

HARVEY NORMAN HOLDINGS LIMITED A.C.N. 003 237 545 (the "Company")

REMUNERATION COMMITTEE CHARTER

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1. Standing rules for Company board committees

- 1.1 The standing rules for Company Board committees apply to the remuneration committee and are incorporated into this charter save as expressly varied by this charter.

2. Purpose

- 2.1 The remuneration committee is established by the board of directors. The purpose of the remuneration committee is to:
 - (a) review and recommend to the board for approval policies for remuneration programs appropriate for the Company;
 - (b) review and make recommendations to the board in respect of the administration of the Company's remuneration programs;
 - (c) review and make recommendations to the board in respect of the remuneration of senior executive officers and non-executive directors; and
 - (d) prepare for approval by the board any report on executive remuneration that may be:
 - (i) required by any listing rule, legislation, regulatory body, or other regulatory requirement; or
 - (ii) proposed for inclusion in the Company's annual report,and to report regularly to the board on each of the above matters.

3. Powers of the remuneration committee

- 3.1 The remuneration committee has the ability to direct any special investigations deemed necessary and to consult independent experts where considered necessary to carry out its duties. Costs of such consultations are borne by the Company.

4. Duties of the remuneration committee

- 4.1 The following duties are structured in accordance with the purposes of the remuneration committee:
- (a) In consultation with senior management, review and recommend to the board for approval the general approach of the Company to remuneration, and oversee the development and implementation of remuneration programs.
 - (b) Review and recommend to the board for approval corporate goals and objectives relevant to the remuneration of executive directors, evaluate the performance of executive directors in light of those goals and objectives, and recommend to the board the executive directors' remuneration level based on this evaluation. In determining the long-term incentive component of executive directors' remuneration, the remuneration committee shall consider, among other factors, the performance of the Company and relative shareholder return, the value of similar incentive awards to executive officers at comparable companies, the awards given to the executive directors in past years, and any other factors that the committee determines is appropriate.
 - (c) Review and recommend to the board for approval remuneration programs applicable to the Company executives.
 - (d) Approve any statement on the remuneration policy of the Company and executive remuneration disclosures that may be:
 - (i) required by any listing rule, legislation, regulatory body, or other regulatory requirement; or
 - (ii) proposed for inclusion in the annual report of the Company.
 - (e) Review the remuneration of non-executive directors annually.

5. Meetings

- 5.1 The remuneration committee will meet at least two times annually, and more frequently if it deems necessary.
- 5.2 Representatives of management may be invited to attend part or all of any meeting of the remuneration committee. The remuneration committee may request certain parties to withdraw from any part of the meeting. No employee, including any executive director, should attend any meeting where his or her performance or remuneration is discussed, unless specifically invited by the remuneration committee.

6. Delegation To Subcommittee

- 6.1 The remuneration committee may, in its discretion, delegate any of its duties and responsibilities to a subcommittee of the Committee.