



Responsible Building Policy and Practices and Sustainability Accounting Standards Board (“SASB”) Disclosures

NVR’s management and Board of Directors recognize the responsibilities associated with the construction of new homes, especially in terms of protecting the environment and protecting our employees, vendors, subcontractors and customers. Accordingly, we have set the following sustainability priorities as part of our on-going business operations:

- **Environmentally Responsible Building** – Reduce our own environmental footprint
- **Sustainable Communities** – Create lasting, sustainable and energy-efficient communities
- **People and Safety** – Foster a culture of safety for our employees, vendors, subcontractors and customers

We understand the importance of minimizing the impact our new homes have on the environment. Product evolution at NVR is a continuous process, and we will continue to enhance and improve our house designs and features and our production processes to make our new homes more sustainable and energy-efficient.

In order to fulfill our corporate responsibility and enhance our business sustainability, NVR:

- Designs products and selects construction processes that minimize the waste of building materials and promotes resource efficiency;
- Partners with suppliers that provide sustainable and energy-efficient products;
- Complies with federal, state and local environmental regulations during the construction process, including local erosion and sediment control requirements;
- Reduces our carbon footprint by strategically locating our production facilities;
- Meets or exceeds local building code requirements; and
- Maintains processes to reinforce our culture of safety and identifies ways to enhance that culture.

Environmentally Responsible Building

We are keenly aware of the benefits to our stockholders and other constituencies of reducing the environmental impact of our homebuilding operations, and will continue to be devoted to achieving those benefits.

Production Process Resource Efficiency

We produce large portions of our homes in our centralized production facilities, which allows us to reduce waste, effectively recycle materials and improve accuracy and consistency in our construction. Our commitment to the environment starts with the resource efficiency of our production processes. The following are some significant features of these processes:

- We employ many of the advanced framing techniques recommended for Leadership in Energy and Environmental Design (LEED) green building certification. LEED is an internationally-recognized green building certification system created by the U.S. Green Building Council (USGBC) providing voluntary guidelines for the development of sustainable buildings.
- Our framing waste factor is within the LEED-H & National Association of Homebuilders (NAHB) Green Guidelines.
- Floor, wall and roof sheathing is engineered lumber, not plywood, resulting in a greater resource efficiency by using the entire tree as well as recaptured lumber waste.
- Our roof truss and wall panel production processes use computer-driven saws that maximize the use of raw lumber to fabricate the trusses and wall panels, resulting in an extremely low waste factor.
- Our panelized and stick-frame programs use highly-sophisticated material take-off and sourcing techniques to reduce waste.
- We purchase as much lumber as we reasonably can from sustainable forests. Over 80% of our raw material spending is from Forest Stewardship Council (FSC) or similar certified lumber.
- We use high-efficiency LED lighting in our production facilities.
- No run-off or by-product discharge is created from our processes at our production facilities.

Freight Reduction

We strategically locate our production facilities to reduce freight, road congestion and fuel consumption and minimize air pollution. We purchase lumber directly from lumber mills and have it shipped via rail and truck directly to our production facilities, bypassing several layers of distribution and thus reducing our carbon footprint.

We have also taken steps to reduce the amount of fuel used to deliver materials from our production facilities to construction sites. We utilize software programs to assist in efficient routing of materials to construction sites.

We continually update our production practices to enhance vertical integration. These changes, such as the installation of windows in our production facilities instead of on the

jobsite, have resulted in over 650 fewer annual shipments to our jobsites. This is equivalent to 135,000 fewer miles traveled and approximately 22,000 gallons of fuel annually.

Recycling Programs

We recycle materials in our production processes whenever possible.

- Cardboard, metal and pallets recycling
 - Cardboard – up to 70 tons recycled annually.
 - Metal – up to 65 tons recycled annually.
 - Pallets – up to 60,000 pallets recycled annually.
 - Between pallets recycled from the field and from our production facilities, we save approximately 800 dumpsters from going to the landfills annually.
- Lumber recycling
 - Lumber cuts are optimized to minimize lumber scrap.
 - Approximately 6,000 tons of lumber scrap are repurposed by lumber recyclers annually.

Site Selection

NVR is not a land developer. We rely on third party developers to provide us finished building lots. Typically, the land developer selects the site, designs the site layout, and develops the site. The developer has the responsibility to comply with federal, state and local environmental regulations during the entitlement and development process.

To the extent possible, NVR actively provides input to our developer partners regarding the site selection and/or the site design. In those cases, our goal is to preserve and protect as much as possible the natural features of the land. In the event that natural features are impacted as a result of the design of the community, we identify opportunities to mitigate the impact. Our lot purchase contracts require our developers to maintain compliance with all federal, state and local environmental regulations.

Land plans that respect the existing natural features cost less to develop, minimize the potential for erosion and sediment release, and create more desirable communities for our customers due to the presence of natural open spaces.

Construction Site Considerations

The following are additional measures that we have adopted at our construction sites to minimize the environmental impact of our operations:

- We conduct on-site dirt balancing, which saves fuel by eliminating the hauling of dirt.
- Our waterproofing material is non-polluting and environmentally friendly.
- Where approved, we use recycled crushed concrete for temporary driveways and sub-base materials.
- Where approved, we utilize recycled sediment controls, minimizing waste while increasing reusability.

Training

Each member of our production team receives initial onboarding stormwater management training related to federal, state and local environmental requirements along with training on the impact of erosion on the environment. In addition, each member of our production team must complete state and/or local training courses where necessary.

Monitoring and Reporting

We utilize an extensive storm water management system that is compliant with all federal, state and local requirements to manage storm water run-off by monitoring our erosion and sediment controls. Regular inspections of construction sites are performed by each operating division. In addition, we perform semi-annual unannounced environmental audits at our divisions. Our senior management team reviews the results and findings, and corrective actions are implemented as necessary to address the audit findings and improve our processes.

We maintain a rigorous enforcement program to hold management and responsible vendors accountable for non-compliant actions.

Risks of Climate Change

Climate change may lead to increased governmental regulations. These regulations could lead to land use restrictions or building code changes. Land use restrictions may push development to other areas and increase overall costs to consumers. Building code changes may also increase our costs to build. To date, we have not experienced any significant impacts to our business from these regulatory changes.

Sustainable Communities

Our building practices and standards result in a lower long-term carbon footprint for our homes and communities. We build each home to be energy efficient and durable. We believe that building our homes to use less energy, water and other natural resources is an important way we can have a lasting sustainability impact.

Access to Infrastructure and Services

We select sites that prioritize proximity and access to infrastructure and services for our customers, in turn protecting existing farmland, floodplains, habitat, water bodies and wetlands. Proximity and access to existing road networks, neighborhood services and economic centers provides convenience for our customers and also minimizes environmental impact through reduced drive times. Access to publicly maintained sewer and water utilities ensures a clean and safe water supply while also protecting groundwater by eliminating the need for on-lot septic systems.

Product Design

NVR designs its homes under our BuiltSmart program. This program has been designed to highlight for our customers the quality, livability and energy efficiency that go into our home designs. Our in-house design professionals not only create beautiful exteriors and livable spaces, but also value engineer and design building components in a way that allows us to

use advanced framing techniques. Our homes use resources as efficiently as possible while providing durable structures that will last for generations. We design our homes to be energy efficient in order to save our customers money on energy bills as well as to reduce the overall environmental footprint of our homes (see below for a more detailed description of key features).

Home Standard Features

100% of our homes are tested per the RESNET standard for energy efficiency by an independent third-party. RESNET's Standards are officially recognized by the federal government for verification of building energy performance for such programs as federal tax incentives, the Environmental Protection Agency's ENERGY STAR program and the U.S. Department of Energy's Building America Program. RESNET Standards are also recognized by International Energy Conservation Code and state utility benefit funded residential energy efficiency programs. For 2021, 100% of our homes built were more energy efficient than a standard new home (as defined by the Home Energy Rating System, or HERS), and were on average approximately 41% more efficient than the standard.

The following is a list of standard features included in our homes that contribute to energy efficiency and minimize the impact on the environment:

- Windows use Low-E coated glass and Argon gas, which reflect unwanted energy outside and reduce the energy needed to operate the home.
- The components of the moisture management system (house wrap, tapes, flashings and sealants) protect walls from air and moisture infiltration.
- High-efficiency heating and air conditioning systems with programmable smart thermostats result in energy savings.
- Air ducts are sized specifically to each home and then sealed to reduce heating and cooling loss.
- Insulated exterior doors and garage doors reduce heating and cooling loss.
- Energy Star qualified appliances use 10-50% less energy and water than standard appliances.
- Faucets and shower heads are certified to the EPA WaterSense program, reducing the consumption of water by up to 20%.
- Integrated LED light fixtures and bulbs use 25-80% less energy and have a lifespan 10-20 times longer than incandescent bulbs.
- Many products used within and on the exterior of houses contain recycled content, including concrete, carpeting, drywall, insulation, laminated structural sheathing, medium-density fiberboard (MDF) doors and moldings and exterior vinyl siding, thereby reducing the need for raw materials.
- Interior and exterior paints have a low volatile organic compound (VOC) content, meeting LEED criteria, and reducing the impact from chemicals present in standard paints.
- Cabinets are "Green-Approved" certified by the NAHB Research Center and certified by the Kitchen Cabinet Manufacturers Association under its Environmental Stewardship Program.
- Landscaping with native plants and materials reduces the need for extra irrigation.

People and Safety

Our employees are our most important asset, and the safety of our employees is our first priority. Our concern for safety goes beyond our employees, extending to our customers and trade partners as well. Construction presents a demanding environment, and we strive to ensure that all of our employees, customers and trade partners go home safely every single day.

Building Design

NVR believes safety starts prior to the start of construction. Our homes are designed and manufactured to reduce the potential for injuries by addressing critical safety concerns prior to any material being delivered to the job site. Our product design and production processes are regularly reviewed to identify opportunities to provide a safer job site.

Production and Home Design Process:

- Incorporate temporary window and door fall protection into the production of our wall panels, which reduce exposure of our trade partners to fall hazards.
- Install windows in certain house models during manufacturing processes, eliminating fall protection hazards from these locations.
- Utilize steel wall bracing during framing, to temporarily support walls while minimizing interference during construction.
- Design interior walls with decreased stud spacing to eliminate interior fall hazards.
- Utilize a proprietary roof fall protection tie off device, with locations identified in home plans, that remains accessible through the construction process to allow for tie off points for all vendors.

We also provide safety details and drawings, in both English and Spanish, with each set of plans.

Building Processes

NVR utilizes a method of construction called panelization. Panelization allows for the building of the homes in one of our eight production facilities. These facilities promote safety by panelizing our homes in a controlled environment; eliminating environmental concerns and reducing the time our trade partners need to construct our homes and reducing exposure to hazards. Additionally, these facilities utilize the latest in technology by incorporating computer-controlled saws, assembly line framing and ceiling mounted cranes, all of which reduce the risk of injury to employees.

Training

Each member of our production team receives safety training to help employ safe building practices at our jobsites. The training including the following:

New Hire Training – As part of our initial onboarding, each member of our production staff receives the following training:

- Basics of Job Site Safety
- Globally Harmonized Systems (GHS)
- Basics of Hazard Recognitions
- Phase-specific safety training

Continued Training:

- Monthly “Tool Box Talks” highlighting key safety concerns such as fall protection, roofing and scaffolding safety measures, and personal protective equipment
- Semi-annual in-depth topical training focused around key safety concerns
- OSHA 10 Hour training

Monitoring and Reporting

We perform frequent and regular job site inspections to ensure our safety processes and procedures are being followed. We conduct semi-annual unannounced safety audits at all our divisions, the results of which are reviewed by our senior management team, and we update safety processes and procedures as needed based on the results.

We also utilize an enforcement program to hold management and responsible vendors accountable for non-compliant actions.

Production Facility Safety

Production facility employees receive extensive safety training. All new hires undergo a two day safety orientation followed by additional training at 30, 60 and 90 days. Each department holds weekly safety meetings highlighting various aspects of their job ranging from personal protective equipment to safe material handling. Production facilities conduct annual mock-OSHA inspections to ensure we are up to date with the latest regulations and requirements.

From 2018 through 2020, our production facilities have maintained a safety incident rate 33% lower than the industry average.¹

Office and Model Home Safety

Safety and security considerations extend beyond the construction site. NVR maintains security standards for each of its office locations and model homes, including the following:

- Alarm/security systems and/or panic buttons providing 24/7 monitoring of the premises
- Interior and exterior video surveillance for all model homes
- Emergency action plans
- Semi-annual security audits

¹ Safety incident rate benchmarked based on most currently available U.S. Bureau of Labor Statistics data as of the date of this report.

COVID-19 Protocols for Health and Safety

In light of the current COVID-19 pandemic, we have put in place the following enhanced safety protocols. We require all NVR employees and trade partners to observe CDC guidelines when working on any NVR work site. NVR's protocols have evolved over the course of the pandemic and are subject to future changes in order to observe best practice guidelines and recommendations. In addition to NVR protocols, employees, customers and trade partners are expected to follow federal, state and local regulations in all workplace settings:

Before Arriving to the Workplace:

- **Monitor for Symptoms & Exposure Risks:**

Do not report to the workplace:

- If employee or anyone in the household tests positive or likely has COVID-19 due to presence of symptoms
- If employee has had direct exposure with anyone confirmed or presumed to have COVID-19

Notify manager immediately to confirm contact tracing and quarantine requirements are met

While in the Workplace:

- **Hygiene & Routine Cleaning:**

- Employees are expected to practice good personal hygiene in the workplace (frequently wash hands or use hand sanitizer, cover cough or sneeze, etc.)
- Disinfecting cleaning supplies are available for routine cleaning of high-touch items in personal workspace and in common areas

- **Personal Protective Equipment (PPE):**

- No requirements at this time unless mandated by state or local authorities
- PPE is readily available to all employees in the workplace (face coverings/masks, gloves, etc.)

- **Social Distancing:**

- No restrictions at this time unless mandated by state or local authorities

- **Conference/Meeting Rooms:**

- No restriction sat this time unless mandated by state or local authorities

- **Kitchens & Break Rooms:**

- No restrictions at this time unless mandated by state or local authorities

- **Face Coverings:**

- No restrictions at this time unless mandated by state or local authorities
- Employees are encouraged to consider wearing face coverings based on personal circumstances

- **Personal Workspace:**

- Employees should be respectful and considerate of other employees' personal workspace
- It is every employee's responsibility to understand and accommodate others' need to feel safe in their personal workspace

- **Signage:**
 - No signage is required to be posted at this time unless mandated by state or local authorities
- **Workplace Exposure Risk:**

In the case of a potential workplace exposure risk, NVR’s COVID-19 Isolation & Quarantine Protocols are to be followed:

 - Employees have the responsibility to notify management immediately if they develop COVID-19 symptoms, test positively for COVID-19, or have direct exposure risk to someone with confirmed COVID-19
 - “Direct exposure” in the workplace is defined as having worked at the same or overlapping times for 15 minutes or more and in close proximity (within 6’) to an individual with confirmed COVID-19
 - After contact tracing has been conducted, employees identified to have potential exposure risk will be grouped into the three CDC prescribed tiers (Direct exposure, Distant exposure, Indirect Exposure) and will be notified by management regarding next steps based on designated tier

Sustainability Accounting Standards Board Disclosures

Please see the following pages for Sustainability Accounting Standards Board (SASB) disclosures. For more information about NVR’s ESG strategy and sustainability priorities, please see our annual proxy statement.

NVR, Inc.
Sustainability Disclosure Topics and Accounting Metrics
(Metrics are as of 12/31/21 or for the year then ended, as applicable)
(unaudited)

		<i>2021</i>
<i>Land Use & Ecological Impacts</i>		
Number of lots controlled on redevelopment sites		6,478
Number of homes delivered on redevelopment sites	IF-HB-160a.1	1,066
Number of lots controlled in regions with High or Extremely High Baseline Water Stress		14,978
Number of homes delivered in regions with High or Extremely High Baseline Water Stress	IF-HB-160a.2	2,908
Total amount of monetary losses as a result of legal proceedings associated with environmental regulations	IF-HB-160a.3	\$0
Discussion of process to integrate environmental considerations into site selection, site design, and site development and construction	IF-HB-160a.4	See “Environmentally Responsible Building” section above.
<i>Workforce Health & Safety</i>		
Total recordable incident rate (TRIR) for direct employees		2.59 ²
Total recordable incident rate (TRIR) for contract employees	IF-HB-320a.1	0
Fatality rate for direct employees		0
Fatality rate for contract employees		0
<i>Design for Resource Efficiency</i>		
Number of homes that obtained a certified HERS Index Score	IF-HB-410a.1	21,490 ³
Average HERS Index Score		59
Percentage of installed water fixtures certified to WaterSense specifications	IF-HB-320a.1	70% ⁴
Number of homes delivered certified to a third-party multi-attribute green building standard	IF-HB-410a.3	4,815 ⁵
Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers	IF-HB-410a.4	See “Sustainable Communities” section above.

² TRIR for production facilities – 6.02, TRIR for all other areas (includes job sites) – 1.36, Overall TRIR excluding COVID-19 Cases are 2.24.

³ 21,540 homes were delivered in 2021, of which 21,490 were HERS certified and the remaining 50 were LEED Certified Homes.

⁴ Due to the nature of our vendor agreements and internal record-keeping, we have excluded fixtures installed in the 2,076 homes delivered in the State of Florida for the year ended 12/31/2021.

⁵ Energy Star certified – 4,765; LEED certified – 50.

<i>Community Impacts of New Developments</i>		
Description of how proximity and access to infrastructure, services, and economic centers affect site selection and development decisions	IF-HB-410b.1	See “Sustainable Communities” section above.
Number of lots controlled on infill sites	IF-HB-410b.2	11,583
Number of homes delivered on infill sites		2,352
Number of homes delivered in compact developments	IF-HB-410b.3	1,876
<i>Climate Change Adoption</i>		
Number of homes delivered in 100-year flood zones	IF-HB-420a.1	247
Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risk	IF-HB-420a.2	See “Risk of Climate Change” section above.
<i>Activity Metrics</i>		
Number of controlled lots ⁶	IF-HB-000.A	124,900
Number of homes delivered	IF-HB-000.B	21,540
Number of active selling communities	IF-HB-000.C	424

⁶ Includes lots controlled under LPA, joint ventures and land under development. Excludes approximately 15,500 lots controlled through contracts with land owners.

Disclaimer

This report contains certain metrics and other information relating to the Company's sustainability objectives, priorities, performance and data. The information presented is non-financial in nature and therefore has not been prepared in accordance with generally accepted accounting principles (GAAP), nor reviewed or audited by a third party. Information presented may be based on estimates and assumptions requiring a high degree of complex and subjective judgment, and may not necessarily be comparable with that information presented by other companies or as calculated pursuant to all third-party standards of sustainability reporting. Inclusion of information in this report is not an indication that we deem such information to be material or important to an understanding of our business or an investment decision with respect to our securities. Standards and metrics used in preparing this report may continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation but should not be considered guarantees of future conduct, performance or policy. The information in this report is as of August 2, 2022, only, and will be updated at the sole discretion of the Company.

This report may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Certain, but not necessarily all, of such forward-looking statements can be identified by the use of forward-looking terminology, such as "believe," "may," "will," "strategy," "seek," "goal," "plan" or "continue" or the negative thereof or other comparable terminology. All statements other than of historical facts are forward-looking statements. Forward-looking statements contained in this report include those regarding market trends, business strategy, projected plans and objectives and priorities of management for future operations. Such forward-looking statements are based on management's current expectations, beliefs, estimates and projections about future events and are not guarantees of future conduct, performance or policy. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance of the Company, including the development, implementation or continuation of any program policy or initiative discussed in this report, to be materially different from future results, performance or achievements expressed or implied by the forward-looking statements. Such risk factors include, but are not limited to, the following: the impact of COVID-19 on the economy; general economic and business conditions (on both a national and regional level); interest rate changes; access to suitable financing by us and our customers; increased regulation in the mortgage banking industry; the ability of our mortgage banking subsidiary to sell loans it originates into the secondary market; competition; the availability and cost of land and other raw materials used by us in our homebuilding operations; shortages of labor; weather related slow-downs; building moratoriums; governmental regulation; fluctuation and volatility of stock and other financial markets; mortgage financing availability; and other factors over which we have little or no control. For additional information regarding risk factors affecting the Company and our business, please see our most recent annual report on Form 10-K and our subsequent quarterly reports on Form 10-Q filed with the Securities and Exchange Commission. We undertake no obligation to update such forward-looking statements except as required by law.