

# Modern Slavery Statement 2023

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## Statement of the reporting entity.

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 2023.

This Statement outlines the measures taken by the Company during the financial year ended 30 June 2023 to reduce the risk of modern slavery<sup>1</sup> occurring in the Company's businesses or its supply networks.

Kogan.com opposes modern slavery in all its forms.

<sup>1</sup> 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.

## Chairman's message.

*"In today's global landscape, it's essential to recognise the complex realities and potential challenges associated with modern slavery, as we unite in our effort to build a future underpinned by ethical principles and compassion."*



Modern slavery refers to any form of exploitation where individuals are forced to work under oppressive conditions against their will. It includes practices like forced labor, human trafficking, child labour and deceptive recruitment. Victims often endure manipulation, threats, and violence. The global effort against modern slavery aims to prevent such practices, protect victims, and prosecute those responsible for these violations of human rights. To put things into context, the findings of the Global Slavery Index 2023, published by Walk Free, estimated that as many as 50 million people were living in modern slavery conditions, including an estimated 41,000 in Australia.

This Modern Slavery Statement is our fourth, prepared and published for the purposes of the Modern Slavery Act (Cth) 2018 (Modern Slavery Act). In accordance with the Modern Slavery Act, this Modern Slavery Statement outlines the measures we have implemented to mitigate modern slavery risks within our operations and supply networks, along with an assessment of their effectiveness.

In the past 12 months, we have continued to take comprehensive steps to enhance our understanding and management of modern slavery risks. Our due diligence processes underwent further refinement, involving constructive conversations with our suppliers and the strict enforcement of stringent measures to uphold compliance in line with our supplier agreements and Ethical & Sustainable Sourcing Policy.

Continuing our commitment, we invested in the enhancement of our training programs to maintain awareness among our employees regarding the indicators of modern slavery. Our ongoing focus revolves around nurturing a culture of vigilance and accountability, with the ultimate aim of constructing a resilient framework to shield our business operations from the infiltration of modern slavery.

As Australia's largest pure-play online retailer, we oversee a global sourcing network that extends to 16 countries worldwide, along with additional locations for outsourced services, and interact with over 500 suppliers. This is in addition to over 300 service providers to support the operations of the business. This extensive reach underscores our recognition of the crucial role that Kogan.com must play in the efforts to eliminate modern slavery. This year, as travel restrictions eased following the COVID-19 pandemic, a number of our Purchasing Team members were able to resume visits to various sourcing locations. This enabled us to personally assess working conditions at some of our major suppliers and validate the social compliance certification results mandated for all Kogan.com suppliers.

As we look forward, we remain dedicated to continuous improvement. We note the welcome recommendations tabled in May 2023 as part of the Modern Slavery Act review undertaken by the Attorney-General's Department. Our team is currently in the process of ensuring our processes address each of these recommendations where applicable to Kogan.com.

I'm pleased to present this Modern Slavery Statement on behalf of the Kogan.com Board, and welcome any feedback.

This statement covers Kogan.com Ltd, the holding company, including all its subsidiaries (**Kogan.com**), and has been approved by the Board of Kogan.com.

Greg Ridder  
Chairman  
December 2023

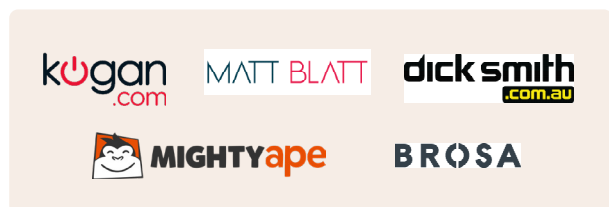
# Our Structure, operations & supply network.

## Our structure & operations

Kogan.com first commenced in 2006, and later listed on the ASX in 2016. Since launching, we have become synonymous with price leadership through digital efficiency. The Group is focused on making in-demand products and services more affordable and accessible.

Kogan.com is headquartered in Melbourne, Australia and operates across both Australia and New Zealand. Our team consisted of approximately 160 team members in Australia and 320 team members in New Zealand as at 30 June 2023.

Kogan.com is a portfolio of retail and services businesses consisting of 5 well known brands:



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.

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.

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.

In December 2022, Kogan.com acquired Brosa, one of Australia’s leading online furniture retailers, out of administration. For further details on this acquisition, please refer to the ASX announcement on 22 December 2023 titled Kogan.com Acquires Brosa.

Across these 5 platforms, Kogan.com operates Kogan Retail, Kogan FIRST, Kogan Marketplace, Kogan Mobile, Kogan Internet, Kogan Insurance, Kogan Money, Kogan Cars and Kogan Energy.



### 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 FIRST

Kogan FIRST loyalty program was launched in the last quarter of FY19, and grew to over 401,000 subscribers at 30 June 2023, representing 7.8% growth year-on-year. Kogan FIRST Subscribers are offered exclusive deals on top of everyday discounts on the platform, Kogan FIRST Reward Credits, free shipping, double Qantas Rewards points, entries to win major prizes and priority Customer Care.



### Kogan Mobile

Kogan Mobile Australia launched in October 2015 offering pre-paid mobile phone plans online. We partner with part of TPG to deliver this amazing vertical. The strong commercial relationship with TPG has translated into a return to growth in Revenue for Kogan Mobile Australia in FY23. The unique model means that TPG is responsible for operations, while Kogan is responsible for branding, marketing and customer acquisition.

# Our Structure, operations & supply network.



## **Kogan Insurance**

Kogan Insurance launched in August 2017 to offer general insurance, covering home, contents, landlord, car and travel insurance, with a focus on value for money. Following a new agreement during FY22, QBE now underwrites our general insurance policies, with Kogan.com earning commission on the sale of all insurance policies. Similarly to our other Verticals, Kogan.com provides branding, marketing and customer acquisition for all insurance offerings.



## **Kogan Internet**

Under an expanded partnership with part of TPG that was announced in June 2017, Kogan Internet launched in April 2018, providing fixed line NBN plans.



## **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 lowest fee superannuation options.



## **Kogan Mobile New Zealand**

Kogan Mobile New Zealand launched in 1HFY20 in partnership with One NZ, offering telecommunications services in New Zealand. One 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 Shell Energy Operations Pty Ltd.



## **Kogan Money Credit Cards**

Kogan Credit Cards, in partnership with NAB, 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.

## Governance & policies.

The Kogan.com Audit and Risk Management Committee, overseen by the Kogan.com Board, is instrumental in ensuring Kogan.com's risk management system is effective and addresses critical risk areas. This committee operates under the approved Audit and Risk Management Charter.

The Committee convened three times in FY23, meeting its minimum requirements. Specifics of attendance at these Committee Meetings can be found in the Director's Report of the 2023 Annual Report.

A Risk Management Policy, along with the Risk Register, is adopted by the Board and subject to an annual review by the Committee.

The Board, responsible for reviewing and approving all policies, also considers and takes appropriate action on key risks identified through the annual external audit. Additionally, the Board or the Committee (as applicable) actively monitors the Group's potential exposures through continuous reporting by the Kogan.com Chief Financial Officer, Chief Operating Officer, and Executive Director.

The Senior Management Team at Kogan.com plays a

pivotal role in establishing and maintaining systems, processes, and controls to minimise identified potential risks to an acceptable level. Both the Board and the Committee assess emerging risks and opportunities, with all team members obligated to promptly report any new or evolving risks to management.

Kogan.com adheres to a governance framework encompassing policies, procedures, and frameworks ensuring that all Directors, Senior Management, and team members are well-informed about the expectations governing their day-to-day behaviours and actions.

In the fiscal year 2023, Kogan.com upheld its commitment to reporting and transparency on Environmental, Social, and Governance (ESG) matters. For detailed information on Kogan.com's ESG progress, please refer to [esg.kogan.com](https://www.kogan.com/esg).

The documents most relevant to reducing modern slavery risks within the Company are detailed below:

Statement / Policy / Procedure	Purpose
Corporate Governance Statement	Explains Kogan.com's compliance with the Corporate Governance Principles and Recommendations relevant to ASX-listed entities, outlining the Board's accountability for the Group's corporate governance.
Board Skills Matrix	Outlines the criteria for skills, knowledge, experience, personal attributes and other relevant criteria that Kogan.com seeks in its Board Members. The Board is composed of individuals with diverse skills, knowledge, and experience, ensuring effective governance and direction for the Group.
Process for Evaluation of Performance	Outlines the procedure for overseeing and assessing the performance of the Board, its Committees, and individual Directors to impartially evaluate and actively promote improved effectiveness in the Board, Committees, and individual Directors.
Shareholder Communication Policy	Explains the methods through which Kogan.com guarantees that Shareholders, regulators, and the broader investment community receive timely and effective information about significant developments impacting the Group. This includes the communication of updates on operations and supply chains.

## Governance & policies.

Statement / Policy / Procedure	Purpose
Code of Conduct	Describes Kogan.com's expectations for the behaviour of team members toward each other and within the broader Kogan Community. The Group is dedicated to adhering to all relevant laws and regulations while conducting itself in a manner aligned with principles of honesty, integrity, fairness, and respect.
Anti-Discrimination and Harassment Policy	Outlines Kogan.com's expectations that all team members and stakeholders treat each other with respect and courtesy. Any form of discrimination or harassment is not tolerated at Kogan.com.
Workplace Bullying Policy	Outlines Kogan.com's expectations that all team members and stakeholders interact with one another in a respectful and courteous manner. Any instance of discrimination or harassment is not accepted at Kogan.com.
Occupational Health & Safety (OH&S) Policy	Communicates Kogan.com's dedication to ensuring a work environment that is safe, healthy, and secure for its team members, contractors, visitors, and those impacted by its operations and activities.
Whistleblower Policy	Guarantees that individuals disclosing wrongdoing can do so securely, confidently, and with assurance of protection and support. Kogan.com acknowledges the importance of transparency and accountability in its operations to foster best practices in Corporate Governance. The company is dedicated to upholding the highest standards of conduct and ethical behaviour across all its business activities within the Group.
Kogan Vendor Selection and Master Data Process (VSMDP)	Describes Kogan.com's process for onboarding and managing vendors/suppliers, which includes the necessity for third-party audits by the Business Social Compliance Initiative (BSCI) for key suppliers.
Ethical & Sustainable Sourcing Policy	Kogan.com places significant importance on collaborating with ethical suppliers. This policy outlines the essential and preferred criteria for engaging with Kogan.com.

# Supply networks.

Kogan.com boasts a highly efficient and streamlined supply network that plays a pivotal role in its success. The company leverages a comprehensive network of suppliers and logistics partners to ensure a seamless flow of products from manufacturers to customers.

Kogan Retail offers a carefully curated range of thousands of products spanning electronics, homewares, apparel, office and technology products. The Kogan Retail supply network encompasses the production and delivery of items offered by the company, spanning both Exclusive Brands and Third-

Party Brands. This involves various international aspects such as manufacturing locations, import processes into Australia, and the subsequent retailing and distribution of the products to consumers.

Kogan.com also works with hundreds of service providers to support its operations. These services span IT, logistics, marketing, BPO services, professional services, as well as security and cleaning.

Suppliers for Kogan Retail and other services are primarily located across 17 countries as outlined below.



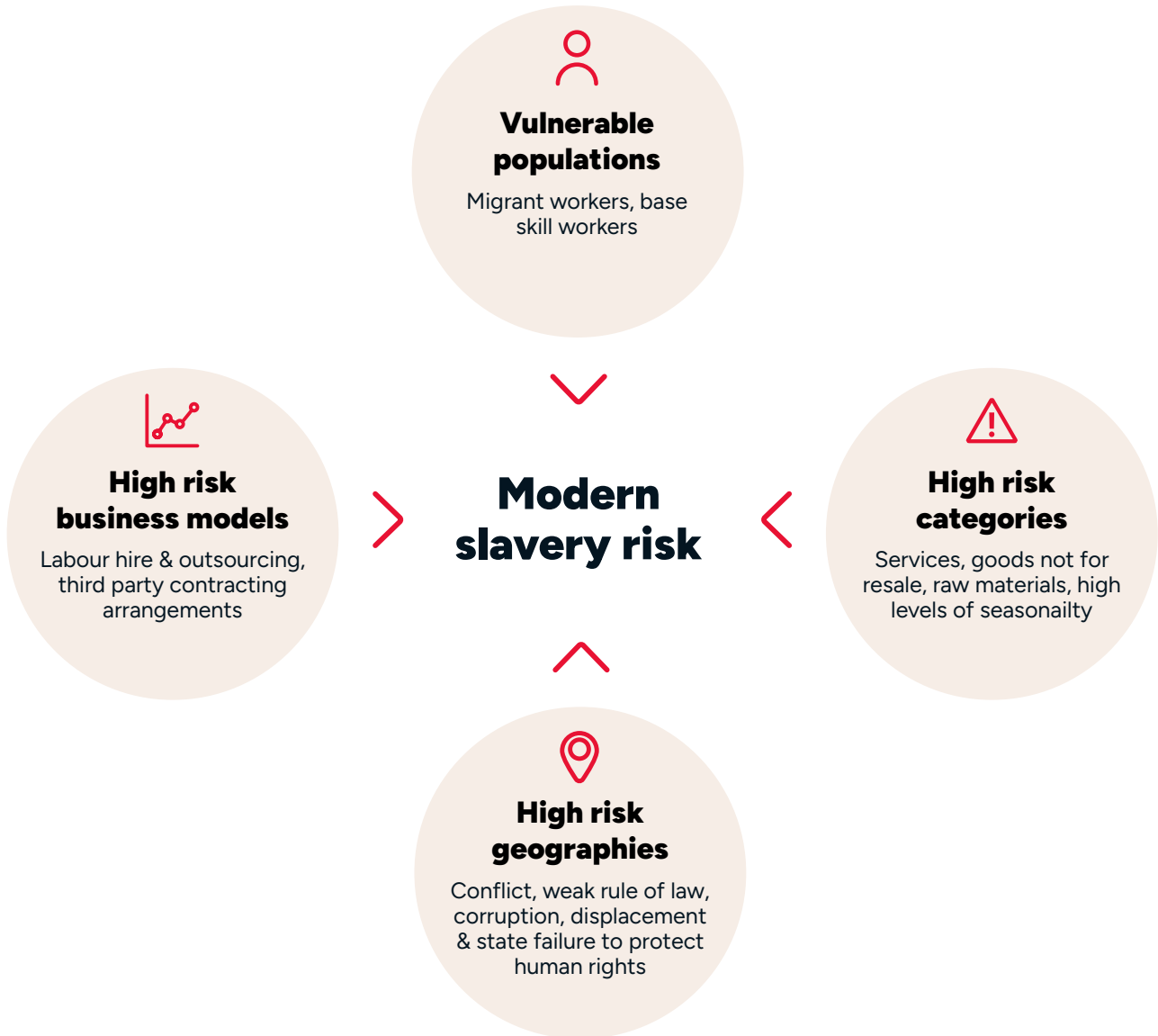
Kogan Marketplace partners with thousands of Marketplace Sellers who offer millions of products on the Kogan.com platform. During the onboarding process for each Marketplace Seller, a thorough review is conducted to understand their sourcing and processes. Approval is granted exclusively to those who align with Kogan.com's ethical sourcing standards.

Kogan.com works with 10 partners to deliver Kogan Verticals. Each of these partners are market leaders in their industry. All of them make public their very own Modern Slavery Statements, and we work very closely to ensure modern slavery does not exist within our processes.



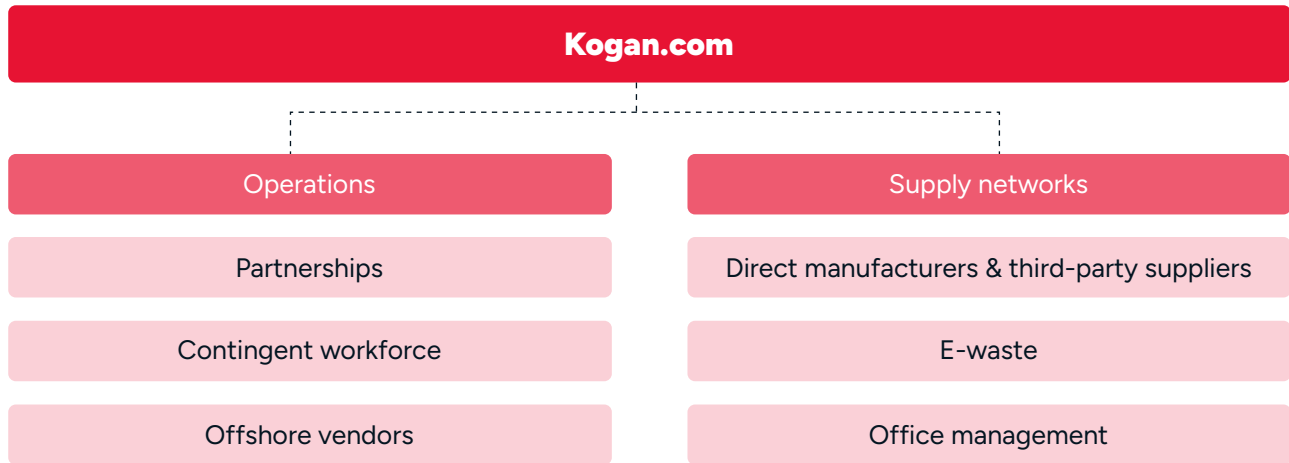
# Modern Slavery risk areas.

Kogan.com examined four critical elements that heighten the risk or perception of potential modern slavery. When multiple factors associated with modern slavery risk coincide, the likelihood of actual harm increases. These four key factors have remained unchanged since our previous statement and will continue to undergo an annual review.



# Modern Slavery risk areas.

Considering these risk factors, along with the operations and supply networks of Kogan Retail and services, the following potential risks have been identified:



## Operations

### Partnerships

The companies that Kogan.com works with could have processes and practices that are not aligned with Kogan.com’s expectations, requirements, and good practice in relation to identifying and managing modern slavery risk.

### Contingent workforce

Kogan.com’s contingent workforce scales in line with peak sales periods through the year. These workers are considered base-skilled workers, primarily working on repeatable administrative and clerical services. Base-skilled workers can be at higher risk of modern slavery due to increased vulnerabilities.

### Offshore vendors

Kogan.com has service agreements in place with several offshore vendors who provide BPO services, tax-related services and IT services. Kogan.com has identified that some of the countries from which these services are provided are at higher risk of potential modern slavery practices based on their geography and the presence in some cases of high-risk business models, high-risk categories, and population vulnerabilities.

## Supply networks

### Direct manufacturers and third-party suppliers

Kogan.com sources items for resale from across the globe. We have identified that, based on the geographical locations involved, there is the potential risk for forced labour, child labour, deceptive recruitment and bonded labour.

### E-waste

The disposal of electronic waste (e-waste) is notoriously difficult to track, however research and reporting linked e-waste items from Australia to offshore waste facilities where child labour and hazardous work conditions are prevalent. Kogan.com uses E-Cycle Solutions for its e-waste processing.

### Office management

Kogan.com procures various categories of services including cleaning, information technology and maintenance services. Subcontractors in these fields can be from populations with heightened vulnerability to modern slavery, including base-skilled workers and workers from migrant, low socio-economic or culturally and linguistically diverse backgrounds.

# Actions taken to address Modern Slavery risks.

## 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 engage with commercial organisations who are reputable with products of high quality. The Company manages modern slavery risks in its supply network 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.

The Compliance Team actively engaged stakeholders across all categories and ensured all relevant accreditations and certifications documents were available and valid. Our Purchasing team visited a number of our suppliers premises to validate audit reports, confirming working conditions were as described and in line with expectations.

### Extract from our Supplier Agreement

The supplier warrants to Kogan.com that, at all times:

- a. Has taken all steps necessary to ensure there is no Modern Slavery in its supply chains or the supply chains of its subcontractors;
- b. Has implemented, reviewed and amended (as necessary) due diligence procedures for its own suppliers and subcontractors to ensure that there is no Modern Slavery in its supply chains or the supply chains of its subcontractors;
- c. 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 subcontractors; and
- d. Will maintain complete, accurate and up-to-date records in relation to its supply chains and the supply chains of its subcontractors including in respect of its Modern Slavery due diligence procedures.

Violations to any 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.

## **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 Organisations (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.**

We recognise the importance of enhancing our teams' capabilities, by placing a strong emphasis on various training programs. Specifically, Kogan.com's Purchasing team, responsible for regular communication with suppliers, is well-versed in identifying and addressing potential indicators of modern slavery risks. Regular communications ensure that potential modern slavery risks are thoroughly discussed.

During the year Kogan.com organised training sessions for our Purchasing teams, focusing on Modern Slavery principles and their roles within the business. These sessions comprehensively covered diverse aspects of the Modern Slavery landscape, including risk identification and mitigation, continuous improvement, adherence to legal requirements under the Modern Slavery Act, and practical examples relevant to our business.

## **Grievance mechanism.**

Kogan.com, through its Whistleblower, Anti-Discrimination and Harassment, and Workplace Bullying policies, has established reporting mechanisms and resolution processes. These procedures enable both team members and external parties to report concerns related to unethical or illegal activities, which may include human rights and modern slavery issues. The Company conducts a comprehensive review of grievance data to identify any discernible patterns, and through analysis, aims to determine the root causes of potential 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. In FY23, no such cases were brought to the attention of, or brought to the attention of, management.

## Effectiveness of actions taken.

Kogan.com recognises the importance of measuring the effectiveness of different actions taken to assess and address modern slavery risks and compliance with relevant modern slavery laws.

Area	Measurement of effectiveness
Governance	Kogan.com maintains strong governance by regularly overseeing processes and procedures. The Board and senior management discuss these matters with Executive Directors and during Board Meetings. The Committee conducts periodic reviews of the Group's risk profile and significant business risks. To address modern slavery risks, Supplier Agreements are regularly reviewed and updated for relevance. This demonstrates the Company's commitment to effective governance, risk management, and compliance with modern slavery regulations.
Third-party ethical and sustainability audit program	Following the Company's risk-based approach, Kogan.com verified key suppliers through third-party audits conducted via BSCI. The audits were supplemented by a number of in-person visits by the Kogan.com Purchasing team, specifically in China. The audits conducted throughout the year did not reveal any modern slavery risk within Kogan.com's primary supplier network.
Education and training	Kogan.com conducted training for relevant team members regarding modern slavery risks. The Company is committed to ongoing efforts in developing and delivering education and training to both management and relevant team members.
Effectiveness of complaints or grievance mechanism	Kogan.com continued to provide robust company-based grievance mechanisms to detect and escalate potential issues in accordance with Kogan.com's Whistleblower Policy. Team members were actively encouraged to express their concerns without fear of retaliation, and complete confidentiality was ensured if needed. Throughout the year, no reports of modern slavery concerns were received.

## Consultation within the Group.

For the preparation of this modern slavery statement, Kogan.com engaged in a risk-based consultation process with relevant team members, including those from the Senior Leadership Team and entities owned and controlled by Kogan.com. Oversight for the completion of the statement was provided by the Audit & Risk Committee and the Board.

## Looking forward.

Kogan.com consistently evaluates its approach to identifying and assessing modern slavery risks, the responsive actions taken when such risks are identified, and potential enhancements in these processes. This ongoing review reflects the company's commitment to refining and strengthening its measures against modern slavery.

Continuing forward, our focus remains on prioritising impactful and industry-relevant initiatives where we can wield significant influence. This strategy aims to educate and embolden our partners in tackling human rights challenges effectively. To achieve this objective, our compliance team will persist in crafting and enacting guiding policies, frameworks, and governance structures. This ongoing effort ensures both ourselves and our suppliers remain effective in meeting these goals.

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