

ANTI-BRIBERY AND CORRUPTION POLICY

Overview

Harvey Norman Holdings Limited (the **Company**) is a leading integrated retail, franchise, property and digital enterprise with operations in Australia, New Zealand, Singapore, Malaysia, Ireland, Northern Ireland, Slovenia and Croatia.

The Company is committed to complying with the laws of each country in which it operates and acting in an ethical manner, consistent with principles of honesty, integrity and transparency.

Bribery, corruption and improper or illegal conduct referred to in this Policy are serious criminal offences which can result in very significant financial penalties for both any company and individuals involved including imprisonment of an individual. They are also inconsistent with the values and rules about the behaviour expected of each Relevant Person as set out in the Code of Conduct of the Company.

Each Relevant Person is a representative of the Company and has an important role to play in ensuring that the respect, trust and integrity of the Company is maintained and further improved.

Unless otherwise indicated, capitalised terms have the meaning given to them in the Definitions section of this Policy.

Purpose

The purpose of this Policy is to set out at a high level:

- (a) a framework to prevent, detect and report bribery, corruption and related improper or illegal conduct; and
- (b) the responsibility of the Company, each Harvey Norman Entity and each Relevant Person in observing the zero tolerance of the Company to bribery, corruption and related improper or illegal conduct.

This Policy should be read in conjunction with the following codes and policies of the Company:

- (a) the Code of Conduct; and
- (b) the Whistleblower Protection Policy.

1 ASX Guidelines

The Company is committed to best practice in corporate governance and the application of the most current edition of the *ASX Corporate Governance Principles & Recommendations*.

2 Expectations

- 2.1 Each Harvey Norman Entity and each Relevant Person is expected to:
- (a) conduct themselves with honesty and integrity, in an ethical, responsible and professional manner and in the best interests of the Company and any Harvey Norman Entity;
 - (b) understand and comply with the requirements and policies of the Company;
 - (c) be aware of the contents of this Policy and how it will impact the day to day operations of the Harvey Norman Entity;
 - (d) participate in training on this Policy, as required by the Company from time to time;
 - (e) avoid any activities that involve or could potentially involve any unethical behaviour, unlawful practices or harm to the reputation of any Harvey Norman Entity; and
 - (f) avoid actual or potential conflicts of interest.
- 2.2 Each Harvey Norman Entity will establish and implement appropriate policies, procedures and controls, applicable to the operations of that Harvey Norman Entity to ensure compliance with Anti-Bribery and Corruption Laws, including procedures and controls to prevent, detect and report bribery, corruption and related improper or illegal conduct, based on the following guiding principles:
- (a) identify potential bribery and corruption risks in connection with the business of the Harvey Norman Entity;
 - (b) assess and address those bribery and corruption risks;
 - (c) assess the effectiveness of any actions taken by the Harvey Norman Entity to address any bribery and corruption risks in connection with the business of the Harvey Norman Entity;
 - (d) prompt reporting of any suspected or actual instance of bribery, corruption or improper or illegal conduct in connection with the business operations of the Harvey Norman Entity; and
 - (e) facilitate training on a regular basis of Relevant Persons likely to be exposed to bribery, corruption or related improper or illegal conduct.

3 Bribery and Corruption, Facilitation Payments and Secret Commissions

- 3.1 Bribery is the act of offering, promising, giving, accepting or soliciting a benefit as an inducement with the intention of influencing a Public Official or a person in the private sector, who is otherwise expected to act in good faith or in an impartial manner, to act or refrain from acting in relation to the performance of their duties, role or function in order to obtain an advantage, whether for a commercial, contractual, regulatory or personal advantage, which is illegal, unethical or a breach of trust or not otherwise legitimately due. A bribe does not actually have to take place – just promising or offering to give a bribe or receive a bribe is an offence.
- 3.2 Bribery can take many forms. The benefit that is offered, given or accepted may be monetary or non-monetary. For example, it may involve non-cash gifts, political or charitable contributions, loans, reciprocal favours, business or employment opportunities or lavish corporate hospitality.
- 3.3 Bribery may be indirect, for example where a person procures an intermediary or an agent to make

an offer which constitutes a bribe to another person, or where an offer which constitutes a bribe is made to an associate of a person who is sought to be influenced.

- 3.4 **Corruption** is the abuse of entrusted power for private gain.
- 3.5 **Facilitation payments** are a form of bribery made for the purpose of expediting or facilitating the performance of a Public Official for a routine governmental action, for example: processing papers, issuing permits and other actions of an official in order to expedite performance of duties of a non-discretionary nature (i.e. which they are already bound to perform). The payment or other inducement is not intended to influence the outcome of the action of the official, only its timing.
- 3.6 **Secret commissions** normally arise where a person or entity (such as an employee) offers or gives a commission to an agent or representative of another person (such as a customer) that is not disclosed by that agent or representative to their principal. Such a payment is made as an inducement to influence the conduct of the business of the principal.
- 3.7 Each Harvey Norman Entity and Relevant Person must not:
- (a) give, offer, accept or request bribes, facilitation payments, secret commissions or other prohibited payments or cause any of them to be given, offered, accepted or requested; and
 - (b) approve any offers, or make, accept or request an irregular payment or other thing of value, to win business or influence a business decision in favour of any Harvey Norman Entity or Relevant Person.

4 Potential Consequences of Bribery and Corruption

- 4.1 Bribery, corruption and improper or illegal conduct referred to in this Policy are serious criminal offences which can result in very significant financial penalties for both any company and individual involved and imprisonment for any individual involved.
- 4.2 The impact of bribery and corruption can be broader than financial penalties and/or imprisonment. Other possible consequences include:
- (a) reputational damage to the Company or any Harvey Norman Entity;
 - (b) a negative impact on the ability of any Harvey Norman Entity to be able to do business with governments or public organisations;
 - (c) investigation or prosecution by a governmental or regulatory authority.
- 4.3 Each Relevant Person is expected to comply with this Policy. A breach of this Policy will lead to disciplinary action. This may involve counselling in the case of unintentional and less serious breaches through to dismissal or referral to the appropriate authorities in the case of intentional and serious breach.

5 Political Office, Contributions and Endorsements

- 5.1 Each Harvey Norman Entity and Relevant Person must not make contributions, payments or otherwise give any endorsement or support which would be considered a contribution, directly or indirectly, to political parties or candidates.
- 5.2 Each Relevant Person must not engage in actions that could lead someone to believe that the

political activities of the Relevant Person reflect the views or positions of any one or more Harvey Norman Entity, including by making a political contribution as a representative of any one or more Harvey Norman Entity.

- 5.3 A Relevant Person may voluntarily participate in the political process in their personal capacity.

6 Gifts, Entertainment and Hospitality

- 6.1 Each Relevant Person must never ask for or appear to expect gifts or benefits from suppliers, colleagues, subordinates, customers or anyone else who a Relevant Person may come in contact with in the course of work for any Harvey Norman Entity. In no circumstances are improper gifts or benefits to be accepted.
- 6.2 Each Harvey Norman Entity and Relevant Person must not offer or accept gifts, in circumstances which could be considered to give rise to undue influence, including without limitation offering to, or accepting from, public government officials or their associates, including politicians or political parties.
- 6.3 Examples of gifts include gratuities or vouchers, luxury goods, services and entertainment (including sporting events, concerts, recreational activities, certification courses, therapeutics, fine foods and drink), hospitality and travel (including any non-business component of travel expense paid by a third party, dining, airfares, cruises and accommodation) and exclusive benefits or discounts.
- 6.4 Gifts satisfying all of the following principles may be accepted or offered without further provision:
- (a) the estimated value of the gift does not exceed AUD\$50.00 (or otherwise the equivalent to AUD\$50.00 in a foreign currency), or any lower values as established by a Business Unit Head;
 - (b) there are no circumstances either known to the recipient or where the recipient is in a reasonable position to know, where there are reasonable grounds to construe the gift as a means by which to influence a business decision, process, or course of action in which the giver is in a position to gain benefit or advantage;
 - (c) the gift is made for the right reason – the gift should be clearly given as an act of appreciation or common courtesy associated with standard business practice;
 - (d) the gift does not place the recipient under any obligation;
 - (e) the gift cannot reasonably be construed as an attempt to improperly influence the performance of a duty, role or function of the recipient;
 - (f) the recipient is not in a position to be materially indebted to the giver either socially, professionally or otherwise as a result of accepting the gift;
 - (g) the gift is given in an open and transparent manner;
 - (h) the gift is appropriate to the relationship;
 - (i) the gift is given on an “arm’s length” basis with no special favours and no special arrangements;
 - (j) the gift complies with all Applicable Laws;
 - (k) the gift does not include cash, loans or cash equivalents such as gift cards or vouchers; and

- (l) any additional criteria established by a Business Unit Head that meets or exceeds (but does not contravene) this Policy.

6.5 Gifts satisfying any of the following principles must not be accepted under any circumstance:

- (a) the gift consists of cash or a cash equivalent;
- (b) the gift (or any component of the gift) is illicit, offensive, illegal or otherwise stands to bring any Harvey Norman Entity or Relevant Person into disrepute;
- (c) the gift is grossly gratuitous;
- (d) there are strong grounds to construe the gift as an intention to directly influence a business decision, process, or course of action in which the giver or their associated entity is in a position to gain substantial benefit or advantage or the gift is offered during a contract negotiation or procurement activity (or both); or
- (e) the recipient is in a position to be socially, professionally or materially indebted to the giver as a result of accepting the gift.

7 Gift Register and record keeping

7.1 Each Harvey Norman Entity must maintain a register of all gifts offered or received by the Harvey Norman Entity and any Relevant Person of that Harvey Norman Entity. The register will contain details of the gift, including without limitation:

- (a) a description of the gift;
- (b) the name, company and contact details of the giver and recipient of the gift;
- (c) the date the gift was offered or accepted;
- (d) the approximate value of the gift; and
- (e) the Business Unit Head who approved the gift.

7.2 Each Relevant Person of a Harvey Norman Entity must enter the above required details in the gift register of that Harvey Norman Entity within five (5) Business Days of offering to or receiving from any third party any gift.

7.3 A Business Unit Head of a Harvey Norman Entity must approve, decline or return any gift within five (5) Business Days of the details of the gift being entered into the register of that Harvey Norman Entity.

7.4 Each Harvey Norman Entity must ensure that all accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, are prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments. It is an offence under the Crimes Legislation Amendment (Proceeds of Crime and Other Measures) Act 2016 for a person to make, alter, destroy or conceal an accounting document (including being reckless in their conduct which allowed such an act) to facilitate, conceal or disguise the corrupt conduct.

7.5 Internal control systems and procedures adopted by each Harvey Norman Entity to comply with this Policy, including without limitation a gift register, will be subject to regular internal audits to monitor,

evaluate and report on how effective those internal control systems and procedures are in countering bribery and corruption and mitigating the risk of non-compliance with this Policy. There may also be independent reviews undertaken from time to time by an external audit.

8 Dealings with Third Parties

- 8.1 Harvey Norman Entities deal with third parties in a number of circumstances. Third parties includes agents, distributors, intermediaries, suppliers, or other contractors.
- 8.2 In certain circumstances, a Harvey Norman Entity may be liable under Anti-Bribery and Corruption Laws for or as a result of the improper or illegal conduct of a third party which a Harvey Norman Entity deals with.
- 8.3 It is important that any Harvey Norman Entity proposing to deal with a third party implements appropriate controls to ensure that the actions of the third party will not adversely affect any Harvey Norman Entity or cause any Harvey Norman Entity or Relevant Person to be in breach of any Anti-Bribery and Corruption Laws.
- 8.4 Each Harvey Norman Entity must implement the following procedures in relation to dealing with a third party:
 - (a) communicate this Policy to the third party;
 - (b) undertake sufficient due diligence to ensure that it is appropriate for the Harvey Norman Entity to deal with the third party;
 - (c) raise any issues of concern or "red flags" identified in due diligence with the Chief Risk Officer, the Head of Internal Audit and the General Manager of Legal. A Harvey Norman Entity must not deal with the third party if issues identified in due diligence cannot be resolved to the satisfaction of the Chief Risk Officer, the Head of Internal Audit and the General Manager of Legal;
 - (d) ensure that any contractual arrangements with the third party are first approved by the General Manager of Legal concerning the bribery and corruption issues addressed by this Policy; and
 - (e) ensure that Relevant Persons of the Harvey Norman Entity maintain oversight of any work undertaken by the third party pursuant to the contractual arrangements with any Harvey Norman Entity.

9 Reporting breaches and suspicious behaviour

- 9.1 Each Relevant Person has a responsibility to help detect, prevent and report instances of bribery, corruption and related improper or illegal conduct as well as any other suspicious activity or wrongdoing in connection with any business or activity of the Company. The Company is committed to ensuring each Relevant Person has a safe, reliable and confidential way of reporting any suspicious activity.
- 9.2 Each Relevant Person must report any breaches of this Policy, or suspicious conduct in relation to any business activity or undertaking by any Harvey Norman Entity or Relevant Person. This includes behaviour that makes any Relevant Person or any other person employed or engaged by a Harvey Norman Entity feel threatened or under pressure to engage in improper conduct. Each Relevant Person is encouraged to raise concerns about any issue or suspicion of bribery, corruption or other improper conduct at the earliest possible stage.

- 9.3 A Relevant Person should make a report of a breach or suspected breach of this Policy to their immediate supervisor. If this does not result in a satisfactory outcome, or if it is not possible or appropriate to make a report to an immediate supervisor, that Relevant Person should make a report under the Whistleblower Protection Policy of the Company. A Relevant Person can make a report under the Whistleblower Protection Policy of the Company by contacting the Whistleblower Hotline, accessible by:
- (a) telephone (Australia)
(+61) 1800 789 651
 - (b) Online Portal
<http://secure.ethicspoint.eu/domain/media/en/gui/104832/index.html>
 - (c) Post
Private & Confidential
Harvey Norman Internal Audit
Locked Bag 2 Silverwater BC NSW 1811
- 9.4 All reports made under the Whistleblower Protection Policy of the Company will be investigated and may be made anonymously. The Company is committed to ensuring that a Relevant Person will not be disadvantaged or discriminated against for reporting any issue or suspicion of bribery, corruption or related improper or illegal conduct in good faith. Each Relevant Person should refer to the Whistleblower Protection Policy of the Company for more details. Disadvantage or discrimination includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. A Relevant Person who is subjected to such treatment should report it under the Whistleblower Protection Policy of the Company as set out above.

10 Training

- 10.1 Relevant Persons likely to be exposed to bribery, corruption or related improper or illegal conduct will undertake regular training on this Policy and receive regular updates on this Policy as part of their ongoing training.
- 10.2 New Relevant Persons likely to be exposed to bribery, corruption or related improper or illegal conduct will undertake training on this Policy as part of their induction process.
- 10.3 Training will include education to help a Relevant Person understand the different forms of bribery, corruption and related improper or illegal conduct and their responsibilities under this Policy.

Scope

This Policy applies to each Harvey Norman Entity and each Relevant Person in Australia and overseas. Each Harvey Norman Entity and each Relevant Person must comply with this Policy.

Compliance with this Policy is a condition of working for any Harvey Norman Entity. Compliance with this Policy and with all applicable laws and standards promotes a culture of fair and ethical behaviour and encourages the reporting of corrupt practices, breaches of the law and matters detrimental to the Company or any Harvey Norman Entity.

This Policy applies globally. A number of countries have laws prohibiting bribery and corruption which will in many circumstances apply to companies and individuals conducting business outside their home jurisdiction. As a result the company or individual engaging in bribery or corrupt activities may be guilty of an offence in more than one jurisdiction.

A Harvey Norman Entity or Relevant Person operating or working in a foreign jurisdiction is subject to the laws of that jurisdiction, however this Policy must also be complied with regardless of whether or not that

foreign jurisdiction has anti-bribery and corruption laws. To the extent that the anti-bribery and corruption laws of that foreign jurisdiction are of a lower standard than this Policy, this Policy prevails.

Policy Owner

The Board is the owner of this Policy (**Policy Owner**).

The Board delegates the day to day oversight, implementation, and maintenance of this Policy to the Policy Committee.

Policy Approval

This Policy and any subsequent amendments are to be approved by the Policy Committee and by the Board.

Policy Review

The Policy Committee will regularly review this Policy to ensure it is operating effectively and will report at least annually to the Board regarding application and any issues arising in relation to this together with the findings and any recommendations (as appropriate) of the Policy Committee.

In addition to the annual review, the Policy Committee must promptly review this Policy where there is:

- (a) a relevant change to any Anti-Bribery and Corruption Law which governs and regulates anti-bribery and corruption issues in any one or more jurisdictions of Australia; or
- (b) any other material change which may reasonably require a review of this Policy.

Exceptions

There are no exceptions to this Policy.

Policy Compliance

The Company and each Relevant Person is responsible for familiarising themselves with this Policy and the processes and procedures adopted by the Company to help prevent, detect and report bribery, corruption and related improper or illegal conduct and comply with this Policy.

Definitions

Anti-Bribery and Corruption Laws means all Applicable Laws (including the Criminal Code Act 1995 (Cth) and the Extradition (Bribery Of Foreign Public Officials) Regulations 1999) and any primary, delegated or subordinate legislation applicable in Australia with respect to reporting on or addressing the risks of bribery and corruption.

Applicable Laws means all applicable laws including common law, statutes, rules, regulations, regulatory standards and codes, proclamations, ordinances and by-laws in Australia and in any foreign jurisdiction.

Board means the board of directors of the Company.

Business Day means a day which is not a Saturday, Sunday or public holiday in the relevant jurisdiction.

Business Unit Head means any manager directly reporting to the Chief Executive Officer, Chief Financial Officer or the Chief Operating Officer of the Company.

Chief Risk Officer means the Chief Risk Officer of the Company.

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

Executive means each person who holds a position which makes that person an "officer" of the Company, as that term is defined in the Corporations Act, 2001 (Cth).

gift includes gifts, entertainment or hospitality.

Company means the Company and each of its controlled entities.

General Manager of Legal means the general manager of the legal and company secretarial department of the Company.

Harvey Norman Entities means the Company and each of its controlled entities and **Harvey Norman Entity** means any one of them.

Head of Internal Audit means the head of the internal audit department of the Company.

Policy means the Anti-Bribery and Corruption policy set out in this document.

Policy Committee means the committee appointed by the Board to review and amend this Policy from time to time.

Public Official means any person holding a legislative, administrative or judicial office, whether appointed or elected; any person exercising a public function for, including for a public agency or public enterprise; and any official or agent of a public organisation.

Relevant Person includes each Executive, Business Unit Head, general manager, employee, contractor, consultant and all other people representing or otherwise under the employ or engagement of the Company and Relevant Persons means more than one of them.

| | |
|-------------------------|------------------|
| Policy Owner | The Board |
| Document Control | Version 1.0 2021 |