

**MODERN SLAVERY
STATEMENT**

2020



At Kogan.com people are central to everything we do, from our customers, team members, suppliers and people within our indirect supply chains. We are committed as an organisation to understanding, respecting and upholding human rights, fair working conditions and environmental protection within our operations and supply chains.

CHAIRMAN'S LETTER

We operate our business with a high regard to Corporate Governance and at all times are transparent to our Shareholders, team members and suppliers - we hold ourselves to a high standard and apply the same expectations to our partners.

We take our obligations under the Modern Slavery Act seriously and we are committed to the ongoing review and improvement of our contribution and impact on human rights whilst making the most in-demand products and services more affordable and accessible.

This Statement was approved by the Board of Kogan.com Limited.

A handwritten signature in black ink, appearing to read 'Greg Ridder', with a horizontal line underneath it.

Greg Ridder
Chairman
March 2021

INTRODUCTION

Kogan.com Limited (the Company; Kogan.com; ASX:KGN; the Group) has prepared this Modern Slavery Statement in accordance with the *Australian Modern Slavery Act 2018* (the Act) and with regard to the *Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities* (the Guidance) in relation to the financial year ending 30 June 2020.

This Statement outlines the measures taken by the Company during the financial year ended 30 June 2020 to reduce the risk of modern slavery¹ occurring in the Company's businesses or its supply chain.

Kogan.com opposes modern slavery in all its forms.

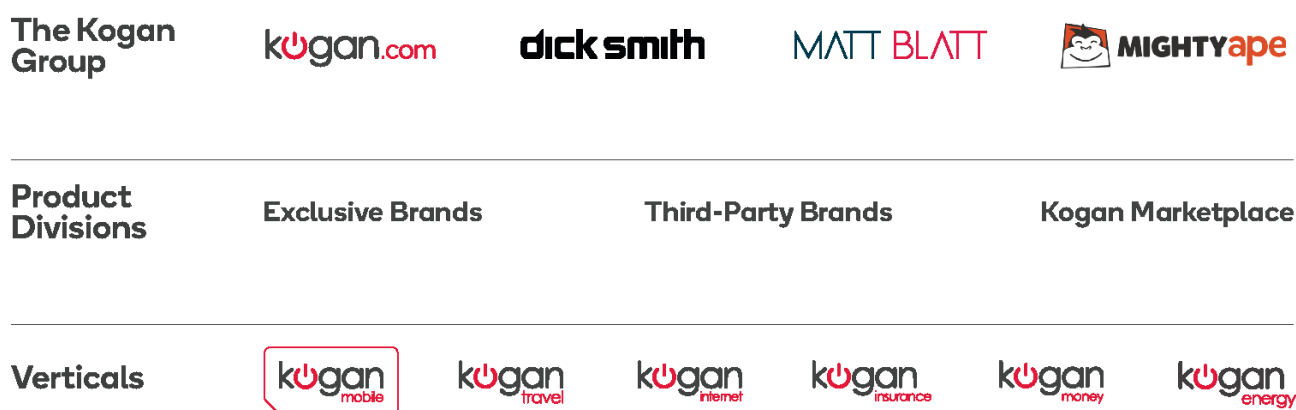
1. Modern slavery, as defined in the Guidance, is used to describe situations where coercion, threats, or deception are used to exploit victims and undermine or deprive them of their freedom; it refers to serious exploitation of people.

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN

STRUCTURE

Kogan.com is a portfolio of retail and services businesses that includes Kogan Retail, Kogan Marketplace, Kogan Mobile, Kogan Internet, Kogan Insurance, Kogan Travel, Kogan Money, Kogan Cars, Kogan Energy, Dick Smith, Matt Blatt and Mighty Ape. At 31 December 2020, Kogan.com employed approximately 200 team members in Australia.

Mighty Ape, which was acquired in December 2020, is one of New Zealand's leading retailers with a focus on gaming, toys and other entertainment categories. The Company is in the process of integrating the Mighty Ape business into the Group's reporting processes and procedures. Mighty Ape will form part of the Group's FY21 Modern Slavery Statement.



Exclusive Brands and Third-Party Branded products are sold by Kogan.com through the Kogan Group retail channels. Kogan Marketplace, which is our curated marketplace, works with brands and distributors who generate incremental sales through exposure on the Kogan.com platform and marketing initiatives to the Kogan Community. Kogan Marketplace sellers comply with selection criteria and specific terms and conditions which monitor and impose consequences for any potential breaches.

Kogan Verticals are unique agreements which offer customers a service whereby partners are responsible for the operations, with Kogan.com responsible for branding, marketing and customer acquisition.

OPERATIONS

Kogan.com is a leading Australian consumer platform renowned for price leadership through digital efficiency. The Group is focused on making in-demand products and services more affordable and accessible.

We have created a business model that allows us to be agile, bold and innovative. We have built a platform that enables us to pursue strategic opportunities including Kogan Marketplace and Kogan Mobile while also acquiring complementary businesses including Dick Smith, Matt Blatt and Mighty Ape to drive future growth, bringing best in market offers to our growing Community. Our aim is to continue to build our portfolio of businesses synonymous with great value, service and compelling offerings.



Kogan Retail & Kogan Marketplace

Kogan.com is part of a 'Next Generation' of online retailers. Kogan.com's technology and sourcing driven business model is more than just a disruptive, low cost distribution platform. In combining the data analytics, systems and culture with the deep technological expertise of its management and team, Kogan.com has created a vertically integrated business model with a market leading Exclusive Brands capability. This is complemented by a compelling range of in demand Third-Party Brands, supporting website traffic and cash generation.



Kogan Marketplace partners with select brands and distributors, giving them access to our Kogan Community, in addition to our marketing and online distribution capability. Our curated marketplace works with brands and distributors who generate incremental sales with exposure on the Kogan.com platform and marketing initiatives to the Kogan Community.



Kogan Mobile

Kogan Mobile launched in October 2015 offering pre paid mobile phone plans online in partnership with Vodafone. The strong commercial relationship with Vodafone has translated into strong growth for Kogan Mobile. The unique model means that Vodafone is responsible for operations, while Kogan is responsible for branding, marketing and customer acquisition.



Kogan Travel

Kogan Travel launched in May 2015 and offers directly sourced holiday packages and travel bookings.



Kogan Insurance

Kogan Insurance launched in August 2017 in partnership with Hollard Insurance Company to offer general insurance, covering home, contents, landlord, car and travel insurance, with a focus on value for money. The underwriting of our general insurance policies is provided by Hollard, with Kogan earning commission on the sale of all insurance policies.

Similar to Kogan Mobile and Kogan Internet, Kogan provides branding, marketing and customer acquisition for all insurance offerings.



Kogan Internet

Under an expanded partnership with Vodafone Hutchison Australia that was announced in June 2017, Kogan Internet launched in April 2018, providing fixed line NBN plans. NBN has an estimated market size of 11.6 million premises.



Kogan Money

In August 2018, Kogan.com announced Kogan Money Home Loans in partnership with Pepper Group Limited. This partnership has seen Kogan.com offer competitively priced home loans to Australian homeowners and investors under the brand, Kogan Money. Kogan Money Home Loans is the first of a suite of financial products to be rolled out under the Kogan Money brand. Kogan Money continues to focus on simplifying financial services for all Australians and making them more affordable through digital efficiency.



Kogan Money Super

In partnership with Mercer Australia, Kogan.com offers a no frills, ultra low fee Australian superannuation fund, Kogan Super. Kogan Super leverages Kogan.com's digital efficiency as one of Australia's cheapest superannuation options and aims to manage a share of the 28.6 million Aussie superannuation accounts, which represent a combined total of more than \$2.6 trillion in assets.



Kogan Mobile New Zealand

Kogan Mobile New Zealand launched in 1HFY20 in partnership with Vodafone New Zealand Limited offering telecommunications services in New Zealand. Vodafone NZ is New Zealand's largest mobile network operator.



Kogan Energy

Kogan Energy offers competitive power and gas deals and was launched in September 2019 in partnership with part of the Meridian Energy Limited group.



Kogan Money Credit Cards

Kogan Credit Cards is a credit card with uncapped Kogan reward points, no annual fee, complimentary Kogan First membership, and competitive rates and fees. It was launched in October 2019 in partnership with Citigroup Pty Ltd.



Dick Smith

In 2016, Kogan.com acquired Dick Smith, one of Australia's premier consumer electronics brands and a pioneer of the consumer electronics industry in Australia.



Matt Blatt Pty Ltd

In May 2020, Kogan.com acquired Matt Blatt, one of Australia's premier furniture and homewares brands and a pioneer of the online furniture industry in Australia.

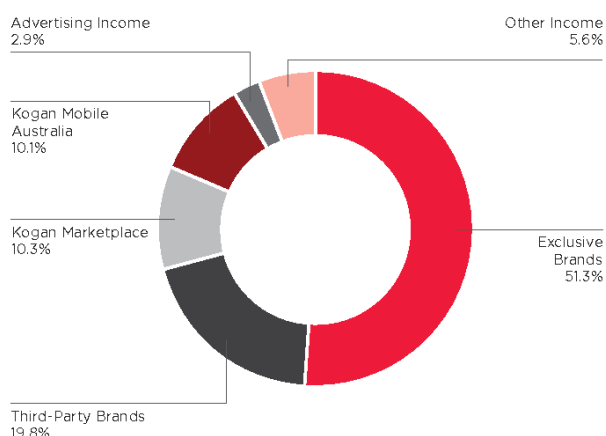


Mighty Ape

In December 2020, Kogan.com acquired Mighty Ape, one of New Zealand’s largest online retailers with a focus on gaming, toys and other entertainment categories. Mighty Ape will form part of the Group’s FY21 Modern Slavery Statement.

PORTFOLIO BUSINESS MIX

Kogan.com’s offering comprises of products released under Kogan.com’s Exclusive Brands which represented 51.3% of FY20 Gross Profit, this is complemented by a compelling range of in-demand Third-Party Brands contributing a further 19.8% of Gross Profit. These offerings, when combined with Kogan Marketplace and Kogan Mobile accounted for 91.5% of Gross Profit in FY20.



SUPPLY CHAINS

Kogan.com’s supply chains are sophisticated and span the globe. The Company has adopted a risk-based approach in assessing which areas of business may have greater potential for modern slavery to occur and determined the scope accordingly. Based on the risk assessment (described in more detail below), the review was focused on tier one suppliers of products for Kogan retail and services with procurement purchases above a determined threshold during the financial year.

The Kogan retail supply chain includes the manufacture and transportation of the products sold through the business. This includes Exclusive Brands and Third-Party Brands (comprising of Global Brands and Partner Brands). In this context, the supply chain includes the overseas factories where the products are made, the importation of the products into Australia and the subsequent sale and distribution of the products to customers. Kogan.com’s diverse portfolio covers a vast range of electronic, homewares, apparel, office and technology products.

Kogan.com’s services supply chain includes services that support its operations, including IT, logistics, marketing and, at a more micro level, the cleaning and security businesses servicing the Kogan.com office and other locations.

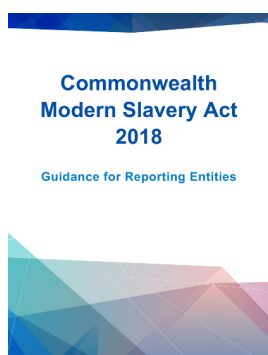
Suppliers for Kogan retail and services are located in Australia, China, Vietnam, India, Hong Kong and the United Kingdom.

MODERN SLAVERY RISKS

All products and services have the potential to carry modern slavery risks in their operations and supply chains. Considered in the context of the Company, these inherent risks are complex and evolving. Kogan.com is selective in engaging suppliers to ensure modern slavery risks are minimised, however understands these risks can be difficult to entirely eliminate or may be unknowable; therefore, the Company has identified where inherent modern slavery risks may exist in business activities by considering the key sources of those risks. These potential risks are continuously reviewed and assessed over time to ensure risk exposure is minimised and where appropriate expand the review across the business.

SCOPING MODERN SLAVERY RISKS

Kogan.com conducted a scoping exercise to determine which parts of its operations and supply chains may involve a higher-level of modern slavery risks in regard to the Guidance and the Global Slavery Index.



The scoping exercise included the following key activities:

1. Mapping of the overall operations and supply chain. This mapping was used to identify the general sectors and industries, types of products and services, countries and entities that are involved in the operations and supply chains.
2. Completing a review of sectors, products and services, countries and entities that may involve high modern slavery risks. The level of risk associated with modern slavery does not correlate with the cost of products and services procured.
3. Assessing the potential indirect supply chains which the business may have limited visibility of and/or control over and considering the nature and severity of any potential modern slavery risks.

UNDERSTANDING MODERN SLAVERY RISK

- **Sector and industry risks:** Some sectors and industries may carry modern slavery risks because of their characteristics, products and processes. For example, extractives, textiles and fashion, electronics and cleaning are recognised as higher-risk industries globally.
- **Product and services risks:** Some products and services may carry modern slavery risks because of the way they are produced, provided or used. For example, cotton is recognised as a higher-risk product globally, while services such as cleaning often involve lower wages and manual labour and may be more prone to modern slavery practices.
- **Geographic risks:** Some countries may carry modern slavery risks due to poor governance, weak rule of law, conflict, migration flows and socio-economic factors like poverty.
- **Entity risks:** Some entities may carry modern slavery risks because they have poor governance structures, leading to poor treatment workers track record of human rights violations.

Source: *Modern Slavery Act 2018 Guidance for Reporting Entities*

MODERN SLAVERY RISKS CONTINUED

Considering these sources of modern slavery risks along with the operations and supply chains of Kogan retail and services, the following potential risks have been identified:

- **Deceptive recruiting for labour or services:** When a person is deceived about their work and their work involves exploitation through a type of modern slavery hen a person is deceived about their work and their work involves exploitation through a type of modern slavery
- **Forced labour:** When a person does not consider themselves free to stop working or to leave their place of work because of coercion, threat or deception
- **Worst forms of child labour:** When children are engaged in work likely to harm them including working in hazardous environments

These risks are specific to countries and products / services sourced with the areas of highest probability outlined in the following table:

COUNTRY	RISKS	PRODUCT / SERVICE SOURCED
Australia	Deceptive recruiting for labour or services	Cleaning contractors Marketing / data services
China	Forced labour	Cotton home textiles Consumer electronics and accessories
	Deceptive recruiting for labour or services, forced labour	Logistics / shipping of goods
United Kingdom	Forced labour where activities outsourced to a high risk or unknown country	Underwriting services

In addition to the Company's risk assessment process, alternate outlets such as media stories and relevant reports are reviewed regularly to stay informed of emerging human rights risks. Going forward, heightened modern slavery risks are anticipated due to the ongoing global management of COVID-19 (discussed further below).

ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS

Kogan.com is committed to protecting human rights in its operations and supply chains. The Company has taken the necessary actions to assess and address modern slavery risks as described below.

GOVERNANCE AND POLICIES

The Board, through the Audit and Risk Management Committee (the Committee), ensures that Kogan.com has an effective risk management system in place and to manage key risk areas. The Committee is governed by the Audit and Risk Management Committee Charter approved by the Board.

The Committee is required to meet at least twice per annum in order to perform its functions. The Committee met three times during the year ending 30 June 2020. Details of attendance at Committee Meetings are set out in the Directors' Report of the Annual Report 2020.

The Board has adopted a Risk Management Policy. The Risk Management Policy inclusive of the Risk Register is reviewed at least annually by the Committee.

The Board reviews and approves all policies (discussed below). Any key risks that may be identified through the Company's annual external audit will also be considered and actioned appropriately by the Board. In addition, the Board or the Committee (as applicable) directly monitors the potential exposures of the Group through ongoing reporting by the Chief Financial Officer, Chief Operating Officer and Executive Director.

The senior management team of Kogan.com is responsible for ensuring that systems, processes and controls are in place to minimise identified potential risk to an acceptable level. Emerging risks and opportunities are assessed and considered by the Board and the Committee. All team members are responsible for reporting any new potential risks or changes to existing risks to management as soon as they become aware of the risk.

The Company is governed by the appropriate policies, procedures and frameworks that ensure all Directors, senior management and team members are aware of the expectations of their day-to-day behaviours and actions. The documents most relevant to reducing modern slavery risks within the Company are detailed below:

STATEMENT / POLICY / PROCEDURE	PURPOSE
Corporate Governance Statement	Describes Kogan.com's position in relation to each of the <i>Corporate Governance Principles and Recommendations</i> applicable to entities listed on the ASX. Responsibility for the Group's corporate governance rests with the Board.
Board Skills Matrix	Provides a guide as to the skills, knowledge, experience, personal attributes and other criteria appropriate that Kogan.com aims to achieve in its Board membership. The Board is skills-based comprising Directors who collectively have the skills, knowledge and experience to effectively govern and direct the Group.
Process for Evaluation of Performance	Describes the process for monitoring and evaluating the performance of the Board, its Board Committees and individual Directors in order to fairly review and actively encourage enhanced Board, Committee and individual Director effectiveness.
Shareholder Communication Policy	Articulates how Kogan.com ensures that Shareholders, regulators and the wider investment community are informed of all major developments affecting the Group in a timely and effective manner. This includes how information is communicated related to updates on operations and supply chain.

ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS CONTINUED

STATEMENT / POLICY / PROCEDURE	PURPOSE
Code of Conduct	Outlines how Kogan.com expects team members to act towards each other and extends to the Kogan Community in which it operates. The Group is committed to complying with all applicable laws and regulations and acting in a manner that is consistent with the principles of honesty, integrity, fairness and respect.
Anti-Discrimination and Harassment Policy	Articulates Kogan.com's expectation that all team members and stakeholders with respect and courtesy. Any form of discrimination or harassment is not tolerated by Kogan.com.
Workplace Bullying Policy	Articulates Kogan.com's expectation that all team members treat each other with dignity, courtesy and respect. The Company is committed to preventing workplace bullying, as far as reasonably practical, as part of providing a safe and healthy work environment.
Occupational Health & Safety (OH&S) Policy	Articulates Kogan.com's commitment to providing a safe, healthy and secure work environment for its team members, contractors, visitors, and those affected by its operations and activities.
Whistleblower Policy	Ensures individuals who disclose wrongdoing can do so safely, securely and with confidence that they will be protected and supported. Kogan.com recognises the importance of transparency and accountability in its operations to promote best practice in Corporate Governance. The Company is committed to the highest standards of conduct and ethical behaviour in all of its business activities across the Group.
Kogan Vendor Selection and Master Data Process (VSMDP)	Articulates Kogan.com's vendor / supplier onboarding and management process, including the requirement for third-party audits conducted by Business Social Compliance Initiative (BSCI) audits for key suppliers.
Ethical & Sustainable Sourcing Policy	Kogan.com places a great emphasis on working with ethical suppliers. This policy articulates the non-negotiable and desirable requirements for working with Kogan.com.

Kogan.com is committed to acting ethically and responsibly in all its business activities. Kogan.com has an extraordinary culture of integrity and values that is respected by all team members and each team member is accountable for meeting the expectations the business has in maintaining this position.

MANAGING RISKS THROUGH SUPPLIER AGREEMENTS AND AUDITS

Kogan.com's contracting process with direct suppliers is a key element of its strategy to mitigate modern slavery risks in the global supply chain. Suppliers are evaluated to identify the potential risks associated in their operations against Kogan.com's Ethical & Sustainable Sourcing Policy.

Kogan.com engages with commercial organisations who are reputable with products of high quality. The Company manages modern slavery risks in its supply chain through following the Vendor Selection and Master Data Process (VSMDP) and requiring suppliers to commit to the Kogan.com Supplier Agreement and Ethical & Sustainable Sourcing Policy.

ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS CONTINUED

EXTRACT FROM OUR SUPPLIER AGREEMENT

The Supplier warrants to Kogan.com that it:

- i. has, and will continue to, take all steps necessary to ensure there is no modern slavery in its supply chains or the supply chains of its sub-contractors;
- ii. has, and will continue to, implement, review and amend (as necessary) due diligence procedures for its own suppliers and sub-contractors to ensure that there is no modern slavery in its supply chains or the supply chains of its sub-contractors;
- iii. will notify Kogan.com immediately if it becomes aware of any actual, or suspected, modern slavery in its supply chains, or the supply chains of its sub-contractors; and
- iv. will maintain complete, accurate and up-to-date Records in relation to its supply chains and the supply chains of its sub-contractors, including in respect of its modern slavery due diligence procedures.

Violations to either of these may result in further investigation, penalties and / or termination of the agreement.

Kogan.com utilises a risk-based approach in determining which due diligence processes to follow for new and existing suppliers.

Independent third-party audits, dated within 12 months from a respected auditing provider, are required of suppliers who will supply products in excess of a predetermined threshold. BSCI audits have been completed for key suppliers, through which an evaluation of the supplier's processes and working conditions was completed. Where available, Modern Slavery Statements or other forms of assurance produced by suppliers is obtained for record keeping.

ENGAGEMENT AND RELATIONSHIPS

Kogan.com values the importance of collaborating with industry-wide initiatives, government and non-government organisations in managing modern slavery risks. The Company supports the declarations, objectives and principles of the International Labour Organisation (ILO) and the Ethical Trading Initiative (ETI) which are based on the principles of the United Nations Universal Declaration of Human Rights.

TRAINING AND DEVELOPING CAPABILITY

Kogan.com values the importance of developing the capability of our team members across all teams through various training programs. Kogan.com's buying and procurement team members, who regularly communicate with suppliers and are adept at recognising and addressing potential indicators of modern slavery risks should they arise.

GRIEVANCE MECHANISMS

Kogan.com has established reporting mechanisms and resolution processes whereby team members and third-parties can report concerns relating to unethical or illegal activities including human rights and modern slavery. Grievance mechanisms and resolution processes are managed through the Whistleblower, Anti-Discrimination and Harassment, and Workplace Bullying policies. The Company reviews grievance data to identify any trends and performs an analysis to determine the root cause of issues raised.

REMEDIATION

Where instances of non-compliance with Company policies or procedures are identified, the supplier must remediate the issue within an appropriate period of time, determined by the nature and severity of the instance. Kogan.com's audit process supports remediating supplier non-compliance by addressing any issues, which ultimately improves conditions for workers. If a supplier is not willing or able to address instances of non-compliance or it is considered too severe to remediate, the Company will no longer purchase from the supplier.

IMPACT OF COVID-19 ON HUMAN RIGHTS AND MODERN SLAVERY

Events related to the coronavirus pandemic (COVID-19) have resulted in significant human and economic impacts around the world. There is continued uncertainty as to ongoing and future response of governments and authorities globally. As such, the full impacts of COVID-19 on consumer behaviour, suppliers, employees and the business are not fully known. It is possible that the consequences of COVID-19 may have increased inherent modern slavery risks in parts of Kogan.com's operations and supply chains.

Delivering strong growth in the business in the midst of an extremely turbulent and challenging period for the world and country has enabled Kogan.com to help Australians in their time of need and provide continued support for suppliers.

To assess and better understand the risks resulting from COVID-19, Kogan.com engaged with suppliers to consider the impacts on their operations. This included reviewing new resources about the heightened risks, considering the approach taken by the industry, consulting with business peers, investors and team members, and updating risk assessments.

EFFECTIVENESS OF ACTIONS TAKEN

Currently no single international standard exists for measuring the impact on human rights based on specific measures or criteria, which makes assessing the effectiveness of actions taken in addressing modern slavery risks challenging for all organisations. Kogan.com has worked towards an assessment related to modern slavery risks in its operations and supply chain. Key actions taken include:

GOVERNANCE

1. Overview and monitoring of processes and procedures by the Board and senior management; this includes discussions held with the Executive Directors and at Board meetings
2. Periodic review by the Committee of the Group's risk profile and material business risks
3. Periodic review and update of Supplier Agreements to ensure they remain fit for purpose and adequately assess modern slavery risks.

THIRD PARTY ETHICAL AND SUSTAINABILITY AUDIT PROGRAMS

4. Based on the Company's risk-based approach, Kogan.com conducted third-party audits through BSCI for key suppliers. Audits performed during the year did not identify modern slavery risk in Kogan.com's tier one suppliers.

EFFECTIVENESS OF COMPLAINTS OR GRIEVANCE MECHANISMS

5. Kogan.com provided effective company-based grievance mechanisms to identify and escalate potential issues pursuant to Kogan.com's Whistleblower Policy. Team members are actively encouraged to voice their concerns without fear of retribution and with full confidentiality, if required. During the year there were no reports of modern slavery concerns received.

CONSULTATION WITHIN THE GROUP

Kogan.com has consulted with the relevant team members within the Company for the purpose of this Statement, including members of the Senior Leadership Team. The consultation process was risk-based and included those entities owned or controlled by Kogan.com with active business operations. It was not considered to be necessary to consult with owned or controlled entities which exist principally for corporate reasons and do not have active business operations.

LOOKING FORWARD

Kogan.com recognises that continuous improvement is a key element of an effective response to modern slavery risks. In the course of conducting analysis and assessments for the purpose of this Statement, Kogan.com has considered a range of potential initiatives which may support continuous improvement. These include modern slavery governance and policy requirements, risk and compliance measures, and activities to promote awareness and enhance capability through its supply chain and operations.

Kogan.com will prioritise these potential initiatives having regard to the nature and extent of the Company's risk profile and the reasonably anticipated benefits. Additional training on modern slavery for team members is an important initiative, which will be delivered through the course of the next reporting period. An update on other relevant future areas of focus will be provided in the Statement for the next reporting period.

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