

HOVNANIAN ENTERPRISES, INC.

COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS CHARTER

Revised March 21, 2024

I. PURPOSE

The Compensation Committee (the “Committee”) of Hovnanian Enterprises, Inc. (the “Corporation”) shall:

- A. Discharge the responsibilities of the Board of Directors with respect to the Corporation’s compensation programs and compensation of the Corporation’s executive officers (as such term is defined under the applicable rules and regulations of the New York Stock Exchange, Inc. (the “NYSE”)); and
- B. Produce the compensation committee report on executive compensation for inclusion in the Corporation’s annual proxy statement, in accordance with applicable rules and regulations of the NYSE, Securities and Exchange Commission (the “SEC”) and other regulatory bodies.

II. STRUCTURE AND OPERATIONS

Composition and Qualifications

The Committee shall be comprised of two or more members of the Board of Directors, each of whom is determined by the Board of Directors to be “independent” under the applicable rules of the NYSE and SEC. Additionally, no director may serve unless he or she is a “Non-employee Director” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

Appointment and Removal

The members of the Committee shall be appointed by the Board of Directors and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation, removal, disqualification or death. The members of the Committee may be removed, with or without cause, by a majority vote of the Board of Directors.

Chairman

If there are more than two members of the Committee, the Committee shall designate a Chairman by majority vote of the full Committee membership unless a Chairman is elected by the full Board of Directors. The Chairman will chair all regular sessions of the Committee and set the agendas for Committee meetings.

Delegation to Subcommittees

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee.

III. MEETINGS

The Committee shall meet at least four (4) times annually, or more frequently as circumstances dictate. The Chairman of the Board of Directors or any member of the Committee may call meetings of the Committee. Unless otherwise restricted by the Corporation's certificate of incorporation or bylaws, the Committee may act by unanimous written consent in lieu of a meeting.

As part of its review and establishment of the performance criteria and compensation of executive officers, the Committee shall meet separately at least on an annual basis with the President and Chief Executive Officer (the "CEO"), and any other corporate officers, as it deems appropriate. However, in all cases such officers shall not be present at meetings at which their performance and compensation are being determined. Members of the Committee may participate in any meeting of the Committee by conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at the meeting.

All non-management directors who are not members of the Committee may attend meetings of the Committee but may not vote. Additionally, the Committee may invite to its meetings any director, member of management of the Corporation and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

A majority of the Committee shall constitute a quorum for the transaction of business, unless the committee shall consist of two members, in which event one member shall constitute a quorum, and the act of a majority of those present at any meeting at which there is a quorum shall be the act of the Committee.

IV. RESPONSIBILITIES AND DUTIES

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be required or appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board of Directors from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern that the Committee deems appropriate and may, in its sole discretion, retain, obtain the advice of and terminate any compensation consultant, legal counsel

or other adviser. The Committee shall be directly responsible for the appointment, compensation and oversight of any compensation consultant, legal counsel or other adviser retained by the Committee. The Corporation shall provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to any compensation consultant, legal counsel or other adviser retained by the Committee, as well as funding for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee shall undertake an independence assessment prior to selecting any compensation consultant, legal counsel or other advisers that will provide advice to the Committee as may be required by the NYSE from time to time. The Committee shall evaluate, on at least an annual basis, whether any work provided by the Committee's compensation consultant raised any conflict of interest. Finally, the Committee shall pre-approve any services to be provided to the Corporation or its subsidiaries by any of the Committee's compensation consultants.

Setting Compensation for Executive Officers and Directors

1. Establish and review the overall compensation philosophy of the Corporation.
2. Review and approve corporate goals and objectives relevant to the compensation of the Corporation's executive officers, including annual performance objectives.
3. Evaluate the performance of the Corporation's executive officers in light of these criteria and, based on such evaluation, review and approve the annual salary, bonus, equity and equity-based incentives and other benefits, direct and indirect, of the Corporation's executive officers.
4. Discuss the results of the shareholder advisory vote on "say-on-pay," if any, with regard to the named executive officers.
5. In connection with executive compensation programs:
 - (i) Review and recommend to the Board of Directors, or approve, new or modified executive officer compensation programs;
 - (ii) Review on a periodic basis the operations of the Corporation's executive officer compensation programs to determine whether they are properly coordinated and achieving their intended purpose(s);
 - (iii) Establish and periodically review policies for the administration of executive officer compensation programs;
 - (iv) Take steps to modify any executive compensation program that yields payments and benefits that are not reasonably related to executive officer and corporate performance; and

- (v) Review and discuss with management, on at least an annual basis, management's assessment of whether risks arising from the Corporation's compensation policies and practices for all employees, including non-executive officers, are reasonably likely to have a material adverse effect on the Corporation.
- 6. Establish and periodically review policies in the area of executive officer perquisites.
- 7. Consider policies and procedures pertaining to expense accounts of executive officers.
- 8. Review and recommend to the Board of Directors the compensation of directors.
- 9. Review and make recommendations to the Board of Directors, or approve, any contracts or other transactions with current or former executive officers of the Corporation, including consulting arrangements, employment contracts, severance or termination arrangements.

Monitoring Incentive and Equity-Based Compensation Plans

- 10. Review and approve, or make recommendations to the Board of Directors with respect to, the Corporation's incentive-compensation plans and equity-based plans and oversee the activities of the individuals responsible for administering those plans.
- 11. Review and approve all equity compensation plans of the Corporation that are not otherwise subject to the approval of the Corporation's shareholders.
- 12. Review and make recommendations to the Board of Directors, or approve, all awards of shares or other equity-based awards pursuant to the Corporation's equity-based plans.
- 13. Monitor compliance by executive officers with the rules and guidelines of the Corporation's equity-based plans.
- 14. Monitor the Company's executive compensation clawback policies and make recommendations to the Board of Directors with respect to any revisions to such policies or actions to be taken pursuant to such policy.
- 15. Review and monitor employee pension, profit sharing and benefit plans.

Reports

- 16. Prepare the compensation committee report on executive compensation for inclusion in the Corporation's annual proxy statement, in accordance with applicable rules and regulations of the NYSE, SEC and other applicable regulatory bodies.
- 17. Review and discuss with management the "Compensation Discussion and Analysis" (the "CD&A") for inclusion in the Corporation's annual proxy statement and, based on that review and discussion, determine whether or not to recommend to the Board of Directors that the CD&A be included in the Corporation's annual proxy statement.

18. Report regularly to the Board of Directors (i) following meetings of the Committee, (ii) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities and (iii) with respect to such recommendations as the Committee may deem appropriate. The report to the Board of Directors may take the form of an oral report by the Chairman or any other member of the Committee designated by the Committee to make such report.
19. Maintain minutes or other records of meetings and activities of the Committee.

V. ANNUAL PERFORMANCE EVALUATION

The Committee shall perform an evaluation, at least annually, of the performance of the Committee and its members, including an evaluation of the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Board of Directors any improvements to this Charter that the Committee considers necessary or advisable. The Committee shall conduct such evaluations and reviews in such manner as it deems appropriate, including by consultation with other Committees and/or the full Board.