



# CODE OF CONDUCT



**kogan.com**

Kogan.com Limited ACN 612 447 293



**Kogan.com Limited**

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# TABLE OF CONTENTS

Page no.

<b>1</b>	<b>INTRODUCTION .....</b>	<b>2</b>
1.1	Summary .....	2
1.2	Who does this Code apply to? .....	3
1.3	Where can Personnel get a copy of this Code? .....	3
1.4	Adherence to this Code and reporting .....	3
<b>2</b>	<b>OBJECTIVES .....</b>	<b>4</b>
<b>3</b>	<b>FUNDAMENTAL PRINCIPLES .....</b>	<b>4</b>
3.1	Overview .....	4
3.2	Honesty, Integrity and Fairness .....	5
3.3	Professional and Proper Conduct .....	5
3.4	Responsibilities to Shareholders and Financial Markets .....	6
3.5	Compliance with laws, policies and procedures .....	8
3.6	Relationship with politicians and government officers .....	9
3.7	Confidential information, privacy, and maintenance of business records .....	9
3.8	Conflicts of interest .....	10
3.9	Engaging external personnel .....	10
3.10	Employment practices .....	11
3.11	Use of resources and information systems .....	11
3.12	Information Systems .....	11
3.13	Intellectual Property .....	12
3.14	Cessation of Engagement .....	12

# 1 INTRODUCTION

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## 1.1 Summary

- (a) Kogan.com Limited and its subsidiaries (the “**Company**”) are 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. The Company seeks to achieve these objectives by setting clear standards against which to guide its decision making. Directors and management of the Company are committed to maintaining the best practice in corporate governance and observing high standards of ethics and behaviour in all of the Company’s activities, including interaction with its customers, securityholders, employees, suppliers, business partners, the community and environment in which the Company operates. The Company expects all employees to help the Company achieve this commitment.
- (b) The board of directors of the Company (“**Board**”) has adopted this Code to provide a set of guiding principles which are to be observed by all of the Company’s personnel (including directors, senior executives and employees) (“**Personnel**”). This Code provides a common behavioural framework for all Personnel, irrespective of their job or location but is not intended to be all encompassing. There are areas in which the Company has or may develop specific detailed policies. This Code is to be read and applied in conjunction with any such policies. Nothing contained in this Code overrides any relevant laws, regulations, awards or applicable license or permit conditions. The Board will keep this Code under review to ensure that it continues to evolve and reflect stakeholder and community expectations.
- (c) All Personnel are expected, at all times, to act consistently with the fundamental principles of the Company as set out in this Code. All Personnel are expected to:
  - (i) Work diligently, act in good faith, and act in the best interests of the Company.
  - (ii) Promote and protect the business, reputation, general interests and welfare of the Company, and promote the values of the Company. This includes assisting in establishing, maintaining and enhancing the reputation of the Company and ensuring that the high standards of ethics and behaviour that the Company is committed to are observed.
  - (iii) Comply with all applicable local, national and international laws.
  - (iv) Respect and preserve confidentiality.
  - (v) Refrain from misusing any information, assets, systems or facilities of the Company, including email and internet facilities, and ensure that these facilities are not used to access or distribute illegal, offensive or otherwise inappropriate material, or for any other purpose which may damage the reputation of the Company.
  - (vi) Value, promote and maintain professionalism.
  - (vii) Avoid conflicts of interest with the Company, and advise the Company of any conflict or potential conflict of interest.
  - (viii) Assist the Company in operating ethically and complying with the law.
  - (ix) Maximise workplace safety.
  - (x) Show fairness, courtesy, respect, consideration and sensitivity in all dealings within the workplace and with customers, suppliers and the public.

- (xi) Endorse and support diversity in the Company's employment practices.
- (xii) Avoid any form of discrimination, bullying, harassment or other inappropriate workplace behaviour, and take action to prevent or stop these behaviours if demonstrated by others.
- (xiii) Comply with all applicable policies and procedures of the Company, including this Code.
- (xiv) Promote the Company's values in the performance of their duties.

## 1.2 Who does this Code apply to?

- (a) This Code applies to all Personnel.
- (b) This Code applies to Personnel whenever Personnel are identified as a representative of the Company. In some circumstances, this will include times when Personnel are outside of their workplace or working hours.
- (c) Contractors, consultants, agents and other intermediaries of the Company are also expected to know and observe the Company's standards and must be made aware of this Code.

## 1.3 Where can Personnel get a copy of this Code?

A copy of this Code can be found on the Company's website. Copies of this Code will also be provided to all new directors and employees when they join the Company. Personnel may be notified of changes to this Code via the staff notice board, or by any other means considered appropriate. Personnel must ensure that they comply with this Code and the Company's policies and procedures as in place from time to time.

## 1.4 Adherence to this Code and reporting

### (a) Adherence

- (i) This Code has the full support of the Board and the Company, and the Company takes compliance with this Code seriously. As a measure of accountability, compliance with this Code is monitored by the Company's Board or, if established, the audit and risk management committee on behalf of the Board.
- (ii) If Personnel breach this Code, they may face disciplinary action, including termination of their employment or engagement. If the situation involves a breach of law or other regulation, the matter may also be referred to an appropriate law enforcement authority.

### (b) Reporting

- (i) All Personnel have a responsibility to immediately report any breaches of this Code by a colleague to their immediate supervisor, and Personnel should also report conduct where they are unsure whether a breach of this Code has occurred. All reports will be kept confidential and no person will be disadvantaged or prejudiced by reporting in good faith a breach or suspected breach of a law, regulation or provision of this Code. The Corporations Act 2001 (Cth) ("**Corporations Act**") also gives special protection to disclosures about breaches of that Act, as long as certain conditions are met.
- (ii) Further, should any Personnel have any grievance or complaint with respect to the actions or conduct of other Personnel, or compliance by any Personnel with any provision of any other policies of the Company, they should raise them with their manager. If the grievance or complaint is not resolved in this way, or if the Personnel does not feel comfortable discussing the issue with their manager, then the matter should be raised

with a higher manager that they feel comfortable discussing the complaint or grievance with.

- (iii) In order to manage the complaint effectively, the person who receives the complaint may take notes of the complaint or consult with other managers or directors of the Company. Personnel may also be asked to provide details of the grievance and/or complaint, including in writing, in order for the Company to investigate the complaint. Personnel may also be asked to participate in discussions deemed appropriate by the Company to amicably and professionally resolve the matter.
- (iv) If a complaint is substantiated, the Company will take appropriate action which may include disciplinary action up to and including termination of a Personnel's employment or engagement.
- (v) Personnel who raise genuine grievances or complaints will be provided a safe environment in which to speak up. However if the Company is satisfied that any Personnel has brought a false, unfounded or vexatious grievance or complaint, the Company may take disciplinary action which could include termination of a Personnel's employment or engagement.

## **2 OBJECTIVES**

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The Company's primary objective is to provide a satisfactory return to its shareholders.

The Company aims to achieve this by:

- (a) Satisfying the needs of customers through the provision of goods and services on a competitive and professional basis.
- (b) Providing a fulfilling and safe work environment for employees, rewarding good performance, and providing opportunities for advancement within the Company.
- (c) Contributing to the growth and prosperity of the communities where the Company operates, by conducting existing operations in an efficient manner and by seeking opportunities for growth that will generate and sustain shareholder value.
- (d) Responding to the reasonable and legitimate expectations of other stakeholders and of the communities in which the Company operates.
- (e) Acting with honesty and integrity in dealings both inside and outside the Company.

## **3 FUNDAMENTAL PRINCIPLES**

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### **3.1 Overview**

- (a) All Personnel are expected at all times to act consistently with the fundamental principles of the Company, including ethical behaviour, honesty, integrity and respect. These principles are described in this Code and are categorised as follows:
  - (i) Honesty, integrity and fairness.
  - (ii) Professional and proper conduct.
  - (iii) Responsibilities to shareholders and financial markets.
  - (iv) Compliance with laws, policies and procedures.
  - (v) Relationship with politicians and government officers.
  - (vi) Confidential information, privacy and maintenance of business records.

- (vii) Conflicts of interest.
  - (viii) Engaging external personnel.
  - (ix) Employment practices.
  - (x) Use of the Company's resources and information systems.
- (b) Personnel who perform a managerial or supervisory role may be subject to additional responsibilities and expectations. The Company expects that Personnel in managerial or supervisory roles will set and comply with a higher standard of professional conduct and act as a role model for other Personnel.

### **3.2 Honesty, Integrity and Fairness**

- (a) Honesty, integrity and fairness are integral to the way in which the Company's businesses operate and should guide all Personnel in their decision making. These values are expected of all Personnel in order to maintain the trust of the Company's customers and the Personnel's colleagues, the community and shareholders.
- (b) Honesty and integrity also extends to reporting the suspicious or dishonest conduct of any other Personnel.
- (c) Personnel must display honesty, integrity and fairness by abiding by the following principles:
- (i) Comply with and uphold all laws against bribery and related improper conduct in all jurisdictions where the Company operates.
  - (ii) Do not use funds, property, information or information systems belonging to the Company for personal benefit, or the benefit of unauthorised third parties.
  - (iii) Accurately document all business dealings to reflect the true nature of the transaction. Expenditure must be reported accurately and in a timely manner.
  - (iv) Do not offer, provide or accept gifts or hospitality in circumstances which could be considered to give rise to undue influence. Gifts must be recorded in accordance with the anti-bribery obligations contained in this Code.
  - (v) All discounts to Personnel and customers of the Company must be approved by a manager and be recorded on sales invoices, and may not be taken in the form of additional unrecorded goods, or goods of higher quality or value than those invoiced. In the case of authorised discounts, this must be immediately recorded on the Company's authorisation documentation.
  - (vi) Ensure that any engagement with public departments or other government officials on the Company's behalf is done on an arm's length basis.
  - (vii) Do not make political donations at a business level (these must be authorised by the Board).
  - (viii) Do not in any way mislead or misrepresent products or services, or engage in any unlawful anti-competitive conduct.

### **3.3 Professional and Proper Conduct**

- (a) **General**

- (i) The Company's shareholders, customers and the communities in which the Company operates expects the Company and those who work for and represent it to act in a professional manner.
  - (ii) Personnel must maintain their professionalism, and the reputation of the Company, by:
    - (A) Undertaking their duties with care and diligence, seeking to achieve excellence in their roles.
    - (B) Being accountable for their decisions and actions.
    - (C) Dealing fairly with all of the Company's customers, suppliers, competitors and any other third parties or business partners.
    - (D) Using the Company's information systems, including email, messaging and internet access for proper purposes.
    - (E) Acting in a manner that takes into account the Company's impact on the broader community and the environment.
- (b) **Conduct during hours of work**
- (i) Personnel must act professionally and to the highest standards expected of them during hours of work, including by abiding by the following principles:
    - (A) Personnel must not be intoxicated or under the influence of alcohol, illicit substances or medication that affects their capacity to perform their duties while at work.
    - (B) Personnel must not engage in any unlawful conduct or other serious misconduct including without limitation: any unlawful anti-competitive conduct, adulteration or misrepresentation of products and/or services, theft or fraud related activity, fighting in the workplace, use of abusive, inappropriate or offensive language.
    - (C) Personnel must not engage in any unethical, dishonest or unprofessional conduct.
    - (D) All Personnel should be able to work in an environment free from unlawful discrimination, harassment, bullying or other unacceptable conduct. Personnel must not engage in such conduct. Personnel must act in accordance with applicable Company policies, relevant laws and standards expected of all persons in the workplace.
    - (E) Personnel must not enter into any contract or agreement on behalf of the Company or any venue, or approve any capital expenditure without prior approval.

### 3.4 Responsibilities to Shareholders and Financial Markets

An important part of achieving the Company's primary objective of delivering satisfactory shareholder returns is to ensure that the Company complies with its disclosure, financial reporting and other Corporations Act and Australian Securities Exchange ("**ASX**") Listing Rules obligations.

#### (a) **Continuous disclosure**

- (i) To enable the Company to comply with its disclosure obligations under the Corporations Act and ASX Listing Rules, a continuous disclosure policy ("**Continuous Disclosure Policy**") has been adopted to ensure that:



- (A) the Company's shareholders and the market are provided with full and timely information about the Company's activities;
  - (B) media contact is limited to designated Personnel so that there is no selective or inadvertent disclosure of material price-sensitive information relating to the Company; and
  - (C) stakeholders have equal access to information issued by the Company.
- (ii) Persons identified as part of the Company's reporting system in the Continuous Disclosure Policy are responsible for identifying and reporting potentially price sensitive information in accordance with that Policy.
  - (iii) Personnel must immediately report to the designated compliance officer or his or her deputy any actual or potential price sensitive information relating to the Company, being information that is not generally available and, if it were generally available, would have a material effect on the price or value of the Company's securities.
  - (iv) Personnel must not make comments that may affect the price of the Company's securities.
  - (v) Personnel are not permitted to make statements to the media on, at or about the Company or any of its services or products without appropriate prior approval in accordance with Company policies.
  - (vi) The Continuous Disclosure Policy can be found on the Company's website.

(b) **Insider Trading**

The Board of the Company has adopted a security trading policy to comply with the obligations under the ASX Listing Rules and promote compliance with the insider trading provisions of the Corporations Act ("**Security Trading Policy**").

- (i) Personnel must not trade (or communicate to others who might consider trading) in the securities of the Company, or companies engaged in transactions with the Company, where in their position they have obtained information which is not public and could materially affect the price of those securities. Such trading, dealing or communicating to others who might trade is known as 'insider trading' and is prohibited under the Corporations Act. Penalties for contravening insider trading laws include criminal prosecution and civil liability, such as an obligation to pay compensation to anyone who suffered a loss as a result of the insider trading.
- (ii) Personnel cannot avoid the prohibition on insider trading by arranging for a family member or friend to deal in the Company's securities. Personnel or their associates must not give "tips" concerning price sensitive information to others, including customers.
- (iii) The Company's key management personnel, being those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly (including the directors of the Company), are subject to further restrictions under the Security Trading Policy.
- (iv) If any Personnel are in doubt about whether they are free to deal in the Company's securities, they should seek the advice of the designated approvals officer before trading or dealing.
- (v) The Security Trading Policy can be found on the Company's website.

(c) **Financial Reporting**

- (i) The Company's accounting policies and procedures are governed by the Australian Accounting Standards. The Company must adhere to these standards and all other financial reporting requirements.
- (ii) All Personnel engaged in the Company's financial reporting processes are required to exercise diligence and good faith in the preparation of financial information, ensuring that this information is accurate and timely, and that it presents a true and fair view of the performance and position of the Company.

### 3.5 Compliance with laws, policies and procedures

The Company and its activities are subject to numerous laws and regulations. The Company is committed to operating in a manner consistent with the laws of the jurisdictions in which it operates.

All Personnel must be familiar and comply with the applicable laws and regulations of the locations in which they work and the policies and procedures of the Company. If in doubt, Personnel are to seek advice from their manager.

#### (a) Competition and Consumer Laws

- (i) The Company is committed to compliance with the Competition and Consumer Act 2010 (Cth) ("**CCA**"). The CCA has two main purposes:
  - (A) to promote and maintain fair and open competition in the marketplace; and
  - (B) to protect the position of consumers by requiring accurate information in the marketplace and fairness in business dealings where there is an inequality in bargaining power.
- (ii) All Personnel must provide accurate information to consumers and act in a fair manner in their business dealings for the Company. All Personnel have an obligation to actively promote compliance with the CCA (and equivalent legislation in other jurisdictions, where applicable).
- (iii) Any breach of the law can have serious consequences both for the Company and for the individuals involved. If there is anything inconsistent between the laws and regulations applying where Personnel work and the Company's policies and procedures, then Personnel must meet whichever sets the higher standard of behaviour. If Personnel are unsure whether a particular law, policy or procedure may apply, they should raise the matter with their supervisor.

#### (b) Anti-bribery

- (i) Personnel must comply with and uphold all laws against bribery and related conduct in all the jurisdictions where the Company operates, from time to time.
- (ii) The Company requires that:
  - (A) Personnel must not offer or accept cash or other incentives, inducements or rewards in any form. This restriction also applies to consultants and contractors. In particular, payments to win business or to influence a business decision in the Company's favour (such as bribes, 'kick-backs' and similar payments) are strictly prohibited;
  - (B) all business dealings must be accurately documented to reflect the true nature of the transaction; and
  - (C) Personnel must take all practical steps to ensure that third parties (agents, contractors, intermediaries or business partners) dealing

with or on behalf of the Company do not engage in conduct that would contravene this Code or any laws. This includes, where required, ongoing oversight of the work of these third parties.

- (iii) The payment or facilitation of bribes and other improper payments or benefits is not only a contravention of this Code, it is also prohibited by anti-bribery laws that have application in Australia and other countries. A breach of the anti-bribery requirements under this Code will be regarded as serious misconduct leading to disciplinary action, which may include termination of a Personnel's employment or engagement, and could also expose an individual to criminal and civil liability that could result in imprisonment or the imposition of a significant financial penalty.

(c) **Gifts and Gratuities**

The Company recognises that accepting or offering gifts or hospitality of moderate value is in accordance with usual business practice. The Company, however, prohibits the offering or acceptance of gifts or hospitality in circumstances which could be considered to give rise to undue influence. Gifts must be recorded in accordance with the anti-bribery obligations set out in this Code.

### **3.6 Relationship with politicians and government officers**

- (a) All dealings with politicians and government officers which relate to the Company and its business activities must be conducted at arm's length and with the utmost professionalism, to avoid any perception of attempts to gain advantage.
- (b) The Company may choose to make donations to political parties because the Company believes this would enable any such parties to perform their functions better and to improve the democratic process.
- (c) Any political donations must be authorised by the Board and will be disclosed as required by law and recorded in the Company's accounts. In particular, any donations above a level determined in federal legislation will be disclosed annually to the Australian Electoral Commission and will be published on that organisation's website.

### **3.7 Confidential information, privacy, and maintenance of business records**

- (a) Personnel must comply with any Company policies regarding the confidentiality of information, intellectual property rights and privacy.
- (b) If Personnel come across confidential information concerning the Company, which may include technical, strategic or financial information, commercial arrangements or intellectual property, such information must not be disclosed or misused to obtain a personal benefit or a benefit for another person. Personnel must:
  - (i) use confidential information solely for purposes of their duties in relation to the Company;
  - (ii) preserve the confidentiality of confidential information, and ensure that it is not disclosed, except on a need-to-know and confidential basis, to other Personnel, or other authorised recipients on a confidential basis; and
  - (iii) not use or modify any confidential information for their own or a third party's interest or benefit.
- (c) Obligations with respect to confidentiality and privacy, whether it be with respect to personal information, information about suppliers or confidential information concerning the Company, continue even after Personnel have left their employment or engagement with the Company.

- (d) The Company is committed to maintaining the confidentiality and security of information that it comes across in its dealings with customers, suppliers and other third parties.
- (e) Personnel must ensure that information is kept secure. This includes not sharing private or confidential information with other Personnel, unless they need it to perform their work at the Company. Confidential information should not be shared with those outside the Company, unless authorised or required by law.
- (f) The Company is committed to complying with government legislation governing privacy of personal information obtained by the Company's businesses, and protecting and safeguarding the privacy of people who deal with the Company.
- (g) Personnel must ensure that they accurately and rigorously maintain all records relating to the Company's business and operations to ensure compliance with legal obligations as well as to preserve documents of importance for business reasons.

### 3.8 Conflicts of interest

- (a) The personal interests of Personnel should not conflict with their duties and obligations to the Company. This also extends to interests which a reasonable person would perceive as involving a conflict.
- (b) A conflict of interest may arise if Personnel have a direct or indirect (through a family member, friend or associate) financial interest in a business that has commercial arrangements with the Company.
- (c) Personnel must manage conflicts of interest by:
  - (i) disclosing any actual or perceived conflicts of interest to the Chief Executive Officer of the Company (the "**CEO**"), or in the case of a conflict applying to the CEO or the Chief Operating Officer of the Company (the "**COO**"), the Chair of the board of directors of the Company (the "**Chair**");
  - (ii) seeking approval from the CEO or, in the case of a conflict applying to the CEO or the COO, the Chair before accepting any outside business interests including non-Company work, business ventures, directorships (other than to a board of a non-trading family company), partnerships or other interests which have the potential to create a conflict of interest; and
  - (iii) keeping an arm's length relationship when dealing with customers and suppliers.
- (d) The Company will maintain a register of conflicts of interest disclosed in accordance with section 3.8(c).

### 3.9 Engaging external personnel

- (a) From time to time the Company engages agents, contractors, consultants and other intermediaries ("**External Personnel**"). The Company will deal fairly and honestly with all External Personnel and ensure that all relationships with External Personnel are based on price, quality, service and reputation.
- (b) Personnel who deal with, or are in a business relationship with, External Personnel are prohibited from accepting or soliciting any personal benefit that might compromise, or appear to compromise, an objective assessment of the products or services to be provided by External Personnel.
- (c) The Company is committed to the safe and ethical manufacture and supply of goods and services, and reserves the right not to do business with External Personnel who do not share and demonstrate this commitment.
- (d) The CEO or the COO, or other member of senior management may engage External Personnel, following satisfaction of the following criteria:

- (i) a thorough examination of the qualifications and reputation of the External Personnel has been conducted;
  - (ii) the proposed fee or remuneration arrangements with the External Personnel are on an arm's length basis and reasonable for the services to be provided;
  - (iii) where appropriate, a system of performance review against agreed standards (covering business conduct and commercial performance) has been established;
  - (iv) termination procedures are in place in the event of improper or ineffective performance or conduct by External Personnel; and
  - (v) where appropriate, External Personnel have been made aware of, and accept, the principles outlined in this Code.
- (e) Improper conduct by External Personnel can expose the Company to legal liability or reputational damage. Personnel who expressly or impliedly authorise or permit improper conduct by External Personnel may be exposed to personal criminal or civil liability.

### **3.10 Employment practices**

The Company is committed to the principles of Equal Employment Opportunity in the workplace and promoting a positive, safe and healthy work environment which values equal opportunity and is free of unlawful discrimination, bullying, or harassment.

The Company is committed to the following practices:

- (a) complying with all relevant laws and regulations in relation to employment practices;
- (b) ensuring all employment matters are based on merit without consideration to irrelevant characteristics and that such matters are regarded with dignity and respect;
- (c) "zero" tolerance of unlawful discrimination and harassment;
- (d) that fair pay and conditions are provided to all Personnel;
- (e) providing a safe and healthy workplace and working conditions for all, including employees, contractors, customers and visitors; and
- (f) all Personnel (including suppliers and contractors) comply with the Company's policies, including this Code.

### **3.11 Use of resources and information systems**

- (a) Personnel are required to use property, funds, facilities and services belonging to the Company for authorised purposes and not for personal benefit, or the benefit of unauthorised third parties. The Company regards the unauthorised removal of equipment, supplies and other resources belonging to the Company as theft.
- (b) Personnel must ensure that any transactions or disposals of the Company's resources are approved by the CEO, or if the CEO is unavailable, the Chair, and accurately recorded in financial records.

### **3.12 Information Systems**

- (a) Email, the internet, facsimile, telephones and other Company information systems, like all other Company assets, must be used appropriately. Occasional personal use of Company information systems is permitted, provided that it does not interfere with the performance of work during working hours. Personnel must not use the Company's information systems:

- (i) for personal gain;
  - (ii) to release or distribute confidential information in an unauthorised manner; or
  - (iii) to store, display or transmit illegal, objectionable or offensive material.
- (b) Personnel are expected to comply with the requirements of this Code at all times when using social networking sites or other non-work related sites.

### **3.13 Intellectual Property**

Unless otherwise agreed in writing by the Company, any intellectual property developed by Personnel during, or as a result of, employment or engagement by the Company is the sole property of the Company. Personnel must provide to the Company, and on request assign to the Company any rights in, all work, ideas, concepts, designs, inventions, models, developments and improvements made or developed during the course of their employment, engagement or through use of the Company's time, materials, facilities or other resources.

### **3.14 Cessation of Engagement**

Upon ceasing to be employed or otherwise engaged by the Company, Personnel must ensure that all books, records, documents and other resources of the Company (such as keys, security passes, computer equipment, mobile devices and corporate credit cards) are returned to their supervisor or manager as appropriate. Personnel must also return all confidential information in their possession to their supervisor or manager.