewed by the appropriate D.R. Horton manager who assesses the situation and assigns a violation level — ranging from a record only, to a fine, to contract termination — based on the severity. The hazard must be remediated and all action-level requirements fulfilled before the vendor may resume work. The program also recognizes vendors who actively promote safety awareness by awarding prizes, safety equipment and other incentives at each division's discretion.



Hazardous Materials

Home construction occasionally requires employees or subcontractors to work with hazardous materials. Our safety program requires that every hazardous material on a jobsite be clearly labeled with the substance name and appropriate hazard warnings. Our Safety Checklist includes requirements aligned with OSHA's Hazard Communication Standard (HAZCOM), under which we obtain and maintain Safety Data Sheets (SDSs) for each hazardous material on our jobsites. SDSs document chemical composition, procedures for accidental exposure or ingestion and other requirements such as container labeling.

All jobsites are also required to provide first aid supplies and an adequate supply of potable water for water, sanitation and hygiene (WASH) services.

Minimum required supplies are outlined in our safety program documentation, with division-level discretion for additional supplies. Each first aid kit must include contact information for the person or service responsible for ongoing inspection and restocking.

Safety is essential not only to the well-being of our workforce, but also to our business. The costs of safety-related incidents extend well beyond direct expenses to include production downtime, replacement hiring and training and impacts to injured workers. Safety is everyone's responsibility and through our comprehensive safety program, D.R. Horton employees are equipped with the resources needed to maintain a safe workplace and drive continuous improvement.



Environment

We believe responsible homebuilding requires a long-term perspective. Across our operations, we work to balance environmental responsibility with the quality, safety and affordability that homebuyers expect. From energy-efficient home designs and responsible resource management to exploring new technologies and strengthening environmental reporting, we continuously look for ways to improve. While no two markets are alike, our commitment remains consistent: to build homes that perform well, create lasting value and contribute to resilient communities for years to come.

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Energy Efficiency

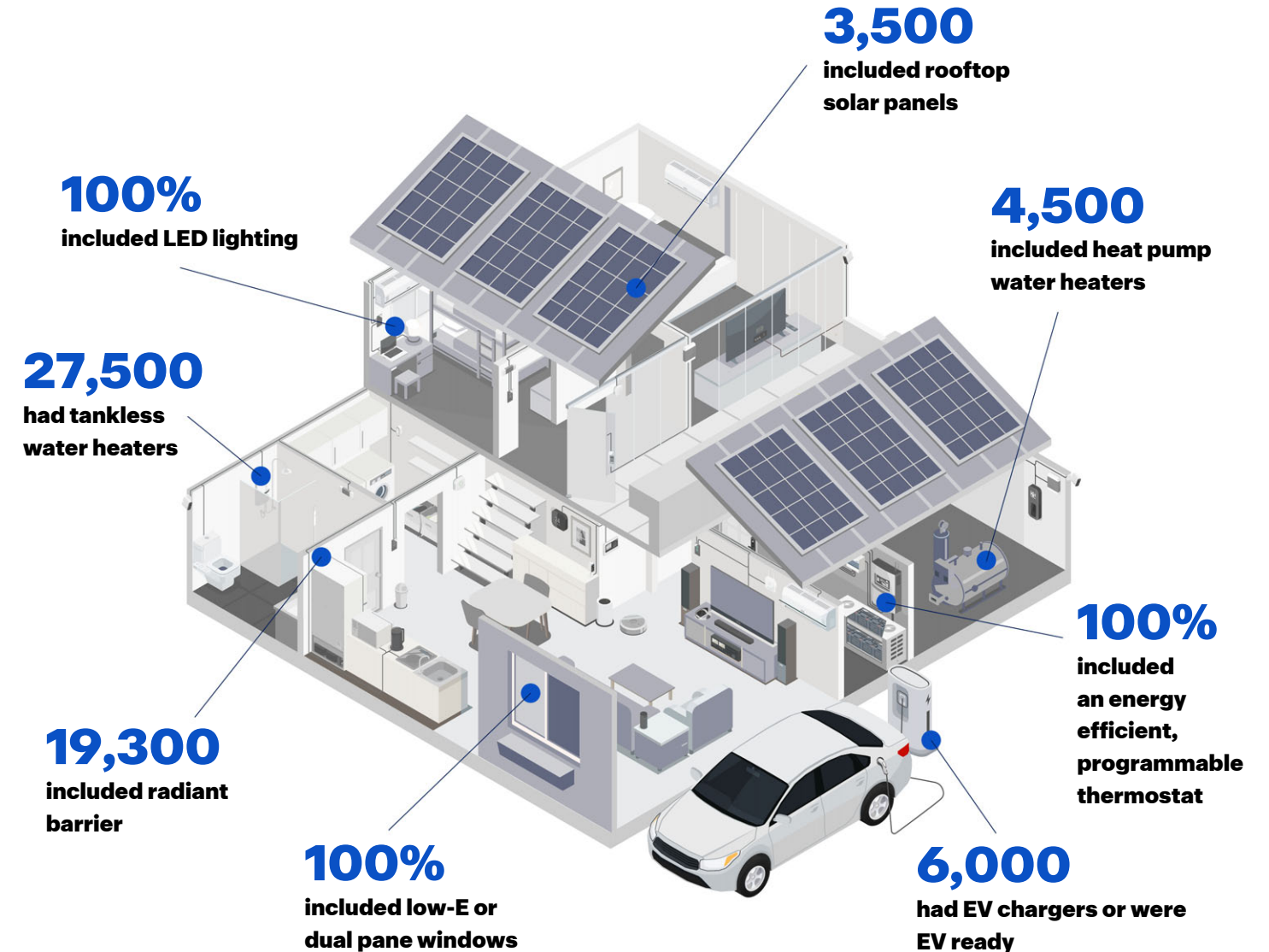
Building homes that are both high-quality and energy-efficient benefits our homebuyers while reducing our environmental impact. Homes that require less energy to operate cost less to run, lowering the overall cost of homeownership and making it more accessible.

Since we built our first home more than 47 years ago, the energy efficiency of our homes has improved significantly. Many of the fixtures we may include as standard, such as high-efficiency HVAC systems and water heaters, low-E or dual pane windows, LED lighting and advanced insulation and air sealing techniques, help reduce energy use. Additional energy-saving features may be available as options or upgrades depending on the community or market.

To measure and improve energy performance, many of our divisions participate in energy efficiency programs or rating systems, including the Home Energy Rating System (HERS®), ENERGY STAR® and other green building standards that vary by geography and market. We comply with local building and energy codes in every community we develop, regardless of product type, price point or location.

Energy-efficient homes only benefit our homebuyers if they remain affordable. As availability and market demand for energy-saving and sustainable technologies grow, we are able to deliver additional emission reductions through efficient electric systems such as heat pumps, electric cooking, electric vehicle (EV) charging capabilities and solar power. In California, solar panels are required as a purchase or lease option on all of our homes. In select markets, we also equip homes with EV charging infrastructure, including increased electrical capacity and appropriate voltage, EV charging outlets and relocated electrical panels, so homeowners can easily add a charger of their choice.

Fiscal 2025 energy efficiency performance highlights are reflected in the metrics to the right.



Energy Efficiency Utility Programs

Building energy-efficient homes enables collaboration with utility-operated programs designed to reduce demand on local power grids. These initiatives often provide monetary incentives that help offset the cost of incorporating specific features, equipment or certifications, such as ENERGY STAR. One such program is highlighted in the **Where Efficiency Meets Enchantment** spotlight.

While it may seem counterintuitive for utilities to encourage reduced energy consumption, proactive planning for future electrical needs supports

long-term grid stability. Incorporating infrastructure for solar panels or EV charging during construction can benefit entire communities by reducing strain on the grid during peak demand. Utilities may also support this effort through off-peak EV charging programs that promote energy use at optimal times.

As the availability and scale of these programs grow, more of our divisions are leveraging them to deliver homes that are efficient, resilient and aligned with evolving energy needs.



Where Efficiency Meets Enchantment



In the Land of Enchantment, D.R. Horton's New Mexico division is helping homeowners enjoy the benefits of greater energy efficiency while keeping homes affordable. Through partnerships with Public Service Company of New Mexico (PNM), New Mexico Gas Company (NMGC) and ICF, a third-party energy efficiency program implementer, the division participated in the New Mexico High Performance New Homes Program during fiscal 2025. The program supports the construction of high-performing homes that reduce energy use, enhance comfort and help lower utility costs for homeowners.

Through both prescriptive and performance-based pathways, D.R. Horton delivered 284 qualifying homes across New Mexico during the year, earning valuable incentives that help offset the cost of efficient home features. In Santa Fe, homes are built to meet local HERS rating requirements, while homebuyers statewide benefit from scalable efficiency measures such as smart thermostats, radiant

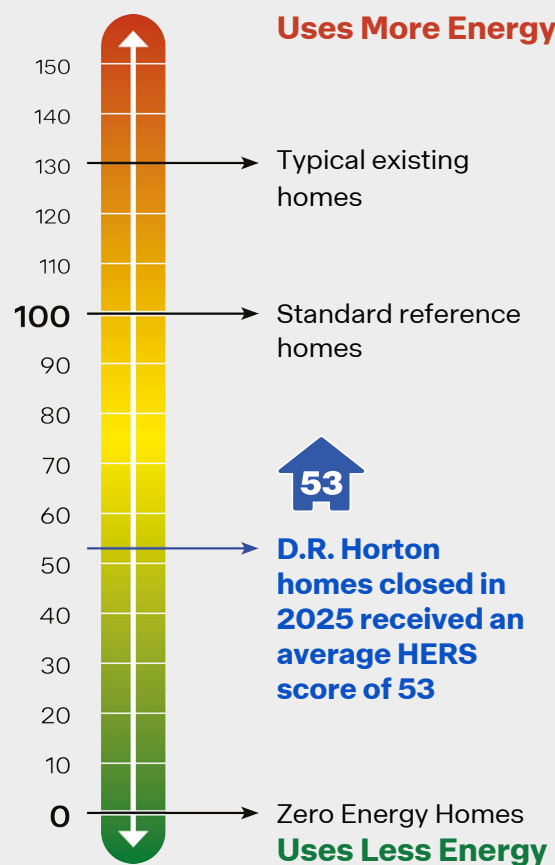
barriers and high-efficiency heating systems. ICF manages the program through a turnkey model that includes builder engagement, training, quality assurance and incentive processing, while PNM and NMGC collaborate to provide a cohesive and accessible offering. By combining utility incentives, builder expertise and program support, these partnerships are helping expand access to energy-efficient homes across New Mexico, demonstrating how collaboration can deliver savings, comfort and long-term value for homeowners.



Home Energy Rating System

The Home Energy Rating System (HERS®) Index Score, developed by the Residential Energy Services Network (RESNET), is a nationally recognized benchmark that helps homebuyers and other stakeholders quickly assess a home's energy efficiency. Rated on a 0 to 100 scale, where lower scores indicate greater energy efficiency, 100 represents a home built to the 2006 International Energy Conservation Code (IECC), and 0 represents a net-zero energy home.

HERS® Index



Independent third-party HERS Raters verify insulation, air sealing, HVAC, water heating, lighting and appliances at multiple stages of construction.

In fiscal 2025, 45,624 of the homes closed by our homebuilding operations, or approximately 54%, received a HERS Index Score, with an average score of 53. On average, our HERS-rated homes are approximately 47% more energy efficient than the 2006 reference home and approximately 77% more efficient than typical existing homes. The average score improved by approximately three points compared to fiscal 2024, reflecting a year in which increased ENERGY STAR program stringency and affordability pressures prompted more deliberate cost-benefit decisions in our local operations.

HERS Ratings at a Glance

45,624

Homes with HERS Index Scores

54%

Portion of Homes Closed with a HERS Index Score

53

Average HERS Index Score



ENERGY STAR

ENERGY STAR® certified homes are independently verified to meet strict guidelines set by the U.S. Environmental Protection Agency (EPA). The ENERGY STAR Single-Family New Homes program is an above-code green building standard that requires homes to be at least 10% more energy efficient than a new home built to current energy codes. Independent third-party energy raters conduct onsite inspections against comprehensive ENERGY STAR checklists covering three core systems:

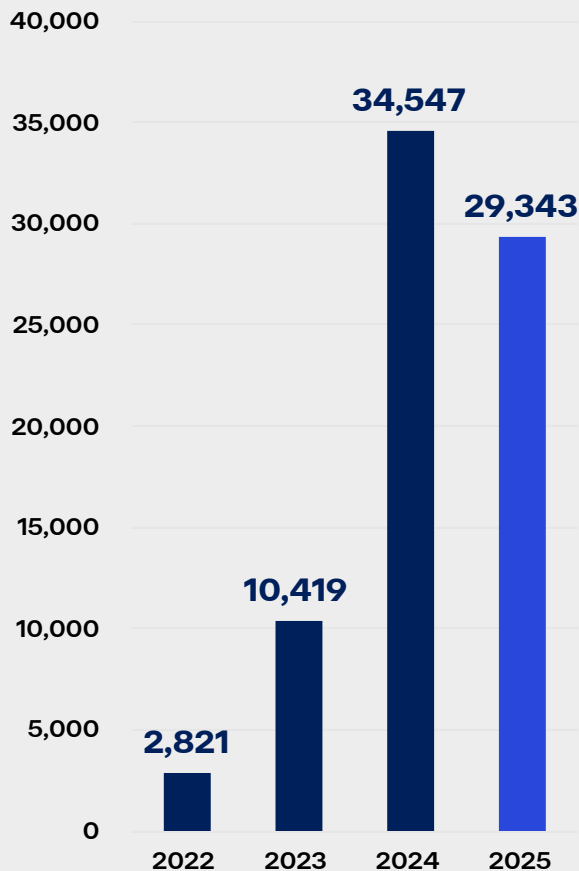
- **Thermal enclosure:** insulation, windows and air sealing before walls are closed
- **HVAC systems:** equipment sizing, installation and duct performance
- **Water management:** site drainage, moisture control and building envelope protection

ENERGY STAR certification is more rigorous and more costly to obtain than a standard HERS rating, and requirements have grown more stringent as specifications have evolved from v3.1 to v3.2. ENERGY STAR certification is also a recognized compliance pathway for programs such as Fannie Mae's Single-Family Green Bond and a range of utility energy efficiency programs. ENERGY STAR's appliance and equipment standards also create opportunities to reduce the energy consumption of certain high-use appliances, which we include across our markets to varying degrees.

In fiscal 2025, 29,343 of the homes closed by our homebuilding operations, or approximately 35%, were ENERGY STAR certified, representing an annual energy savings of approximately 39.7 million kWh compared to a new home built to code. Participation has grown significantly, from just a few of our homebuilding divisions in 2022 to 60 divisions in some capacity today. Divisions continue to evaluate certification on a market-by-market basis, weighing the cost of compliance against its effect on home affordability, which remains a top consideration.



ENERGY STAR Certified Homes Closed by Fiscal Year



ENERGY STAR at a Glance

29,343

Fiscal 2025 Homebuilding Closings with ENERGY STAR Certification

60

Participating Divisions in Fiscal 2025

39.7 million kWh

Annual Energy Savings

\$10.8 million

Annual Dollar Savings on Energy Bills



Evaluating ENERGY STAR

We are committed to improving the energy efficiency of our homes while remaining focused on affordability for our homebuyers. While we continue to consider expanded participation in energy efficiency programs and certifications, like ENERGY STAR, participation and response to program changes are market-by-market decisions. The incremental cost of building to ENERGY STAR standards varies significantly by market, shaped by local labor rates, product availability, climate zone and locally adopted energy codes, and each operator weighs that cost against available financial incentives and the price impact on their homebuyers. This variability is built into how we operate: our decentralized homebuilding operators are positioned to evaluate those conditions and respond to them.

During fiscal 2025, two conditions shifted simultaneously, and our operators responded to both in real time. The ENERGY STAR version 3.1 standard, which had qualified homes for the federal 45L New Energy Efficient Home Tax Credit through 2024, was replaced by version 3.2 as the 45L-qualifying standard beginning January 1, 2025. Version 3.2 requires materially more stringent performance targets and building envelope specifications, aligned with 2021 IECC prescriptive insulation requirements. The EPA later released version 3.3, which offers more flexibility and also qualifies for the 45L credit. At the same time, legislative uncertainty around the 45L credit itself clouded the economic return on investing in v3.2 or v3.3. As that clarified, we saw a downward shift in our ENERGY STAR certification rate, and over half of participating divisions ultimately achieved the more stringent v3.2 or v3.3 required for 45L qualification, reflecting each division's own balance of certification cost, tax credit value and marketing benefit.

Regulatory Shifts

The 45L New Energy Efficient Home Tax Credit has been a significant driver of D.R. Horton's ENERGY STAR participation. Established in 2006 and typically extended on a year-by-year basis, the credit was expanded to a ten-year runway through 2032 under the Inflation Reduction Act (IRA) of 2022, with ENERGY STAR version 3.1 as the qualifying standard for homes in 2023 and 2024, and version 3.2 or above required for homes acquired beginning in 2025, as previously described. On July 4, 2025, the One Big Beautiful Bill Act terminated the homebuilder 45L credit for homes closed after June 30, 2026, removing the ten-year runway the IRA had established.

The combined effect of the version step-up and the credit's sunset materially changed the economics of ENERGY STAR participation during fiscal 2025. The ENERGY STAR program itself also faced proposed elimination in 2025 as part of federal budget discussions, adding further uncertainty for homebuilders beyond the 45L changes. Congress restored program funding in early 2026, and shortly thereafter, the EPA and the U.S. Department of Energy (DOE) signed a memorandum of agreement transferring primary management of the ENERGY STAR program from the EPA to the DOE. The program remains active under DOE administration.



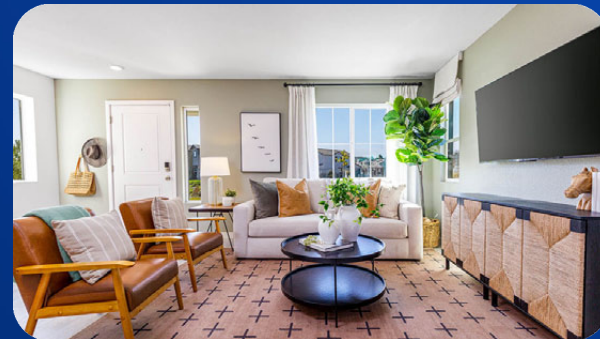
Skylar Shares the Sun

Located just 15 minutes from downtown Sacramento, the D.R. Horton Sacramento division's Skylar is a 77-home infill community designed to provide attainable homeownership opportunities in a high-demand market. Developed by Forestar, our majority-owned lot development subsidiary, the community has attracted a high percentage of first-time homebuyers, with approximately 75% of homes sold to date to first-time homebuyers, above our Company average of approximately 63%.

What sets Skylar apart is its participation in the Sacramento Municipal Utility District (SMUD)'s Neighborhood SolarShares® program. While California building standards generally require rooftop solar on new homes, Skylar is currently the only D.R. Horton community in California that meets these requirements through an approved community solar alternative rather than individual rooftop systems.

Through Neighborhood SolarShares, homeowners receive the benefits of solar power generated from a local SMUD-supported solar facility without the upfront cost, equipment installation, maintenance responsibilities or roof space requirements associated with a rooftop system. The program is designed to deliver clean, renewable electricity, guaranteed annual utility bill savings and a simplified customer experience, with SMUD managing the solar assets on behalf of participating homeowners.

By connecting residents to locally generated renewable energy, Skylar demonstrates how sustainable energy solutions can support affordability while expanding access to the benefits of clean energy.



Other Energy Programs

In addition to HERS ratings and ENERGY STAR certifications, D.R. Horton divisions participate in other energy efficiency and high-performance building programs. Some programs, like the one highlighted in the **Skylar Shares the Sun** spotlight, are market-specific. Others represent higher specification levels than standard ENERGY STAR practice and require additional coordination with trade partners and third-party verifiers.

The EPA's Indoor airPLUS program certifies homes that meet enhanced standards for indoor air quality beyond the ENERGY STAR baseline, incorporating additional requirements for HVAC design, ventilation, moisture control, radon mitigation and low-emission building materials.

The DOE's Zero Energy Ready Home (ZERH) program is among the most stringent high-performance residential construction programs available. ZERH certification builds on the ENERGY STAR standard with additional requirements for thermal envelope, water management, indoor air quality and solar and EV readiness, resulting in a home so energy efficient that a renewable energy system could offset most or all of its annual energy use.

In fiscal 2025, over 700 D.R. Horton homes across five divisions were certified to both the Indoor airPLUS and the ZERH standard.



Resource Efficiency & Technology

Home Design Optimization & Minimizing Waste

During home design and construction, we look for ways to reduce natural resource consumption by optimizing material usage and minimizing waste. This lowers costs for our homebuyers and fosters innovation through collaboration with manufacturers, suppliers and vendors across the homebuilding industry. Working with trade partners and national vendors who share similar sustainability commitments helps us build efficiently while reducing waste and emissions.

Internal practices, such as limiting the number of floorplans within a division and carefully managing local purchasing, allow us to more precisely estimate material needs, including lumber, so resources are not over-ordered or wasted.

We also focus on minimizing waste in our offices. Our Corporate IT Department centrally manages the ordering, distribution and disposal of leased electronic assets, returning them to the lessor for refurbishment or responsible e-waste disposal upon lease expiration. For other electronics, we work with recycling and refurbishment companies, and recycle accessories such as plastic phone cases and batteries to keep them out of landfills. We reuse packing and shipping materials where possible and use local recycling programs across our divisions.



Our Amazon Business account helps streamline office supply ordering and consolidate deliveries, reducing transportation-related emissions, while search filters allow us to identify products carrying the Climate Pledge Friendly label, indicating that they meet defined sustainability standards.

We continually look for ways to improve our building processes and deliver high-quality homes that meet the needs of today's homebuyers and future generations. New construction methods and products are regularly assessed, but broad adoption requires that they be cost-effective, widely available and feasible at the scale of our operations.

Panelized Construction, Panel Systems for Walls and Roof Framing Trusses

We utilize offsite manufacturing of roof, wall and flooring systems to varying degrees. Panelization, the offsite manufacturing of structural framing shipped directly to the home site, either partially or fully assembled, reduces waste compared to traditional, onsite stick framing while increasing the speed and precision of construction. Advanced framing techniques, pre-fabricated components and pre-cut lumber packages further reduce the amount of wood required to build a home, while improving insulation installation and enhancing energy efficiency.

Prefabricated roof trusses have among the highest usage rates across our divisions as they are relatively cost neutral compared to traditional stick framed roofs and are widely available. In fiscal 2025, approximately 85% of the homes we closed utilized a prefabricated roof truss. Use of panelized wall and floor systems and other prefabricated components varies across our markets.

Despite these benefits, many alternative building practices and products cost more than traditional stick building and are not yet scalable across our entire footprint. Manufacturing capacity, shipping distances and affordability all factor into feasibility. As the nation's largest homebuilder by volume, widespread adoption would require significant investment in these technologies and their manufacturers. We remain focused on affordability and will continue to monitor the cost and availability of emerging building practices and products and expect to expand our use as they mature.



Building on Grassroots Innovation

A few years ago, we introduced Plantd, an innovative startup producing structural building panels from fast-growing perennial grass rather than trees. Since then, Plantd has continued to demonstrate how innovation and sustainability can work hand in hand to transform building materials. What began as a promising concept has evolved into a rapidly scaling business with growing production capacity, strategic partnerships and commercial momentum.

Plantd's structural panels are designed as a direct replacement for traditional wood-based oriented strand board (OSB) used in wall sheathing and roof decking. Unlike conventional panels made from harvested timber, Plantd panels are produced from renewable perennial grass using an all-electric manufacturing process. The panels have also demonstrated strong performance in moisture exposure testing, retaining their strength even when saturated with water.

In early fiscal 2025, Plantd announced a new contract to supply 10 million structural panels to D.R. Horton. The multi-year agreement marks a significant milestone for both companies. After becoming the first homebuilder to work with Plantd and installing the company's first

panels in D.R. Horton homes in 2023, we are pleased to expand our relationship. The contract reflects Plantd's progress from early product deployment to commercial-scale production and underscores our shared commitment to advancing innovative building solutions that enhance performance and support more sustainable construction practices. In addition to the panels' high performance, production from perennial grass reduces reliance on traditional lumber resources while helping store atmospheric carbon in the built environment. Plantd estimates that the 10 million panels included in its multi-year agreement with D.R. Horton will sequester approximately 165,000 metric tons of CO₂, support the construction of approximately 90,000 homes and save an estimated 1.2 million trees.

Over the past year, Plantd has continued building the foundation needed to support that growth. The company began commercial-scale harvesting of perennial grass from its North Carolina operations, expanded manufacturing readiness, reduced raw material costs through mechanized harvesting and secured additional growth capital to support future expansion. These advancements position Plantd to increase production capacity while continuing to develop next-generation building materials.

As both an investor and customer, D.R. Horton is proud to support Plantd's continued growth. We look forward to exploring opportunities to leverage innovative materials that can enhance home performance, strengthen supply chain resilience and contribute to a more sustainable future.



Technology

Technology plays an important role in everything we do, including the construction processes, practices, products and materials we use to build homes. D.R. Horton's Business Development and Innovation team collaborates with our National Purchasing team to identify new technologies, opportunities and investments that can make building homes more efficient, cost effective, sustainable and affordable. We have made selective investments in companies exploring new construction methods, such as 3D printing, offsite manufacturing and modular building, and in innovative building products such as smart home technology and sustainably sourced and manufactured materials. These investments help us explore the scalability, sustainability and affordability of emerging solutions, while sharing the perspective of the nation's largest homebuilder as these companies refine their products. Through our investments or in partnership with these companies, organizations or local communities, we participate in pilot programs, technology and innovation demonstrations or build in innovative developments. One of our investee companies, Plantd, has made significant progress in their product development and manufacturing capabilities since our initial investment as highlighted in the **Building on Grassroots Innovation** spotlight.

Technology matters not just in how we build, but in what we build. Our homebuyers want the latest technology to seamlessly integrate their lifestyle with their living space. To meet this need, we curated a suite of products for our America's Smart Home® package that work together to support safety, security, and energy and utility cost savings. The package, included in every D.R. Horton home, includes a smart thermostat, a remote door lock, a smart light switch, a video doorbell, a smart panel that connects all of the devices and an app to control the products remotely.

Housing Innovation Alliance

As part of our technology and innovation efforts, we participate as a member and Alliance Partner in the Housing Innovation Alliance (the Alliance), whose mission is to prioritize opportunities for innovation and connect key players to create a better housing industry. The Alliance includes builders, developers, product and material manufacturers, distributors, technology and service providers, and thought leaders who help housing providers build better through provision of services or solutions. The Alliance participates in industry conferences like the NAHB International Builders' Show and also hosts numerous events, conferences and tours each year to demonstrate innovation in action, including an annual Housing Innovation Summit, which we attend. In collaboration with the Alliance, D.R. Horton sponsored The Start-Up Zone at the 2025 Builders' Show, which featured several innovative building products and technology companies. Several of the companies participated in "Pitchfest," a two-minute slot to present their business case and garner audience interest and votes for best business concept. In 2025, the Alliance also hosted a Housing Supply Summit in Washington, D.C., to educate policymakers and promote innovation in housing, which is described in the **Housing on the Hill** spotlight.

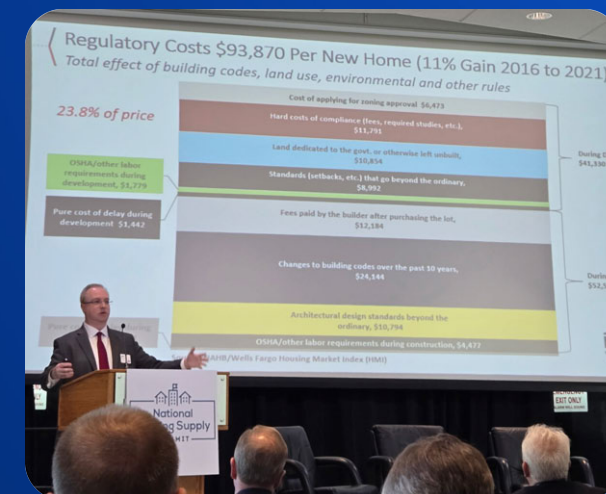
While we and the homebuilding industry have made significant progress in energy and resource efficiency over the past several decades, more work remains. We continue seeking new solutions to make our homes more energy efficient, while delivering on our commitment to homebuyer value, striving to build homes equipped to sustain future generations.

Housing on the Hill

In March 2025, D.R. Horton team members representing sustainability, innovation, building science and architecture joined 325 housing experts, policymakers, builders, lenders and researchers in Washington, D.C., for the inaugural National Housing Supply Summit at the National Housing Center. The sold-out event, co-produced by the Housing Innovation Alliance, HousingTech and George Washington University's Center for Real Estate Studies, centered on a critical question: What can the federal government do to help increase housing supply in the United States?

Through 10 panel discussions, participants examined the housing delivery system from land acquisition to homeownership. Conversations covered zoning and planning, building codes, permitting, off-site construction, financing, insurance, workforce development and emerging building technologies. The National Association of Home Builders framed many of these challenges through its Five Ls: labor, lots, lending, lumber and materials, and legal and regulatory costs.

Summit presenters highlighted research showing that regulatory costs now account for an estimated \$93,870 per new home, representing 23.8% of the final sales price.



Many of the issues discussed at the Summit closely align with the challenges and opportunities D.R. Horton navigates every day. Topics such as construction productivity, off-site manufacturing, panelization, evolving energy codes, insurance availability and permitting efficiency all influence the industry's ability to deliver homes at scale. These conversations are particularly relevant as D.R. Horton continues its commitment to build attainable housing, with over 70% of homes closed in fiscal 2025 at less than \$400,000. By engaging with policymakers, researchers and industry peers, D.R. Horton helps advance practical solutions that can expand housing supply and make homeownership more accessible for families across the country.

Home Quality & Safety

A home is more than shelter — it is a safe haven where homeowners should feel secure, comfortable and free to be themselves. Our goal is to meet that expectation by constructing high quality homes that stand the test of time and provide the setting for a lifetime of memories.



During construction, our operators and subcontractors adhere to building codes and requirements specific to the jurisdictions and states in which we operate. We rely on experienced field leadership teams to build homes that meet our quality standards across three levels of oversight:

- **Construction superintendents** manage all jobsite functions while focusing on superior customer service. They maintain a safe work site by implementing safety requirements, enforcing safe work habits and ensuring compliance with OSHA regulations and applicable building codes.
- **Construction area managers** oversee superintendents and ensure quality control across their communities. They implement Company policies throughout construction, confirm subdivisions meet state and OSHA regulations and verify homes are built to contract specifications.
- **Division construction managers** oversee area managers, project managers, superintendents and assistant superintendents. They ensure the construction department meets safety standards and manage quality control to confirm homes are ready for homeowner orientation and occupancy.

In addition to field oversight, we obtain independent, third-party inspections at various points during construction to ensure finished homes meet the highest quality standards and local building codes.

Resiliency

Severe storms and other extreme weather events have prompted many cities and states to strengthen building codes and adopt additional resiliency requirements. Major hurricanes in Houston, Louisiana and North Carolina spurred code updates focused on enhanced foundation and structural requirements for wind resistance, drainage and flood mitigation. Florida continues to develop and refine its Building Code to promote weather-resistant construction, requiring homes in high-velocity hurricane zones to incorporate hurricane shutters, impact-resistant windows, reinforced roofs and hurricane straps. Many of our Florida markets, particularly in the south, predominantly build utilizing concrete block to further improve structural integrity. Our building products partners are also enhancing their products to improve durability in severe weather. Together, these code and product advancements have resulted in homes that typically withstand weather events better than older existing homes.

One program designed with resilience in mind is FORTIFIED, an above-code construction standard created by the Insurance Institute for Business & Home Safety (IBHS) that originally focused on roofing enhancements and has since expanded through field research to address a broader range of weather-related damage. FORTIFIED offers three tiers of designation, ranging from roof-specific enhancements to whole-home improvements.

Several of our divisions in Alabama and Mississippi incorporate FORTIFIED standards into home construction. For each of the last eight years, our Baldwin County division has been honored by IBHS with a FORTIFIED Volume Award, including a Crown Volume Award in 2025 for certifying 1,000 to 2,499 homes to FORTIFIED designations.



Warranty Coverage

D.R. Horton is committed to delivering quality homes and supporting homeowners throughout their homeownership journey. We rely on subcontractors to perform the actual construction of our homes, and in many cases, to select and obtain construction materials. Despite our detailed specifications and monitoring of the construction process, we and our subcontractors occasionally fall short of our quality standards in the construction of our homes. When warranty and construction-related issues arise, we stand behind our homes with a comprehensive warranty program that includes a minimum one-year builder warranty, a two-year warranty on key mechanical systems and a ten-year limited structural warranty.

Homeowners can easily submit warranty requests online at drhorton.com/warranty, and market- and state-specific warranty and maintenance documents are available at drhorton.com/documents-and-guides. Local and Corporate Customer Care teams respond to the warranty needs and concerns of our homeowners and monitor requests through our CRM and ticketing systems, and we dedicate significant resources to repairing homes in fulfillment of our warranty obligations.

In the event of a product or component recall, we assist suppliers and homeowners by facilitating communication and coordinating any necessary repairs or replacements.

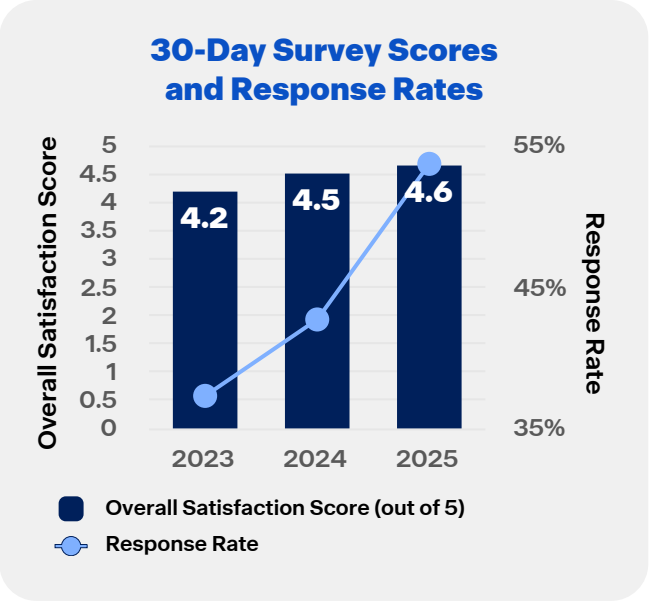


Homeowner Satisfaction

We have formally measured homeowner satisfaction for nearly two decades through post-closing surveys that assess the sales, construction, customer care and warranty experience. Homeowners may also provide open-ended feedback, which is reviewed by our Corporate Customer Care team and shared with local divisions to support timely resolution and continuous improvement. Today's survey process includes both 30-day and 7-month post-closing customer surveys. The 30-day survey is focused on the homeowners' sales and construction experience, and the 7-month survey is focused on the post-closing customer service and warranty experience. During fiscal 2024, we expanded our survey program to include text-message surveys, resulting in a 16% increase in response rates on our 30-day survey since rollout.

We take homeowner feedback seriously and are continually focused on improving homeowner satisfaction with their new home and their experience with D.R. Horton. Survey results are reviewed monthly and used to drive accountability, operational improvements and recognition across our regions and divisions. In fiscal 2025, approximately 79% of our regions and 58% of our divisions achieved our internal award criteria.

We have seen annual improvement in our companywide overall satisfaction scores and customer response rates over the last three years as shown in the accompanying chart, reflecting our continued focus on quality, customer care and the homeowner experience. Homeowner satisfaction remains a top priority as we work toward continued improvement.



Indoor Environmental Quality & Safety

The EPA has found that indoor air quality can be significantly worse than outdoor air. Building materials can have a meaningful impact on indoor air quality, so many of our manufacturers obtain third-party certifications, such as UL GREENGUARD, signifying that their products reduce the impact on occupant health without adding substantial costs for our homebuyers. Some examples include:

- **Paint (Sherwin Williams):** Interior walls and ceilings in all D.R. Horton homes are painted with low- or zero-VOC (volatile organic compound) paint (under 50 grams of VOCs per liter), reducing indoor airborne chemicals compared to standard paint.
- **Carpet (Mohawk):** Most of our homes use Mohawk carpet certified under the Carpet and Rug Institute's Green Label Plus program for low chemical emissions. Mohawk's SmartStrand and EverStrand products are also OEKO-TEX Standard 100 certified and Declare Red List Free. Other Mohawk flooring, including wood, laminate and several domestically produced luxury vinyl plank products, is FloorScore certified and Declare Red List Free.
- **Closet Shelving (ClosetMaid):** Shelf and Rod Wire Shelving and TotalSlide® shelving, installed in some of our homes, are certified to Indoor Advantage™ Gold indoor air quality standards.

Ventilation

Beyond low-emitting materials, we address indoor air quality through mechanical ventilation systems that reduce pollutants throughout the life of the home. Whole-house ventilation, along with spot ventilation in kitchens and bathrooms, removes odors and potentially harmful fumes to improve indoor air quality for our homeowners.

D.R. Horton continues to deliver homes with whole-house mechanical ventilation, using supply, exhaust and balanced ventilation systems depending on the home. One solution we may employ is an energy recovery ventilator (ERV) or heat recovery ventilator (HRV), which lets homebuyers control the amount of fresh air exchanged in the home.

Our adoption of ERV and HRV technology has been accelerated by the EPA's ENERGY STAR Single-Family New Construction program, which requires installation and performance testing of a mechanical ventilation system for certification. As a result, in fiscal 2025, D.R. Horton delivered at least 29,300 homes with a whole-house ventilation strategy.

Over the last year, we also increased our participation in the EPA's Indoor airPLUS (IAP) certification program, which builds on ENERGY STAR with additional requirements focused on healthier indoor environments, including moisture control systems to reduce the potential for mold growth, radon-resistant construction, proper ventilation and air filtration, combustion safety measures to limit carbon monoxide exposure and low-emission building materials. Homes meeting these standards are designed to provide improved comfort, durability and protection against common indoor air quality concerns. In fiscal 2025, five of our homebuilding divisions certified over 700 homes in the IAP program.

Together, low-VOC materials and continuous ventilation help our homeowners maintain healthier homes where they live, work and play.

Smart Home Technology

Smart home technology gives homeowners greater control over comfort and safety. Beyond the energy-saving features in our America's Smart Home® package, every home includes a smart lock, a video doorbell and a smart light switch that can all be controlled and monitored remotely, adding security and helping homeowners stay connected to their home while away.

Indoor Environmental Air Quality at a Glance

29,300

Homes with Whole-House Ventilation

5

Divisions Certifying Homes to IAP

700

Homes Certified to IAP in Fiscal 2025



Sustainable Procurement

Sustainable Supply Chain

D.R. Horton's position as the nation's largest homebuilder depends on a trusted network of vendors whose work brings hundreds of components together in every home we build. With operations spanning 126 markets in 36 states, we partner with trade and building product suppliers of every size and scope, selecting each based on quality, reliability and value.

Many components are sourced locally, but where products can be sourced nationally, we often concentrate purchasing with one or two suppliers per category to capture economies of scale, control costs and keep homes affordable. We are nationally exclusive with approximately 16 suppliers and purchase products from more than 150 other national, regional and local vendors, each of which is essential to our business.

Strong supplier relationships remain central to our success. Working through industry-wide supply chain challenges alongside our vendor partners has helped us further strengthen and diversify those relationships. Building more than one in every seven new homes across the United States requires constant collaboration between our vendors and our national, regional and local teams. We look for partners who deliver reliable, quality products on time and on budget, with a shared focus on resource and operational efficiency and sustainability.

Our decentralized operating structure gives our 92 homebuilding divisions the flexibility to source materials and build vendor relationships suited to their local markets. Our vendor selection process requires multiple bids for new projects, evaluating logistics, economics, quality and service, often prioritizing proximity to jobsites to reduce freight costs. For regional and national suppliers, we follow a similar competitive process, assessing cost, volume capacity, financial strength and product quality.



Vendor & Supplier Engagement

We maintain ongoing dialogue with our vendors and suppliers throughout the year, holding them to the same high human rights and environmental standards to which we hold ourselves. Over the past few years, this engagement has expanded as we have worked together to share information and enhance sustainability disclosures. Many of our vendors have robust sustainability and stewardship programs of their own, and this dialogue has given us valuable insight into the sustainable features of products we purchase and the initiatives underway at key suppliers.

In 2023, we deepened this engagement by launching our first vendor ESG survey, sent to 168 national manufacturers, distributors and installers. The survey covered company and product information, manufacturing processes, environmental attributes of installed products and broader corporate sustainability and human capital strategy — achieving a nearly 50% response rate. The goal was to understand our vendors' current and future sustainability practices, identify topics for further engagement, begin preparing for potential future reporting requirements and open a broader dialogue on sustainability across the homebuilding industry. The results have created opportunities for continued conversation and helped lay the groundwork for evaluating purchased goods and services within our Scope 3 emissions.

We look forward to continuing this dialogue as we work together to build more energy-efficient homes, track sustainability metrics and reduce our collective environmental impact.



Sustainable Building Supplies

To build more energy efficient homes and help preserve natural resources, we consider sustainable building supplies throughout construction. We work with numerous suppliers that incorporate recycled materials into their products, as well as partners that manage long-term supply chain risk through renewable resources or third-party certification programs signifying responsible sourcing.

From Forest to Frame



In August 2025, several D.R. Horton team members representing our national, regional and division operations traveled to Eugene, Oregon, for a behind-the-scenes experience hosted by Weyerhaeuser. Joined by Weyerhaeuser team members, attendees spent three days touring working forests, logging operations and manufacturing facilities to see firsthand how some of the wood products used in our homes are grown, harvested and produced. The itinerary included a forestry tour, engineered wood products facility and mill visits, presentations and team-building activities designed exclusively for D.R. Horton.

The tours provided a firsthand look at Weyerhaeuser's responsible forestry practices, including long-term harvest planning, stream protection buffers, wildlife habitat considerations and reforestation efforts. Attendees learned that Weyerhaeuser harvests only a small portion of its land base annually, replants harvested areas and plans forest management activities decades into the future to help maintain healthy, productive forests.

The group also learned how third-party certifications help verify responsible forestry practices and wood sourcing. Weyerhaeuser certifies 100% of its forests to the Sustainable Forestry Initiative (SFI®) Forest Management Standard and validates its forest management and fiber procurement practices through internationally recognized sustainability certification programs.

The trip offered a valuable sustainability perspective, bringing together Weyerhaeuser's Senior Sustainability Program Manager and D.R. Horton's Sustainability team. Following the event, Weyerhaeuser shared additional information about its Carbon Record and climate strategy, including how sustainably managed working forests and wood products can help remove and store carbon over time. Most importantly, the experience strengthened relationships between two long-standing partners while creating a deeper appreciation for the journey from forest to frame.



Sustainable Forestry

Lumber is one of the most heavily used materials in our homebuilding business, sourced locally and regionally through multiple suppliers. Several of these suppliers, including Boise Cascade, Weyerhaeuser and LP, offer sustainably harvested lumber and participate in forestry certifications or programs that support responsible practices. Our team saw these programs in action firsthand during a tour with Weyerhaeuser, highlighted in the **From Forest to Frame** spotlight.

Certifications our suppliers may hold include the Sustainable Forestry Initiative (SFI), the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC). While standards vary, each program focuses on forest management, responsible sourcing, chain-of-custody tracking and compliance monitoring. Through vendors certified by these organizations, we are able to sustainably source some of our lumber with confidence that forests are being sustained for future generations.

Environmental Product Declarations

As we work to better understand and quantify the environmental impacts of our homes, we rely increasingly on vendors and suppliers to share data on their own impacts. One valuable tool is an Environmental Product Declaration (EPD), a third-party-verified report on a product's environmental performance that signals a manufacturer's commitment to measuring and reducing environmental impact through transparent reporting. Some of our vendors already obtain EPDs on their products, and we look forward to using this data to better understand the overall environmental impact of our homes.

Recycled Materials

Many of the manufacturers we work with incorporate recycled material into the products D.R. Horton installs, helping reduce the overall environmental impact of our operations. For example, much of the fiberglass batt and blown-in insulation used in our homes is made from recycled glass, and certain spray foam insulations may use recycled plastic content.

Mohawk offers recycled content through their EverStrand® carpet line, which diverts plastic bottles from landfills into finished flooring. Through our relationship with Mohawk, D.R. Horton was responsible for diverting approximately 258 million plastic water bottles from landfills into EverStrand® carpeting installed in our homes in fiscal 2025.

Moen is addressing the ocean plastic crisis directly through their Posi-Temp® valves, which are manufactured with plaster grounds made from ocean-recycled plastic. Through our use of Posi-Temp® valves in fiscal 2025, D.R. Horton was responsible for recycling 11,200 pounds of ocean-bound plastics, which is equivalent to more than 549,800 plastic water bottles or 1.3 million plastic straws.

Beyond recycled-content products, several divisions are exploring recycled materials on jobsites, including a concrete recycling program featured in the **Concrete Steps Toward Circularity** spotlight.

Many of our manufacturers also incorporate sustainability into their production processes. According to our 2023 vendor ESG survey, 64% of respondents reported having policies related to sustainable supply chains, responsible material sourcing or manufacturing practices that mitigate environmental impact. Oldcastle APG, which manufactures pavers, retaining walls and select stucco, mortar and masonry products for a portion of our homes, incorporates pre-consumer regrind material, including PVC, off-spec block and pavers and cement dust, back into their manufacturing process and diverts additional materials from landfills by using slag and fly ash in block and paver production.

Recycled Materials at a Glance

258 million
Plastic Water Bottles Diverted in 2025

11,200
Pounds of Ocean-Bound Plastic Diverted in 2025



Concrete Steps Toward Circularity

At many of our divisions, particularly across Florida, excess concrete from construction activities is being transformed from waste into a valuable resource. Through a concrete recycling program developed with multiple vendors, hardened concrete from washout areas is collected and transported to local recycling facilities, where it is crushed into recycled aggregate. In some locations, dedicated recycling areas adjacent to washout facilities provide temporary storage until materials are ready for pickup.

The program has gained broad adoption across the Florida Region, where approximately 90% of hardened concrete waste from washout facilities is recycled. Each recycled load typically contains 12 to 15 tons of material, each of which would otherwise require disposal.



Once processed, the recycled concrete aggregate is commonly used for construction entrances, vehicle tracking pads and other aggregate needs on our jobsites. In some cases, vendors purchase the crushed material and reuse it to support ongoing construction activities.

By keeping concrete in circulation, the program helps reduce disposal and transportation costs, increase access to aggregate materials and support a lower environmental footprint. Similar initiatives are also being implemented in other divisions, including Northeast Tennessee, demonstrating how practical solutions in the field can create environmental and operational value across our business.

Responsible Land Development

Environmental Reviews & Assessments

We are committed to environmental stewardship in the communities where we build and sell homes. This commitment shapes our site selection, design and development decisions, and we expect every D.R. Horton employee to apply a strong environmental ethic when addressing concerns that arise in a given community.

When a local division identifies a prospective site, we typically place it under contract while completing feasibility and due diligence, including an environmental review of the property. Our Corporate and Region Environmental Departments engage experienced environmental consultants to conduct an initial Phase I environmental site assessment in accordance with the American Society for Testing and Materials industry standards.

While every site presents its own set of environmental conditions, we generally expect our environmental consultants to consider the prior and intended use of the site, the sensitivity of the site and surrounding habitats and to complete the following tasks during a Phase I review:

- Physically inspect the site and adjacent areas
- Identify potential jurisdictional ecological features, such as wetlands and waterways, and protected flora and fauna species
- Obtain and review public and private records on prior uses of the property and surrounding areas
- Interview current owner(s) and obtain completed questionnaires to understand past and current site use
- Evaluate potential chemical releases or other environmental conditions that may pose a risk to human health or the local environment
- Recommend measures to preserve and protect nearby species and habitats and mitigate potential developmental impacts

If the Phase I assessment identifies any potential environmental concerns, we may commission a Phase II assessment for closer evaluation, which can include soil and groundwater sampling, protected species and habitat assessments, wetlands investigations, stormwater assessments, geotechnical studies or archaeological studies.

After reviewing Phase I (and Phase II, if applicable) findings, we assess whether to proceed with the land purchase. If environmental concerns are minimal and the site meets our acquisition criteria, including financial feasibility, we typically move forward. If more significant conditions are identified, we evaluate remediation or mitigation options or opt out of the purchase contract. Where remediation is required, we generally hold the land purchase funding until the Corporate Environmental team verifies that necessary remediation has been completed.

During due diligence, we may find that portions of a property fall within a U.S. Federal Emergency Management Agency (FEMA)-designated flood zone. If we purchase land within a flood zone, we typically perform remedial development work and request a letter of map revision (LOMR) from FEMA upon completion.

This process can be lengthy, and in some cases, a LOMR may not be finalized before we begin home construction. Homes that remain within a FEMA flood zone are generally required to carry flood insurance. Of the lots we purchased in fiscal 2025, 2,702 lots were located in a 100-year flood zone at the time of purchase, and we expect no more than 214 to remain within the flood zone by the time vertical construction begins. Where remediation is not possible or LOMR approval is pending, we may assist homebuyers with acquiring flood insurance or designate that portion of the property as an open space or a holding pond.



While most communities we purchase are greenfield parcels in suburban areas, we also periodically pursue redevelopment projects, repurposing underutilized land. During fiscal 2025, we purchased 1,451 redevelopment lots, which may include brownfield and greyfield sites, and we closed 725 homes on redevelopment lots purchased since 2022. Redevelopment lots may involve additional environmental considerations during our review process depending on prior land use.

Environmentally responsible development extends beyond land purchase. Throughout land development and home construction, we must comply with numerous federal and state laws and regulations designed to protect the environment. Every employee and contracted professional working in our developments is expected to comply with these requirements, regularly monitor compliance and file all required inspection and other reports with the applicable government agencies.

Biodiversity & Other Considerations

Our environmental site assessments aim to minimize impacts to local habitats, wetlands and protected or endangered species. When a protected or endangered species is encountered during site assessments, land development or home construction, we typically engage qualified third-party consultants to perform specialized assessments and, if necessary, develop a management plan to address the specific species or concern. These plans may include buffers, preservation areas or safe relocation of the species, depending on the situation. For species well-known in a given area, our divisions and regions follow established plans and processes.

In Florida, divisions may encounter the protected Gopher Tortoise, which is identified and relocated before site work can continue. In other markets, divisions coordinate with state wildlife agencies when protected shorebird species are found nesting on site — marking nest areas to prevent disturbance and pausing construction until the young birds have fledged. In all markets where bald eagles may nest, we maintain bald eagle management plans that include, at minimum, established buffers. In some cases, divisions have discovered new or endangered species during development and paused work to formulate protection plans with local authorities.

We strive to preserve habitats and maintain biodiversity within our communities, and in some cases support local preserves or incorporate features that enrich biodiversity in our neighborhoods and surrounding areas. Certain projects present opportunities to restore, and even enhance, the biodiversity of the environment — see the **Wetlands at Work** spotlight to learn more about one such example. Some of our master-planned communities also include nature-inspired features such as walking paths, trail systems connecting homes to nature and recreation, and dedicated garden spaces designed to give residents a meaningful connection to the outdoors.



Wetlands at Work

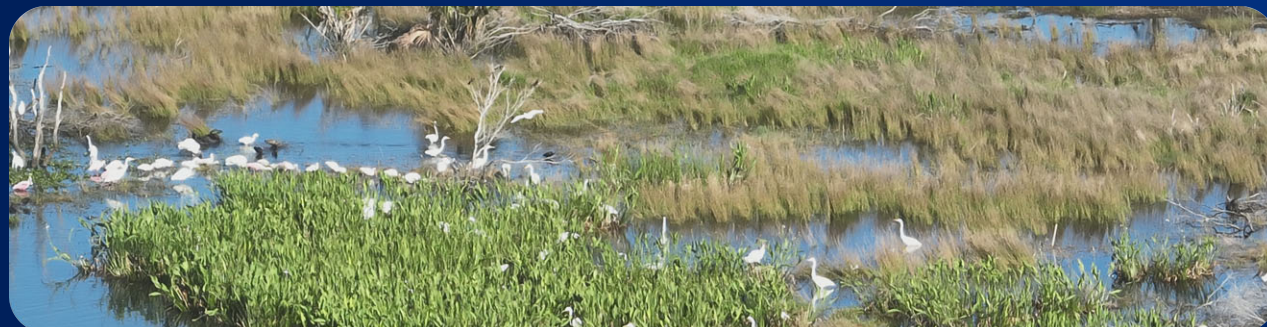
Adjacent to D.R. Horton's Kindred community near Orlando, the Twin Oaks Mitigation Bank demonstrates how responsible land stewardship can support both development and environmental conservation. The approximately 747-acre mitigation bank was established through a public-private partnership between D.R. Horton and Osceola County and is located within the headwaters of the Kissimmee River system, an ecologically important watershed that ultimately flows to Lake Okeechobee and the Everglades.

A mitigation bank restores, enhances and permanently protects wetlands and other natural habitats. Developers who impact wetlands elsewhere may offset those impacts by purchasing mitigation credits generated through the restoration and long-term conservation of sites such as Twin Oaks.

The Twin Oaks property was historically drained and pumped for agricultural use, leaving much of the landscape ecologically

degraded. Working with environmental specialists and regulatory agencies, D.R. Horton spent nearly a decade restoring natural hydrology, removing invasive vegetation, constructing water-control features and reestablishing native wetland ecosystems. Today, much of the Twin Oaks Mitigation Bank has reached key ecological milestones and is advancing through the final stages of regulatory review.

The results are evident across the site. Former pastureland has been transformed into freshwater marshes and cypress wetlands that now support a growing diversity of wildlife, including an active rookery and species such as the American alligator, bald eagle, Everglade snail kite, Florida sandhill crane, roseate spoonbill and wood stork as habitat conditions have improved. Through long-term restoration and conservation, Twin Oaks is helping preserve biodiversity, improve water quality and create lasting ecological value for Central Florida.



Our consideration of the environment extends beyond environmental reviews into community development and home construction. We strive to incorporate meaningful outdoor spaces into our communities, supporting both the natural environment and homeowner well-being. By integrating communal parks, accessible walking trails, trees and native vegetation, we aim to build thriving residential areas that foster community and encourage time outdoors.



Stormwater Pollution Prevention

In all of our communities, we endeavor to comply with the Clean Water Act and the National Pollutant Discharge Elimination System (NPDES), including the requirement to develop site-specific Stormwater Pollution Prevention Plans (SWPPP). Our SWPPPs outline our activities to prevent stormwater pollution, our Best Management Practices (BMPs) for erosion and sediment control and procedures for maintaining Clean Water Act compliance throughout land development and home construction.



Key components of our national stormwater compliance program include the following:

- Stormwater management professionals are employed across most local operating divisions and in our regional and corporate operations to support the program, from initial site design through SWPPP preparation and implementation, permitting, inspections and site-level management of stormwater BMPs. As of September 30, 2025, D.R. Horton employed 114 stormwater professionals nationwide
- Erosion and sediment control BMPs are implemented on our construction sites as necessary to comply with stormwater regulations
- Erosion and sediment control measures are designed to meet site-specific conditions
- Stormwater compliance information is posted in our communities
- Requirements for stormwater compliance are included in our independent contractor agreements

- A contractor orientation program covering stormwater compliance requirements is provided to our trade partners and vendors who work on or deliver materials to our work sites

Additional components of our recently enhanced stormwater compliance program include:

- Development of scopes of work for contractors and consultants related to stormwater compliance
- Enhanced inspection procedures across our land development and homebuilding operations
- Stormwater training requirements for employees in land acquisition, site feasibility, project management and stormwater compliance roles. In fiscal 2025, approximately 1,500 employees completed our online interactive stormwater compliance training program.

Part of serving our homeowners means caring for the environment in which they live and build their lives. Through these policies and procedures, D.R. Horton strives to protect the environment and comply with applicable federal, state and local laws and regulations during land development and home construction.

Bridging Water and Growth

Vidler, our wholly-owned subsidiary water company, has partnered with local governments, utilities and developers in western Nevada to help advance sustainable water solutions that deliver long-term community, environmental and economic benefits. Drawing on its portfolio of Carson River surface water and groundwater rights, Vidler has helped support everything from agricultural preservation to responsible residential development while promoting effective stewardship of limited water resources.

In Carson City, Nevada, Vidler assisted the City's Open Space Program in acquiring surface irrigation water rights to support irrigation of a historic city-owned ranch. Securing reliable water supplies for the property helps preserve a valued community asset, maintaining agricultural and open space uses and protecting the ranch's historical character for future generations. At the same time, portions of Vidler's water portfolio are helping strengthen the region's municipal water system through a conjunctive management approach that allows utilities to alternate between surface water and groundwater sources. During periods when Carson River flows are available, the utility can rely on treated surface water and reduce groundwater pumping, allowing local aquifers to recover and supporting long-term groundwater sustainability and resiliency.



The same water resources have also helped support responsible growth in nearby Dayton, Nevada. Vidler worked with local developers to secure and dedicate water supplies needed to advance development of Woodbridge Estates, where D.R. Horton's Reno division is building two phases of new homes. By helping ensure a reliable municipal water supply, Vidler supported development of approximately 216 homesites, demonstrating how thoughtful water resource planning can help balance environmental stewardship, community needs and housing demand in water-constrained regions.

Water Management & Efficiency

In Our Communities

Water is a limited natural resource, and we are committed to using it efficiently throughout the construction of our communities. During land development and home construction, we strictly comply with the Clean Water Act, which governs pollution control and water quality in U.S. waterways. As part of this compliance, we maintain Stormwater Pollution Prevention Plans, discussed further within the [Responsible Land Development](#) section.

Beyond conservation and pollution prevention, we assess water risk and work to secure reliable water access for the communities we build. Water availability varies significantly across our markets — some areas have abundant supply, while others face water stress with fewer accessible sources. Baseline water stress measures total annual water withdrawals against total available flow in a given area, with higher stress levels signaling greater risk of shortages.

Of the 591,900 lots we controlled across our 126 markets as of September 30, 2025, approximately 258,085 were located in areas of high or extremely high baseline water stress. In markets where water is scarcer, such as Arizona, Nevada and Colorado, we are required to secure water rights: the right to use a specified, sustainable volume of water annually, in perpetuity, ensuring our communities and homeowners have reliable access to water even in drier climates.

We own Vidler Water Resources, Inc. (Vidler), a company with significant expertise in water management. Vidler owns a portfolio of water rights and related assets in markets facing water scarcity, providing sustainable, potable water resources to fast-growing Southwest communities that lack adequate supply. Vidler's team works closely with regulators, water utilities, Native American tribes, community leaders, developers and energy companies to ensure that the water resources it develops and sells are sustainable and benefit the communities they serve.

For more on how Vidler's expertise supported both the community and our homebuilding operations, see the [Bridging Water and Growth](#) spotlight.



In Our Homes

Water conservation doesn't stop at construction. We equip homeowners with tools to conserve water throughout the life of their home, including WaterSense certified fixtures, which reduce water use by at least 20% compared to federal standards. WaterSense is an EPA-sponsored program that helps consumers identify water-efficient products, including faucets, toilets, showerheads, irrigation controllers and spray sprinkler bodies.

Through our nationally exclusive relationship with Moen, 100% of the bathroom faucets and showerheads installed in our homes in fiscal 2025 were WaterSense certified. Because heating water for showers requires energy, reduced water use also means reduced energy use. Our installation of WaterSense bathroom faucets and showerheads in fiscal 2025 is estimated to have saved nearly 1.5 billion gallons of water — enough to fill approximately 41 million bathtubs! At least 70% of the toilets installed in our homes during fiscal 2025 were also WaterSense certified.

Several divisions also install WaterSense certified irrigation systems for further water savings. Through our relationship with Hunter International, we installed approximately 2,600 high-efficiency WaterSense irrigation systems using the HydraWise platform in fiscal 2025, representing about 6% of our installed irrigation systems. HydraWise uses weather-based controllers that draw on internet-sourced local weather data and plant type to automatically adjust watering schedules and avoid unnecessary irrigation. The EPA estimates that a WaterSense-labeled irrigation controller can save an average home up to 15,000 gallons of water annually.



Watersense at a Glance

100%

WaterSense Certified Bathroom Faucets and Showerheads

1.5 billion

Gallons of Water Saved from Moen Fixtures

70%

WaterSense Certified Toilets

2,600

High-Efficiency HydraWise WaterSense Irrigation Systems Installed

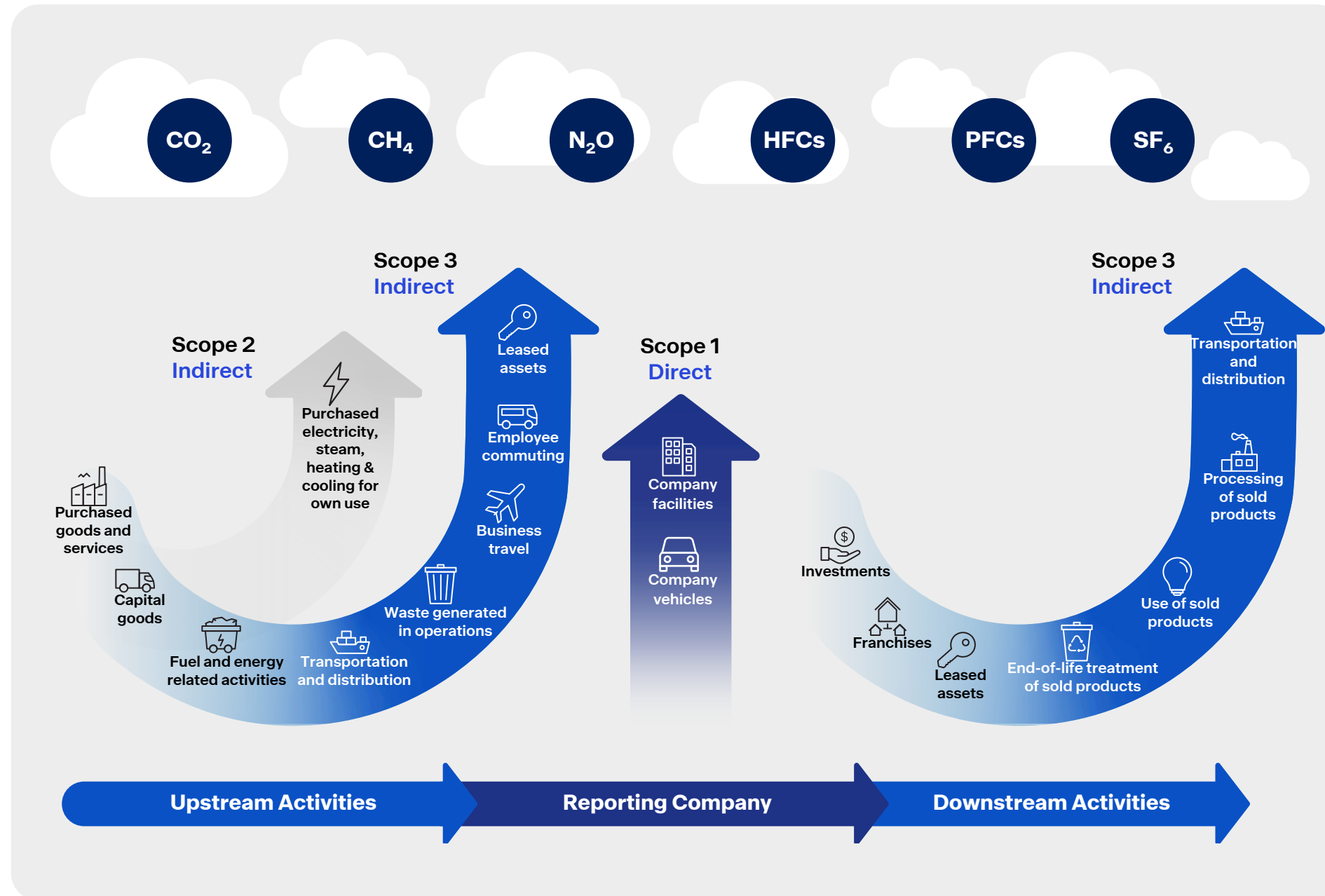
39 million

Estimated Annual Gallons of Water Saved from HydraWise Irrigation Systems



We are also mindful of the landscape selections in our communities. Our divisions favor native, drought-tolerant plants and often use xeriscaping (landscaping that requires little to no irrigation) in more arid climates.

Greenhouse Gas Emissions



Methodology

We engaged a third-party sustainability firm to assist with the calculation of our Scope 1 and Scope 2 greenhouse gas (GHG) emissions, following the GHG Protocol and using recognized emission factors from the Intergovernmental Panel on Climate Change (IPCC), Green-e and the United States Environmental Protection Agency (EPA).

We report using the operational control approach, meaning results include 100% of emissions from subsidiaries and facilities we operate, regardless of equity share. Consistent with the GHG protocol, emissions are classified into two categories:

- Scope 1 covers direct emissions from sources we own or control — essentially “things that fume.”** For D.R. Horton, this includes natural gas used in our owned and leased offices; in our model homes and homes in inventory for the period they were under our operational control (from completion to closing of the home); in rental homes for the period they were under our operational control (from completion to the lease date when a tenant takes over); fuel used in Company vehicles; and all other segments of our business. Additionally, fugitive refrigerant emissions are included in Scope 1 calculations, representative of HVAC equipment leakages.
- Scope 2 covers indirect emissions from purchased utilities.** For D.R. Horton, this includes purchased electricity across our operations, including electricity used in our owned and leased offices; model homes and homes in inventory while under our operational control (from completion to closing of the home); multi-family and single-family rental homes while under our operational control (from completion to the lease date when a tenant takes over); and all other segments of our business.

Scope 1 and 2 Greenhouse Gas Emissions

The results of our Scope 1 and Scope 2 GHG emissions calculation are presented in the accompanying chart.

Purchased electricity and natural gas consumption associated with offices, homes in inventory, model homes, rental properties and other business activities under our operational control remained the primary drivers of our Scope 1 and 2 emissions throughout the period. Fugitive emissions from HVAC equipment represented a smaller portion of our footprint and Company-owned vehicle emissions accounted for approximately 1% of total emissions.

Over the five-year period, our emissions were influenced primarily by the number of homes under our operational control and the length of time those homes remained in inventory. Emissions increased significantly in fiscal 2023 as completed homes remained in inventory longer, increasing active square footage under our operational control. Emissions declined in fiscal 2024 as fewer homes moved through inventory, homes were smaller and average holding periods shortened, reducing active home square footage. This trend remained relatively stable in fiscal 2025, with emissions decreasing approximately 2% compared to fiscal 2024. While the number of homes included in our GHG inventory declined during the year, longer average holding periods offset much of that reduction, resulting in relatively consistent emissions year over year.

Beyond inventory movements, home energy and emissions intensity has generally improved over time, and sample utility data indicates our homes are becoming more energy-efficient over the presented period.

Intensity Metrics

We also evaluate our emissions intensity relative to key business metrics, including emissions per home or rental unit closed and emissions per million dollars of revenue. Both metrics increased significantly in fiscal 2023 as homes remained under operational control longer and active home square footage increased. As homes in inventory and holding periods decreased, both intensity metrics declined substantially in fiscal 2024 and remained well below fiscal 2023 levels in fiscal 2025. The modest year-over-year increases in fiscal 2025 in emissions per home/unit closed and emissions per million dollars of revenue primarily reflect longer average home holding periods and lower revenues rather than a material change in the energy intensity of homes under our operational control.

Limited Assurance

In fiscal 2025, we completed our first independent limited assurance engagement covering our Scope 1 and Scope 2 GHG emissions inventory. Conducted in accordance with ISO 14064-3, the engagement supports our commitment to transparency, data quality and continuous improvement in climate-related reporting, while also helping prepare the Company for evolving climate disclosure requirements, including California’s climate reporting regulations. Based on the procedures performed, the independent verifier concluded that nothing came to its attention that would cause it to believe our fiscal 2025 Scope 1 and Scope 2 emissions were not fairly stated in all material respects or were not prepared in conformance with the GHG Protocol.

Scope 1 and 2 Greenhouse Gas Emissions (mt CO ₂ e)		2021	2022	2023	2024	2025
1	Stationary Fuel Combustion (Natural Gas, Propane, Diesel)	24,435	39,571	65,815	43,113	29,904
	Mobile Combustion (Fleet)	743	1,061	1,170	692	1,100
	Fugitive Emissions (Building HVAC)	3,200	3,853	13,851	11,495	12,344
	Total Scope 1 (Direct) GHG Emissions	28,378	44,485	80,836	55,300	43,348
2	Scope 2 (Indirect) GHG Emissions — Location-Based	31,077	39,542	67,563	55,707	65,111
	Scope 2 (Indirect) GHG Emissions — Market-Based	34,007	43,097	72,412	58,216	67,876
Total Scope 1 & 2 GHG Emissions		62,385	87,582	153,248	113,516	111,223

mt CO₂e = metric tons of carbon dioxide equivalent. Due to rounding, the sum of results presented may not equal the total shown. Market-Based Scope 2 emissions values are included in the total Scope 1 & 2 GHG emissions presented.

Total Scope 1 & 2 GHG Intensity	2021	2022	2023	2024	2025
Homes and Units Closed by Our Homebuilding, Single-Family and Multi-Family Rental Operations	83,181	84,293	91,204	95,862	91,270
mt CO ₂ e per Home/Unit Closed	0.75	1.04	1.68	1.18	1.22
Consolidated Revenue (in Millions)	\$ 27,774	\$ 33,480	\$ 35,460	\$ 36,801	\$ 34,250
mt CO ₂ e per Million Revenue Dollars	2.25	2.62	4.32	3.08	3.25

Scope 3 and Next Steps

In preparation for California's climate disclosure requirements, we have been actively working to calculate our Scope 3 GHG emissions for the first time. While this effort is still underway and results are not yet ready for public disclosure, the process has provided valuable insights into our value chain emissions and the data required to support future reporting.

We expect purchased goods and services and use of sold products to be our two most significant Scope 3 categories. To date, purchased goods and services has required the greatest effort in data collection and analysis — a common challenge in homebuilding given the decentralized nature of our operations, the large number of vendors and subcontractors we work with and the variability in products and materials across our markets. Where available, we have incorporated primary data and mapped it to manufacturer environmental product declarations (EPDs); however, portions of the calculation continue to rely on industry data, extrapolation methodologies and other reasonable assumptions.

We have also obtained primary data for several additional Scope 3 categories, including business travel, employee commuting and use of sold products. For use of sold products, we expect to leverage energy performance data collected through the Home Energy Rating System (HERS) process for homes that receive a rating. For categories where primary data are unavailable, we expect to utilize spend-based methodologies and other accepted estimation techniques.

We currently anticipate that fiscal 2026 results will mark our first public Scope 3 GHG emissions disclosure. Following completion of our Scope 3 assessment, we will continue evaluating climate-related impacts, potential emissions reduction opportunities, evolving regulatory requirements and potential future GHG reduction targets. In the meantime, we remain focused on building more energy-efficient homes and reducing the environmental impact of our operations.





Appendices

In This Section

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2025 Employer Information Report (EEO-1) — D.R. Horton, Inc.

We annually submit our EEO-1 Component 1 report to the U.S. Equal Employment Opportunity Commission (EEOC) in accordance with federal reporting requirements for private sector employers with 100 or more employees. We publish this data to provide a transparent view of our workforce demographics. As a people-first company, we believe our individual differences are our collective strength, and we remain committed to enhancing our workforce and fostering inclusion throughout our organization. As of the date of this report’s publication, the EEOC had not announced its collection window for 2025 EEO-1 information. The information below is therefore preliminary and subject to change upon our actual submission.

Job Categories	Non-Hispanic or Latino														
	Male								Female						
	Hispanic or Latino		White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaska Native	Two or more races	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaska Native	Two or more races	Overall Totals
	Male	Female													
Exec / Sr. Officials & Mgrs	8	2	217	1	—	3	—	—	65	1	—	2	1	1	301
First / Mid Officials & Mgrs	122	116	1,345	43	3	29	5	14	753	55	6	28	6	10	2,535
Professionals	341	95	2,273	68	8	53	13	34	469	57	1	19	3	7	3,441
Technicians	28	12	220	23	1	27	1	5	83	9	2	9	1	3	424
Sales Workers	244	250	902	140	5	27	6	29	1,057	251	3	43	4	24	2,985
Administrative Support	111	516	385	43	2	22	2	11	1,704	264	11	76	12	51	3,210
Craft Workers	168	37	569	39	4	8	5	9	104	8	2	4	—	4	961
Operatives	5	—	6	—	—	—	—	—	—	1	—	—	—	—	12
Laborers & Helpers	6	—	7	1	—	—	—	1	2	—	1	—	—	—	18
Service Workers	4	1	22	1	—	—	—	—	—	2	—	—	—	—	30
Total	1,037	1,029	5,946	359	23	169	32	103	4,237	648	26	181	27	100	13,917

Please refer to our prior ESG/Sustainability Reports and Investor Relations website for our historical EEO-1 disclosures.

Sustainability Accounting Standards Board (SASB) Index

All data presented below is as of or for the fiscal year ended September 30, 2025, and represents our homebuilding segment only, unless otherwise noted. As our sustainability reporting and data collection processes mature, we plan to refine our disclosures to reflect the best available information.

SASB Code	SASB Metric	D.R. Horton Disclosure
Activity Metrics		
IF-HB-000.A	Number of controlled lots	Land/Lots Owned — 147,000 Lots Controlled Through Land and Lot Purchase Contracts — 444,900 Total Land/Lots Owned and Controlled — 591,900
IF-HB-000.B	Number of homes delivered	84,863
IF-HB-000.C	Number of active selling communities	D.R. Horton does not disclose active community count.
Land Use & Ecological Impacts		
IF-HB-160a.1	Number of (1) lots and (2) homes delivered on redevelopment sites	1) Number of owned lots purchased during fiscal 2025 located on redevelopment sites — 1,451 2a) Number of homes delivered on lots purchased during fiscal 2025 located on redevelopment sites — 82 2b) Number of homes delivered on lots purchased from fiscal 2022 through fiscal 2025 located on redevelopment sites — 725
IF-HB-160a.2	Number of (1) lots and (2) homes delivered in regions with High or Extremely High Baseline Water Stress	1) Number of owned or controlled lots in regions with High or Extremely High Baseline Water Stress — 258,085 2) Number of homes delivered in fiscal 2025 in regions with High or Extremely High Baseline Water Stress — 38,069
IF-HB-160a.3	Total amount of monetary losses as a result of legal proceedings associated with environmental regulations	\$236,739
IF-HB-160a.4	Discussion of process to integrate environmental considerations into site selection, site design and site development and construction	Please refer to the Responsible Land Development section (pages 57-59) for more detailed information regarding D.R. Horton’s process for integrating environmental considerations into site selection, design, development and construction.

SASB Code	SASB Metric	D.R. Horton Disclosure
Workforce Health & Safety		
IF-HB-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	1a) TRIR for Direct Employees in fiscal 2025 — 1.24 2a) Fatality Rate for Direct Employees in fiscal 2025 — 0 Complete and accurate information to report a TRIR or fatality rate for contract employees is not currently available.
Design for Resource Efficiency		
IF-HB-410a.1	(1) Number of homes that obtained a certified residential energy efficiency rating and (2) average rating	The primary residential energy efficiency ratings utilized by D.R. Horton are certified HERS Index Scores. 1) Number of homes that obtained a certified HERS Index Score in fiscal 2025 — 45,624 2) Average HERS score for rated homes closed in fiscal 2025 — 53
IF-HB-410a.2	Percentage of installed water fixtures certified to a water efficiency standard	The primary water efficiency standard to which our building products are certified is WaterSense. Percentage of indoor water fixtures certified to WaterSense specifications — 86% Percentage of outdoor water fixtures certified to WaterSense specifications — 6%
IF-HB-410a.3	Number of homes delivered certified to a third-party multi-attribute green building standard	In fiscal 2025, 29,343 homes closed by our homebuilding operations were certified under the ENERGY STAR Single-Family New Homes program.
IF-HB-410a.4	Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers	Please refer to the Energy Efficiency and Resource Efficiency & Technology sections (pages 42-50) for more information regarding risks and opportunities related to resource efficiency, as well as our communication of benefits to potential homebuyers.

SASB Code	SASB Metric	D.R. Horton Disclosure
Community Impacts of New Developments		
IF-HB-410b.1	Description of how proximity and access to infrastructure, services, and economic centres affect site selection and development decisions	Please refer to the Community Impact section (pages 23-25) for more information describing how proximity and access to infrastructure, services and economic centers affects our site selection and development decisions.
IF-HB-410b.2	Number of (1) lots and (2) homes delivered on infill sites	1) Number of owned lots purchased during fiscal 2025 located on infill sites — 4,780 2a) Number of homes delivered on lots purchased during fiscal 2025 located on infill sites — 704 2b) Number of homes delivered on lots purchased from fiscal 2022 through fiscal 2025 located on infill sites — 3,692
IF-HB-410b.3	(1) Number of homes delivered in compact developments and (2) average density	1) Number of homes delivered in compact developments* — 10,012 2) Average density of homes delivered in compact developments — 12.0 du/acre
Climate Change Adaptation		
IF-HB-420a.1	Number of lots located in 100-year flood zones	1) Number of lots located in 100-year flood zones at time of purchase that were purchased during fiscal 2025 — 2,702 2) Number of lots expected to remain in 100-year flood zones at time of home construction of those purchased during fiscal 2025 — 214 Standard practice in the vast majority of our communities located within a flood zone at the time of land purchase is to complete the necessary community design and development steps to obtain a LOMR from FEMA. Occasionally, at the time a home is closed, the LOMR may not yet be officially approved, resulting in a requirement for some homes to obtain flood hazard insurance until the LOMR is approved.
IF-HB-420a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Please refer to the TCFD section (pages 70-79) for more information describing our evaluation of our exposure to climate change risks, portfolio exposure and our strategies for mitigating these risks.

* As SASB allows homebuilders to leverage the definition of a compact development from general industry frameworks, we are reporting in line with the definition of the U.S. Green Building Council, which considers a community to be higher density if the community has more than seven homes or dwelling units (du) per acre.

Task Force on Climate-related Financial Disclosures (TCFD)

Climate-related physical and transition risks could impact our business. The following disclosures outline our governance of climate-related risks, our strategy for addressing potential business impacts, our risk management approach and key metrics — aligned with the majority of recommendations outlined by the Task Force on Climate-related Financial Disclosures (TCFD).

Governance

Board Oversight

The Nominating and Governance Committee of the Board is formally charged with oversight of sustainability-related risks, including climate-related risks. The Committee receives regular updates from both internal and external subject matter experts throughout the year, including a formal annual update from the Director of Sustainability Reporting covering greenhouse gas emissions calculations, climate-related risk assessments, stakeholder feedback and other pertinent sustainability topics.

Role of Management

Management of climate-related risks and opportunities is integrated into the day-to-day operations and risk management systems of numerous business functions. Our executive management team actively oversees each of these functions and stays informed of relevant risks and opportunities through ongoing operations.

Key roles and responsibilities of these functions within the context of climate-related risks and opportunities include:

- **Corporate and Region Real Estate and Environmental Departments:** manage the process for environmental site assessments for all potential land and lot purchases and consult with divisions on conditions or issues as needed;
- **Purchasing:** manages national vendor relationships and supports efforts to manage supply chain climate-related risks and opportunities;
- **Business Development and Innovation:** identifies and manages investments in more efficient and sustainable building products and methods as part of our research, development, demonstration and deployment (R&DDD) planning;
- **Risk Management:** mitigates inventory losses (including construction in progress and finished homes), helps establish emergency preparedness procedures and oversees our insurance agency;
- **Investor Relations including the Director of Sustainability Reporting:** tracks climate disclosure regulatory developments, manages engagement with investors and other stakeholders, develops sustainability disclosures and reports key insights to executive management and the Board;
- **National Sustainability Director:** engages with industry groups, governmental agencies and energy raters on emerging green building topics, helps manage our ENERGY STAR program and keeps divisions informed of changes in climate-related regulations;
- **DHI Mortgage:** monitors and implements necessary actions in response to updated climate-related financing regulations;
- **Region and Division Leadership:** responsible for building quality homes that adhere to local regulations and codes, including climate-related requirements.

Strategy

Climate-Related Risks, Opportunities and Impacts

D.R. Horton has been the largest homebuilder by volume in the United States since 2002, with operations spanning homebuilding, single-family and multi-family rental, a majority-owned residential lot development company, financial services and other activities. Our homebuilding operations are our core business, and we focus on maintaining a broad product offering across geographies while driving home affordability in each of our markets. When identifying climate-related risks and opportunities, D.R. Horton considered time horizons consistent with our overall risk management and Company strategy. The rationale for our short-, medium- and long-term horizon definitions is shown below:

Time Horizons	Rationale
Short-Term 1 - 3 Years	Our internal budgeting, strategy review and capital allocation process occurs formally on an annual basis. During these meetings, land positions, community plans and shorter-term housing market dynamics are discussed for each market, and budgets are set on an annual basis for three years. Additionally, a two-year return of cash is a key criteria for both land and company acquisitions.
Medium-Term 3 - 8 Years	We identify, contract for and purchase land and lots continuously; however, the timeframe from identification of a land parcel to finished lots ready for home construction can vary significantly by parcel and by market depending on the state of the land, entitlement requirements and development timelines, among other factors. Because of this, we are typically identifying land and lot positions for several years into the future to ensure an ample supply of lots over the medium term. The 591,900 lots we controlled at September 30, 2025, represent an approximately 7-year supply of lots based on our trailing twelve month homes closed.
Long-Term 8+ Years	Beyond ongoing land purchases and community planning, larger strategic business decisions, including new business lines, initiatives like our rental platform and changes in strategic focus, are reviewed over the longer term.

Using these time horizons, our Director of Sustainability Reporting and National Sustainability Director collaborated with managers of key business functions and our external sustainability consultants to identify and assess climate-related risks and opportunities. These risks and opportunities and their associated potential impacts on D.R. Horton’s business, strategy and financial planning are shown in the Risk Table below, representing D.R. Horton’s climate-related financial risk disclosed to the best of our ability in accordance with the TCFD Final Report of Recommendations (June 2017) and the Materials and Buildings Group Supplemental Guidance (2021).

Risk	Time Horizon	Primary Impact(s)	Risk Description	D.R. Horton Management Approach (Measures to reduce and adapt to climate-related financial risk)
Physical Risks				
Acute Physical — Increased frequency and severity of extreme weather events	Short	Potential for asset impairment and/or increased operating costs due to increased builders' insurance-related costs. Potential for delays in revenue realization and increased costs due to decreased production capacity from supply chain interruptions and negative impacts on workforce.	Extreme weather events, such as hurricanes, tornadoes, droughts, floods, hail, wildfires, heat waves and other forms of extreme weather, can harm our business. Climate change may cause these occurrences to increase in frequency, severity and duration. Any such extreme weather events may damage our inventory including construction in progress and finished homes. The actual or perceived risk of these damages may increase builders' insurance-related costs, and if our insurance does not fully cover our losses from these damages, including those arising out of related business interruptions, our earnings, liquidity or capital resources could be adversely affected. Additionally, any such extreme weather events can temporarily delay our development work, home construction and home closings and unfavorably affect the cost or availability of materials or labor. Extreme weather events may also delay the ability of utilities and local governmental authorities to provide approvals and service to new home communities. We have experienced temporary delays in production and short-term impacts on our sales and closings activity from weather events in recent years. There have been no material lasting impacts on our business from these events or material permanent operational challenges resulting from these events, but they could adversely affect our business in the future.	During land acquisition due diligence, our homebuilding divisions conduct their own risk assessment for physical climate risks, even when FEMA's designations indicate the land is suitable for development. Where appropriate, divisions may suggest the selection of building materials that offer climate adaptation features, such as fire or hail resistance, to manage risk while the home is in inventory. Once divisions complete their due diligence, the associated documentation including environmental and financial feasibility and an assessment of relevant physical risks, is reviewed by regional management teams. All land acquisitions are then approved by corporate management. In addition, physical climate risks across D.R. Horton's areas of operation and construction in progress and finished homes inventories are assessed by our Head of Risk Management to evaluate appropriate builders' insurance levels.
Chronic Physical — Rising mean temperatures	Long	Potential for delays in revenue realization due to decreased production capacity from supply chain interruptions and negative impacts on workforce.	Rising mean temperatures in our areas of operation may impact the labor productivity of our employees, subcontractors and suppliers. Therefore, the gradual increase in high temperature days over the long term may counteract productivity gains during development and construction cycle times and interfere with home construction, home closings and the availability of materials or labor.	During periods of extreme heat, our homebuilding divisions and subcontractors take measures to support employee health and safety, such as taking additional hydration breaks, setting up cooling stations and providing tents for additional shade. During land acquisition due diligence, our local teams conduct their own risk assessment for physical climate risks and account for the local conditions within their areas of operation when estimating development cycle times.

Risk	Time Horizon	Primary Impact(s)	Risk Description	D.R. Horton Management Approach (Measures to reduce and adapt to climate-related financial risk)
Physical Risks				
Chronic Physical — Water scarcity	Long	Potential for increased operating costs and reduced revenue due to decreased demand for products/services.	Current and projected long-term water scarcity in our areas of operation, particularly within our Northwest and Southwest Regions, may limit, delay or increase the costs of land development or home construction. We are subject to extensive and complex regulations that affect land development and home construction. These regulations often provide broad discretion to the administering governmental authorities as to the conditions we must meet prior to approval and completion of development or construction, if approved at all. We are subject to determinations by these authorities as to the adequacy of water supply and water or sewage facilities. In high water scarcity regions, new housing developments may increasingly be subject to various fee assessments for water facilities development and water resources acquisition as well as required efficiency requirements for water-using appliances or fixtures. In addition, these administering governmental authorities in high water scarcity regions may increase water usage charges for residential users, potentially increasing the cost of homeownership and negatively impacting demand for new homes in regions where long-term water scarcity is expected.	During land acquisition due diligence, our homebuilding divisions conduct their own risk assessment for physical climate risks, including water scarcity and any associated water facilities development and water resources acquisition fees. In addition to these physical risk considerations, our due diligence process also considers financial components, such as an evaluation of the total cost of homeownership. Once divisions complete their due diligence, the associated documentation including environmental and financial feasibility and assessment of relevant physical risks and cost of homeownership, is reviewed by regional management teams. All land acquisitions are then approved by corporate management. In addition, D.R. Horton has a wholly-owned subsidiary with expertise in managing water, Vidler Water Resources (Vidler). Vidler owns a portfolio of water rights and other water-related assets in markets that experience a lack of adequate water supply and works closely with our land development and homebuilding operations to help supply our communities with water.
Chronic Physical — Rising sea levels	Long	Potential for reduced revenue due to decreased demand for products/services.	Projected sea level rise and associated coastal flooding in our areas of operation, particularly within our South Central and Southeast Regions, may negatively impact demand for new homes in these regions. This negative demand impact may be driven by concerns over the cost and availability of homeowners insurance.	During land acquisition due diligence, our homebuilding divisions conduct their own risk assessment for physical climate risks, even when FEMA's designations indicate the land is suitable for development. In addition to these physical risk considerations, our due diligence process also considers financial components, such as evaluating the cost and availability of homeowners insurance and the total cost of homeownership. Once divisions complete their due diligence, the associated documentation including environmental and financial feasibility and assessment of relevant physical risks, insurance cost/availability and cost of homeownership, is reviewed by regional management teams. All land acquisitions are then approved by corporate management.

Risk	Time Horizon	Primary Impact(s)	Risk Description	D.R. Horton Management Approach (Measures to reduce and adapt to climate-related financial risk)
Transition Risks				
Policy & Legal — Enhanced emissions reporting obligations	Short	Potential for increased operating costs due to higher compliance costs.	In recent years, advocacy groups, government agencies and the general public have expressed growing concerns regarding the effects of climate change on the environment. Government policies requiring the disclosure of and/or intending the reduction of greenhouse gas emissions and potential climate change impacts, are emerging and may increase in the future. These policies could increase our operating and compliance costs or require additional technology and capital investment, which could adversely affect our results of operations. For example, the State of California has recently enacted its own legislation requiring extensive climate-related disclosures for companies deemed to be doing business in California, and other states are considering similar laws. In addition, California has enacted legislation to require the disclosure of embodied emissions from new construction. We believe we are in compliance in all material respects with existing climate-related government restrictions, standards and regulations applicable to our business, and such compliance has not had a material impact on our business; however, given the rapidly changing nature of climate-related laws and matters that may arise that are not currently known, we cannot predict our future exposure concerning such matters. Any of the above factors may alter the environment in which we do business and may increase the ongoing costs of compliance and adversely impact our reputation, results of operations and cash flows.	Through collaboration between our Director of Sustainability Reporting, National Sustainability Director, legal and compliance teams and our external sustainability consultants, D.R. Horton seeks to track and prepare for emerging climate-related policies. As part of these efforts, we have developed a carbon accounting and reporting mechanism and a climate risk assessment process in recent years. In addition to meeting other stakeholder demands, these processes seek to prepare the Company for policies requiring GHG emissions and climate-related risk disclosures. We aim to continue to refine and improve these processes to meet the emerging demands for greater climate-related disclosure, such as scope 3 emissions and embodied emissions.

Risk	Time Horizon	Primary Impact(s)	Risk Description	D.R. Horton Management Approach (Measures to reduce and adapt to climate-related financial risk)
Transition Risks				
Policy & Legal — Mandates on and regulation of existing products and services	Short	Potential for increased operating costs due to higher compliance costs. Potential for asset impairment and write-downs and/or reduced revenues due to policy changes.	Government restrictions, standards, or regulations intended to reduce greenhouse gas emissions and other potential climate change impacts are emerging and may increase in the future, in the form of additional requirements or restrictions on land development, home construction and building design and standards. We are subject to extensive and complex regulations affecting land development and home construction, including zoning, density restrictions and building design and construction standards; the administering government authorities often have broad discretion over the conditions we must meet before development or construction is approved. In addition, government authorities in many markets have implemented no growth or growth control initiatives intended to preserve natural areas, parks and other open space, and updates to building codes are increasingly focused on higher energy efficiency standards and climate adaptation requirements to improve the resiliency of buildings to climate-related impacts. This is a particular concern in the western United States, where some of the most extensive and stringent environmental laws and residential building construction standards in the country have been enacted, and where we have business operations. Any of these regulations may limit, delay or increase the costs of land development or home construction, or require additional technology and capital investment, which could adversely affect our results of operations. The subcontractors we rely on to construct our homes are also subject to a significant number of these climate-related government restrictions, standards and regulations; if they fail to comply with applicable requirements, we could suffer reputational damage and may be exposed to possible liability.	During land acquisition due diligence, our homebuilding divisions conduct their own risk assessment, which considers local development requirements and restrictions, such as required preservation of open space, as well as local building codes and standards. In addition, our Director of Sustainability Reporting, National Sustainability Director and National Purchasing and Resources team remain actively engaged with industry associations and green building groups to track, understand the operational impact of, and prepare for emerging climate-related changes in building codes and standards. Where appropriate, our divisions may also collaborate with local municipalities on the selection of building materials that offer climate adaptation features, such as fire or hail resistance, even when not required by code. Once our divisions complete their due diligence, including environmental and financial feasibility review and an assessment of relevant risks, such as local development requirements and building codes, the associated documentation is reviewed by regional management teams, and all land acquisitions are then approved by corporate management.
Technology — Costs to transition to lower emissions technology	Medium	Potential for increased costs to adopt/deploy new practices and processes.	Growing societal concern regarding the effects of climate change on the environment may prompt us to adopt lower emissions technology in both the design and construction of our homes. Adopting lower emissions technology may increase our operating and compliance costs, limit the availability of qualified subcontractors and/or require additional technology and capital investment, which could adversely affect our results of operations.	Our Director of Sustainability Reporting, National Sustainability Director, National Purchasing team and Business Development and Innovation team alongside our external sustainability consultants remain actively engaged with industry associations and green building groups to track and explore the operational impact of adopting emerging lower emissions technologies within residential construction.

Risk	Time Horizon	Primary Impact(s)	Risk Description	D.R. Horton Management Approach (Measures to reduce and adapt to climate-related financial risk)
Transition Risks				
Market — Changing customer behavior	Medium	Potential for reduced revenue due to decreased demand for products/services. Potential for increased production costs due to changing input prices.	Climate-related impacts may increase the cost to obtain homeowner and various hazard and flood insurance or limit homeowners' ability to obtain these insurance policies altogether, and in recent years, the accessibility of climate-related risk information for prospective homebuyers has increased. These factors may negatively impact demand for homes in actual or perceived high climate risk regions. Although these items have had no material effect on our business, they could adversely affect our business in the future. In addition, prospective homebuyers may demonstrate increased demand for homes with lower climate-related impact, such as those that use less operational energy and water, leading to lower cost of homeownership. Aligning with this customer behavior may increase our costs and/or require additional technology and capital investment. With the 2026 sunset of the federal 45L New Energy Efficient Home Tax Credit, which has been tied to certification under the ENERGY STAR Single-Family New Homes program for the past few years, we may not be able to recoup our costs associated with lower climate impact features. Alternatively, if we do not align with this customer behavior, we risk reduced demand for our homes. Either of these scenarios may adversely affect our results of operations.	During land acquisition due diligence, our homebuilding divisions conduct their own risk assessment for physical climate risks, even when FEMA's designations indicate the land is suitable for development. In addition to these physical risk considerations, our due diligence process also considers financial components, such as evaluating the cost and availability of homeowners' insurance and the total cost of homeownership. Once our divisions complete their due diligence, the associated documentation including environmental and financial feasibility and assessment of relevant physical risks, insurance cost/availability and cost of homeownership is reviewed by regional management teams. All land acquisitions are then approved by corporate management. Our Director of Sustainability Reporting and National Sustainability Director remain actively engaged with industry associations and green building groups to understand emerging methods to drive, measure and communicate home operational efficiency. D.R. Horton's continued improvement in lowering our average HERS® Index Score is evidence of this management approach.
Reputation — Increased stakeholder concern or negative stakeholder feedback	Short	Potential for reduced revenue from decreased demand for goods/services.	Adverse publicity related to our company, industry, personnel, operations or business performance may cause damage to our corporate reputation or brands and may generate negative sentiment, potentially affecting the performance of our business or our stock price, regardless of its accuracy or inaccuracy. Our reputation could be adversely affected by actual or perceived failures or concerns related to climate-related matters, among other things. The harm may be immediate without affording us an opportunity for redress or correction, and our success in preserving our brand image depends on our ability to recognize, respond to and effectively manage negative publicity in a rapidly changing environment. Adverse publicity or unfavorable commentary from any source could damage our reputation, reduce the demand for our homes or negatively impact the morale and performance of our employees, which could adversely affect our business.	Our Director of Sustainability Reporting, National Sustainability Director and external sustainability consultants actively monitor for emerging best practices in climate-related reporting in seeking to satisfy stakeholder expectations on climate-related matters. D.R. Horton also actively engages with our stakeholders, including through our materiality assessment process, to better understand their expectations on climate-related matters and inform our climate-related strategy and reporting.

Opportunity	Time Horizon	Primary Impact(s)	Opportunity Description	D.R. Horton Management Approach
Opportunities				
Products & Services — Development and/or expansion of low emission goods and services	Medium	Increased revenue through demand for lower emissions products and services.	By continuing to improve the operational efficiency of our homes through the installation of more energy and water efficient features, we have the opportunity to increase demand for our homes from prospective homebuyers seeking homes with a lower operational carbon footprint and lower total cost of homeownership.	We are proactively working to improve the energy efficiency and sustainability of our homes by increasing our participation in energy efficiency programs like HERS and ENERGY STAR in markets where the cost-benefit analysis of pursuing these programs is aligned with maintaining affordability. In addition, our Business Development and Innovation team collaborates with our National Purchasing team to identify new technologies, opportunities and investments that can make building homes more efficient, cost effective, sustainable and affordable. As a result of these efforts, we have continued to demonstrate improvement in both our average HERS Index Score and the percentage of homes that receive a Score.
Products & Services — Development of climate adaptation, resilience and insurance risk solutions	Medium	Increased revenue through new products and services related to ensuring resiliency.	By building high-quality homes that meet modern building codes containing climate adaptation features and exploring other affordability-conscious climate adaptation features not required by code, we have the opportunity to increase demand for our homes from prospective homebuyers seeking more resilient homes with a lower cost of insurance. Through land acquisition due diligence to identify and manage physical risks, we also have the opportunity to increase demand for our homes from prospective homebuyers who prefer homes in relatively lower climate risk areas with a lower cost of insurance.	During land acquisition due diligence, our homebuilding divisions conduct their own risk assessment for physical climate risks, even when FEMA's designations indicate the land is suitable for development. In addition to these physical risk considerations, our due diligence process also considers financial components, such as evaluating the cost and availability of homeowners' insurance and the total cost of homeownership. Where appropriate, our divisions may collaborate with local municipalities on the selection of building materials that offer climate adaptation features, such as fire or hail resistance, even when not required by code.

Resilience of Strategy

In 2025, we took initial steps to evaluate the resilience of our organization’s strategy under specific climate scenarios. During this effort, we leveraged select concepts from the Network for Greening the Financial System (NGFS), including the idea that physical and transition risks can act as “trade-offs” depending on the climate scenario: scenarios involving more sweeping action to mitigate climate change tend to carry greater transition risk, while scenarios with less mitigation action tend to carry greater physical risk.

Using this framework, we evaluated our strategy against three Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathway (RCP) scenarios. For physical risk, we compared an RCP 4.5 (intermediate stabilization) scenario, which assumes moderate global action to curb emissions, against an RCP 8.5 (high-emission) scenario, which assumes unchecked fossil fuel use, to assess potential impacts from rising mean temperatures and sea level rise in our areas of operation. For transition risk, we compared an RCP 2.6 (low-emission) scenario against RCP 8.5 to evaluate how our strategy could be affected by climate-related public and private incentives, policy mandates and market expectations. This analysis suggests that lower-emission scenarios, such as RCP 2.6, may present relatively greater transition risk, but also greater opportunity to pursue more efficient, resilient and lower carbon homes. Conversely, higher-emission scenarios, such as RCP 8.5, may present relatively greater physical risk, requiring additional emphasis on climate-resilient land due diligence, building materials and construction methods, but with comparatively less transition risk to navigate.

Risk Management

Risk Identification and Assessment Process

D.R. Horton’s process for identifying and assessing climate-related risks and opportunities is a collaboration led by our Director of Sustainability Reporting and National Sustainability Director and includes engagement with managers of key business functions, including our Head of Risk Management, VP of Land Strategies, VP - Counsel and Public Policy, Head Real Estate Associate General Counsel, Director of Financial Reporting and our external sustainability consultants. We assessed relevant acute physical risks by leveraging natural hazard data from the Federal Emergency Management Agency (FEMA)’s National Risk Index and modifying the data to extract business-relevant impacts and remove non-climate-related hazards. We isolated estimated risk associated with each natural hazard to understand which natural hazards present the greatest overall risk to the business, helping to reveal potential concentration risk and contextualize our builders’ insurance coverage. For chronic physical risks, we identified rising mean temperatures, water scarcity and sea level rise as relevant. We utilized data from tools such as the Climate Mapping For Resilience and Adaptation v1.3.2 Assessment Tool and Climate Central, Inc. Coastal Risk Screening Tool RCP to assess the severity of rising mean temperatures and sea level rise under RCP 4.5 and 8.5 scenarios.

We identified and assessed relevant transition risks through policy, market, competitor, industry and academic research. Our National Sustainability Director played a key role in this component of our process through ongoing participation and engagement with industry groups, governmental agencies, energy raters and related organizations around emerging green building topics.

While the associated potential impact(s) on D.R. Horton's businesses, strategy and/or financial planning for each risk and opportunity are qualitatively described in the Risk Table previously shown on pages [72-77](#), we initiated internal efforts to quantify the potential financial effects of certain climate-related physical and transition risks and opportunities on the financial position, financial performance and cash flows of our organization. During those efforts, however, we encountered challenges, including fragmented physical risk tool parameters and data source disclaimers that limit use for financial risk assessment. Therefore, the level of measurement uncertainty involved in estimating those financial effects remains high. Additionally, for many risks and opportunities, the financial effects are not separately identifiable from other factors that may influence business outcomes. For these reasons, we are continuing to assess the reliability and value of quantitative information regarding these risks and opportunities.

We strive for continuous improvement in our risk assessment process and plan to continue to seek new data sources, tools and methods to improve our climate risk disclosures over time.

Risk Management

Our geographic diversity and the risk management processes we have implemented help us manage and mitigate risks in our business, including climate-related risks. The management processes that D.R. Horton’s business functions utilize to manage each climate-related risk and opportunity are shown in the “D.R. Horton Management Approach” Column of the Risk Table previously shown on pages [72-77](#). The management processes represent measures we have adopted to reduce and adapt to D.R. Horton’s climate-related financial risk.

Integration into Overall Risk Management

As mentioned at the outset of the Strategy section, we apply the same time horizons to climate-related risks and opportunities that we use across our overall risk management and company strategy. This consistency allows climate-related risks to be integrated into the identification, assessment and management of our broader business risks.

In addition, our climate risk identification and assessment process involves engagement with our Risk Management team, including our Head of Risk Management, along with other key business leaders and members of executive management who are responsible for managing risk within their respective business functions. This engagement further strengthens our climate risk process by gathering insights from business leaders on risks and opportunities they are experiencing and equipping them with results they can apply in their day-to-day management.

Metrics and Targets

Metrics

The key metrics used by our organization to assess climate-related risks and opportunities in line with our strategy and risk management processes include the information in the following chart. As mentioned previously, the utility of available quantitative impact information for climate-related risks is being evaluated internally. As our risk assessment process matures and confidence in the availability and reliability of data improves, we may incorporate additional metrics in the future. To date, we have not set any formal targets related to these metrics.

Metric	Section	Page
Certified HERS Index Scores	Energy Efficiency	44
ENERGY STAR Certifications	Energy Efficiency	45
Greenhouse Gas Emissions	Greenhouse Gas Emissions	62

UN Sustainable Development Goals

Goal Name	Description	Report Section	Pages
 No Poverty	End poverty in all its forms everywhere	Home Affordability, Philanthropy	20 , 26
 Zero Hunger	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	Philanthropy	26
 Good Health and Well-Being	Ensure healthy lives and promote well-being for all at all ages	Community Impact, Philanthropy, Employee Well-Being, Health & Safety	23 , 26 , 35 , 38
 Quality Education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Community Impact, Talent & Retention	23 , 32
 Gender Equality	Achieve gender equality and empower all women and girls	Workforce Composition	29
 Clean Water and Sanitation	Ensure availability and sustainable management of water and sanitation for all	Community Impact, Home Quality & Safety, Water Management & Efficiency	23 , 51 , 60
 Affordable and Clean Energy	Ensure access to affordable, reliable, sustainable and modern energy for all	Energy Efficiency, Resource Efficiency & Technology	42 , 48
 Decent Work and Economic Growth	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Risk Management, Community Impact, Workforce Composition, Talent & Retention, Employee Well-Being, Health and Safety	13 , 23 , 29 , 32 , 35 , 38
 Industry, Innovation and Infrastructure	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Community Impact, Energy Efficiency, Resource Efficiency & Technology, Sustainable Procurement	23 , 42 , 48 , 54
 Reduced Inequalities	Reduce inequality within and among countries	Business Ethics, Home Affordability, Workforce Composition	12 , 20 , 29
 Sustainable Cities and Communities	Make cities and human settlements inclusive, safe, resilient and sustainable	Home Affordability, Community Impact, Health & Safety, Energy Efficiency, Home Quality & Safety	20 , 23 , 38 , 42 , 51
 Responsible Consumption and Production	Ensure sustainable consumption and production patterns	Energy Efficiency, Resource Efficiency & Technology, Home Quality & Safety, Sustainable Procurement	42 , 48 , 51 , 54
 Climate Action	Take urgent action to combat climate change and its impacts	Energy Efficiency, Greenhouse Gas Emissions	42 , 62
 Life Below Water	Conserve and sustainably use the oceans, seas and marine resources for sustainable development	Responsible Land Development, Water Management & Efficiency	57 , 60
 Life On Land	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Sustainable Procurement, Responsible Land Development	54 , 57
 Peace, Justice and Strong Institutions	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Business Ethics, Community Impact, Philanthropy	12 , 23 , 26