

Board Diversity Policy

Overview

Introduction

Harvey Norman recognises the importance of Diversity in the workplace and embraces the value that a diverse workforce adds to an organisation, including by gender, age, ethnicity and cultural background. Harvey Norman believes that Diversity enables it to create more value for its shareholders, as it allows Harvey Norman to become more innovative, responsive, productive and competitive.

Purpose

This policy sets out Harvey Norman's policy in relation to Diversity on the Harvey Norman Board.

Scope

This is a policy of the Harvey Norman Board of Directors.

This policy does not apply in relation to Diversity of employees of subsidiaries of Harvey Norman, which is dealt with by the Employee Diversity Policy.

Policy

1 Policy Owner

1.1 The Board of Directors of Harvey Norman are the owner of this Policy.

2 Policy Approval

2.1 This Policy must be approved by the policy owner and the Company Policy Governance Committee.

3 Policy Changes

3.1 Any changes to this Policy must be approved by the policy owner and the Company Policy Governance Committee.

4 Policy Compliance

4.1 The Nomination Committee is responsible to implement and monitor the effectiveness of this policy.

5 Measurable Objectives

5.1 The Board will, annually, establish measurable objectives for achieving Diversity on the Board.

5.2 The Nomination Committee will, annually, review and approve the measurable objectives for achieving Diversity on the Board.

6 Assessment of Measurable Objectives

6.1 The Nomination Committee and the Board will, annually, review both the measurable objectives and progress in achieving each measurable objective.

7 Recruitment and Selection Processes

- 7.1 The Nomination Committee is responsible for:
- (a) including Diversity objectives in Board recruitment, Board performance evaluations and succession planning processes;
 - (b) ensuring that any prospective director selection process is formal and transparent as set out in the ASXCGC Corporate Governance Principles and Recommendations, is free from discrimination, and where each application is treated fairly and evaluated objectively; and
 - (c) ensuring that a diverse pool of qualified candidates are submitted for consideration.
- 7.2 The Nomination Committee is responsible for ensuring that the Board of Directors undertake annually diversity training to set culture and awareness of the benefit to the Company arising from a diverse workforce and senior management team.

8 Reporting Obligations

- 8.1 In accordance with the Nomination Committee Charter, by 30 June annually, the Nomination Committee will review and report to the Board on:
- (a) the appropriate mix of skills, experience, expertise and Diversity required on the Board and assess the extent to which the required skills are represented on the Board;
 - (b) Harvey Norman's progress towards achieving the measurable objectives;
 - (c) the relative proportion of women and men in the workplace at all levels of Harvey Norman and its subsidiaries;
 - (d) make recommendations regarding this policy and strategies to address Board Diversity; and
 - (e) make recommendations to the Board in relation to the objectives for achieving gender diversity, and the initiatives to support those objectives, including whether a gender pay gap exists.
- 8.2 Harvey Norman will disclose, in its Annual Report:
- (a) the measurable objectives for achieving gender diversity set by the Board in accordance with this policy and the progress towards achieving them;
 - (b) the proportion of women employees at all levels of Harvey Norman and its subsidiaries;
 - (c) the proportion of women in senior executive positions; and
 - (d) the proportion of women on the Board.

9 Review

- 9.1 The Nomination Committee will conduct an annual review of this policy, make recommendations for improvements and changes and ensure that any revisions to this policy are approved in accordance with this policy.
- 9.2 The Harvey Norman Audit Committee will, annually, internally review and assess the effectiveness of this policy.

Compliance Statement

The Board of Directors of Harvey Norman must be aware of this policy and comply with this policy while carrying out their duties and responsibilities as a member of the Board.

Definitions

Term	Definition
Company	means any related body corporate or subsidiary of Harvey Norman.
Diversity	includes race, ethnicity, gender, sexual orientation, socio-economic status, culture, age, physical ability and religious, political and other beliefs. Diversity also includes differences in background, education, marital status, personality and life experience.
Harvey Norman	means Harvey Norman Holdings Limited A.C.N. 003 237 545.