

## CONTINUOUS DISCLOSURE POLICY

### Overview

The Company is a public company, listed on the ASX. The Company is committed to responsible corporate governance. This policy forms part of the corporate governance framework of the Company.

ASX Listing Rules contain continuous disclosure rules that an entity must satisfy. Continuous disclosure is the timely advising of information to keep the market informed of events and developments as they occur. ASX can require an entity to give ASX the information needed to correct or prevent a false market.

### Purpose

The Company has continuous disclosure obligations under the Act and the ASX Listing Rules.

This Policy is intended to ensure that the Company complies with the continuous disclosure obligations of the Company including, but not limited to, the obligations contained in chapter 3 of the ASX Listing Rules and chapter 6CA of the Act.

This Policy is intended to provide guidance to Employees to enable recognition and compliance with the continuous disclosure obligations of the Company, and in particular, but without limitation, provide guidance about:

- (a) the methodology for identification and reporting of Material Information to the Company Secretary, Chief Executive Officer or Chief Financial Officer; and
- (b) the role of the Disclosure Committee.

This Policy complements, and is in addition to the requirements of the Share Trading Policy. The Share Trading Policy imposes additional obligations and restrictions on Directors, Executives and Employees in relation to buying and selling Shares.

## 1 Continuous Disclosure Obligations

- 1.1 The Company must immediately notify the ASX of Material Information, upon the Company becoming aware of that Material Information. For the purpose of assessing whether information is information which a reasonable person would expect to have a material effect on the price or value of any Shares, a reasonable person is taken to expect information to have a material effect on the price or value of Shares, if the information would, or would be likely to, influence persons who commonly invest in Shares in deciding whether or not to subscribe for, buy or sell the Shares. A non-exhaustive list of matters which could be considered as likely to have a material effect on the price or value of Shares is set out in the Interpretation clause of this Policy.
- 1.2 Ultimately, the Disclosure Committee will determine finally whether any information is Material Information, and requires disclosure to the market pursuant to the ASX Listing Rules, or by law. Where there is a material risk that trading in Shares might occur whilst the market as a whole is not reasonably informed or to prevent a false or disorderly market, the Disclosure Committee may consider requesting a trading halt from ASX. However, use of trading halts or other interruptions to trading should be kept to a minimum.

- 1.3 The Company will become aware of information which could constitute Material Information, and requiring disclosure to the market, if any Director or Executive has, or ought reasonably to have, come into possession of that information in the course of performing the duties of that Director or Executive. Each Director, Executive and Employee must pass on information which could or might constitute Material Information that comes into the possession of that person, to the Company Secretary, Chief Executive Officer or Chief Financial Officer, in accordance with the procedures set out in this Policy.
- 1.4 It is important to safeguard the confidentiality of Company information to avoid premature disclosure. Each Employee must treat all information, which becomes known to that Employee in the course of the performance of the duties of that Employee, as confidential information of the Company, and keep that information confidential except for the purpose of reporting that information to a Director or Executive, in accordance with this Policy.
- 1.5 If an Employee becomes aware of information which the Employee believes is or could be Material Information, then that Employee must advise the Company Secretary, Chief Executive Officer or Chief Financial Officer of all relevant information, including the following information, about the matter:
- (a) a general description of the circumstances, matter or issue;
  - (b) details of relevant parties;
  - (c) relevant dates;
  - (d) status of the matter, e.g. proposal, negotiation, contractual, or post-contractual.
- 1.6 Each Director or Executive must immediately notify the Company Secretary, Chief Executive Officer or Chief Financial Officer of any information which is, or could constitute Material Information, and requiring disclosure to ASX under this Policy.
- 1.7 Upon receipt by the Company Secretary, Chief Executive Officer or Chief Financial Officer, which is, or could be Material Information, required to be disclosed to ASX under ASX Listing Rules and this Policy, the Chief Executive Officer or the Chief Financial Officer, or both, must review the information, and if necessary, convene the Disclosure Committee, to determine necessary action.

## 2 Disclosure Committee

- 2.1 The role of the Disclosure Committee is to review information submitted to the Disclosure Committee, determine whether that information constitutes Material Information, which must be disclosed by the Company to the market in accordance with the ASX Listing Rules and the law, and ensure that the Company complies with the ASX Listing Rules and the law in relation to that information.
- 2.2 If the Disclosure Committee determines that a disclosure of information is required, the Disclosure Committee must procure an appropriate form of ASX Announcement. An ASX Announcement must be clear, accurate, objective and balanced to enable investors to assess the information when making investment decisions.
- 2.3 A copy of the ASX Announcement should be posted on the website of the Company ([www.harveynormanholdings.com.au](http://www.harveynormanholdings.com.au)) by the close of the business day on which the ASX Announcement is made.
- 2.4 A copy of all material ASX Announcements must be provided to each Director promptly after it has been made.
- 2.5 If the Disclosure Committee determines that the disclosure of the information is not required, the Disclosure Committee must keep a written record of the reasons of the Disclosure Committee for that determination.

- 2.6 The Disclosure Committee must not communicate any information which is, or could be Material Information, to any external party, until after that information has been disclosed to the market in accordance with the ASX Listing Rules and the law, and otherwise in all respects in accordance with this Policy.
- 2.7 Normally, the Disclosure Committee is comprised of the following Directors and Executives:
- (a) the Chairman;
  - (b) the Chief Executive Officer of the Company;
  - (c) the Chief Financial Officer of the Company; and
  - (d) the Chief Operating Officer of the Company.
- 2.8 Normally, the chairman of the Disclosure Committee shall be the Chairman of the Company.
- 2.9 The Disclosure Committee may include other Directors or Executives, in the deliberations or decisions, or both of the Disclosure Committee.
- 2.10 The Disclosure Committee must make reasonable attempts to consult with, and receive the view of, at least one of the non-executive directors of the Company about any matter for consideration by the Disclosure Committee, before determining that matter. Failure to consult with a non-executive director of the Company will not invalidate any decision of the Disclosure Committee.
- 2.11 The Disclosure Committee exclusively has the authority to determine that the Company need not disclose or may delay the disclosure of information which would constitute Material Information, as a result of the existence of an exception to the continuous disclosure requirements in the ASX Listing Rules.
- 2.12 The Company Secretary will minute the deliberations and decisions of the Disclosure Committee.
- 2.13 The Disclosure Committee members may meet by telephone or other electronic means, including email. A written statement, including by email, from each member of the Disclosure Committee will be evidence of the decision of the Disclosure Committee.
- 2.14 The Disclosure Committee will report to the Board at each meeting of the Board, in relation to the deliberations and decisions at each meeting of the Disclosure Committee, convened since the previous meeting of the Board, and provide a copy of the minutes of each meeting of the Disclosure Committee, to the Board.

### 3 Exceptions

- 3.1 The ASX Listing Rules provide exceptions to continuous disclosure requirements in the following circumstances:
- (a) a reasonable person would not expect the information to be disclosed; and
  - (b) the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
  - (c) one or more of the following apply:
    - (i) it would be a breach of the law to disclose the information;
    - (ii) the information concerns an incomplete proposal or negotiation;
    - (iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
    - (iv) the information is generated for internal management purposes; or
    - (v) the information is a trade secret.

- 3.2 If ASX considers that there is or is likely to be a false market in the securities of the Company and asks the Company to give ASX information to correct or prevent a false market, the Company must give ASX the information needed to correct or prevent a false market, even if an exception described in clause 3.1 of this Policy would otherwise apply.

## 4 Managing market speculation and rumours

- 4.1 Market or media speculation and rumours, whether substantiated or not, have a potential to impact the Company. Speculation may also result in the ASX formally requesting disclosure by the Company on the matter.
- 4.2 The general policy of the Company is that "the company does not respond to market speculation or rumours". Each Employee must observe this policy at all times. If a comment or an announcement is to be made, that is a decision for the Disclosure Committee.
- 4.3 Despite the "no comment" policy described in clause 4.2 of this Policy, the Company may issue a statement in relation to market speculation or rumour where:
- (a) the Company considers that the Company has an obligation at that time to make a statement to the market about the particular matter; and
  - (b) the Company is required to respond to a formal request for information from the ASX. For example, the Company may issue a statement to correct or prevent a false market. If the ASX considers that there is or is likely to be a false market in the Shares and asks the Company to give information to correct or prevent the false market, the Company must give the ASX the information needed to correct or prevent the false market.

## 5 Briefings to the Investment Community

- 5.1 The Company may provide briefings or hold conferences with the Investment Community, and the following guidelines will apply:
- (a) Any written or electronic information to be used at a briefing will be disclosed to ASX prior to the briefing unless it has previously been disclosed to the ASX.
  - (b) No Material Information will be disclosed to members of the Investment Community, verbally or in writing, unless it has been disclosed to the ASX.
  - (c) Avoid answering questions that require disclosure of Material Information or commenting on matters that include Material Information which has not been disclosed to ASX. These questions can be taken on notice, to be answered after the Material Information has been disclosed to the ASX.
  - (d) If any Material Information is inadvertently disclosed during a briefing, the information must be immediately disclosed to ASX, and thereafter disclosed on the website of the Company ([www.harveynormanholdings.com.au](http://www.harveynormanholdings.com.au)).
- 5.2 The Company's Shareholder Communication Policy will also apply when communicating with its shareholders.

## 6 Consequences for breach of the Continuous Disclosure Policy

- 6.1 The Board takes the continuous disclosure obligation very seriously. Non-compliance with continuous disclosure obligations under this Policy may constitute a breach of the Act or the ASX Listing Rules, which can result in some or all of the following consequences:
- (a) A criminal offence under the Act, a substantial fine, imprisonment, or both;

- (b) A civil offence under the Act and a substantial fine;
- (c) Infringement notices for alleged contraventions issued to the Company;
- (d) Personal liability as a result of the involvement of an Employee with contravening the continuous disclosure obligations of the Company. This breach is a civil offence and may lead to a substantial fine. An Employee will not be liable under the Act if the Employee can prove that the Employee:
  - (i) Took all steps (if any) that were reasonable in the circumstances to ensure the Company complied with the continuous disclosure obligations of the Company; and
  - (ii) After doing so, believed on reasonable grounds that the Company was complying with obligations of the Company;
- (e) A claim by a third party for compensation. A third party who incurs a loss as a result of a breach of the continuous disclosure obligations of the Company may commence an action against the Company, or any Employee who was involved in the breach;
- (f) Damage to the reputation of the Company; and
- (g) Disciplinary action against any Employee involved in a breach of this Policy including, in appropriate cases, termination or dismissal.

## Review

The Company Secretary will be responsible for keeping this Policy under review and for liaising with management to ensure it is updated as circumstances warrant. The Board will review this Policy annually to check that it is operating effectively and whether any changes are required to this Policy.

This Policy will be reviewed by the Audit and Risk Committee, which may make recommendations to the Board of the Company about this Policy. The Board is ultimately responsible for adopting and making changes to this Policy.

## Related Policy Documents

This Policy should be read in conjunction with the Share Trading Policy of the Company.

## Policy changes

Any changes to this policy must be approved by the Board.

## Policy approval

This policy must be approved by the Board.

## Definitions

Where used in this document, the following terms or expressions shall have the following meanings:

**Act** means the *Corporations Act* 2001 (Cth);

**ASX** means ASX Limited A.C.N 008 624 691 or the exchanges operated by it;

**ASX Announcement** means an announcement to be made to the market, in compliance with the ASX Listing Rules and the law;

**Board** means the board of directors of the Company;

**Chairman** means the chairman of the Board;

**Chief Executive Officer** means the chief executive officer of the Company;

**Chief Financial Officer** means the chief financial officer of the Company;

**Committee** means a committee or sub-committee of the Board;

**Company** means Harvey Norman Holdings Limited A.C.N. 003 237 545;

**Company Secretary** means the secretary of the Company;

**Director** means each director, executive and non-executive, of the Company;

**Disclosure Committee** means a committee to be convened, from time to time, by the Chairman, Chief Executive Officer or Chief Financial Officer, to review information received by the Company, which could constitute Material Information, in accordance with this Policy;

**Employee** includes each Director, Executive, employee of, or contractor to the Company;

**Executive** means each person who holds a position which makes that person an "*officer*" of the Company, as that term is defined in the Act;

**Investment Community** means any one or more of shareholders, investors, brokers, analysts and other interested parties in respect of the Company;

**Material Information** is information of which the Company becomes aware, concerning the Company, which a reasonable person would expect to have a material effect on the price or value of any Shares;

**Policy** means this continuous disclosure policy of the Company;

**Shares** includes shares in the Company and options or rights over shares in the Company;

## Interpretation

A reference in this Policy to information that would be likely to have a material effect on the price or value of Shares means information that might influence persons who commonly invest in securities (including Shares) in deciding whether or not to subscribe for, buy or sell those securities. Information likely to have a material effect on the price or value of Shares includes, but is not limited to:

- (a) information regarding a material increase or decrease in the financial performance of the Company, from previous results;
- (b) entry into, or termination of a material contract;
- (c) a material acquisition or sale of assets by the Company;
- (d) an actual or proposed takeover or merger by the Company;
- (e) a proposed dividend or change in dividend policy of the Company;
- (f) an actual or proposed change to the capital structure of the Company or financing arrangements for the Company;
- (g) proposed material legal proceedings to be initiated by or against the Company; or
- (h) regulatory action or investigations undertaken by a government authority.

Policy Owner	Board of Directors
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