

## KOGAN.COM LIMITED

### Corporate Governance Statement

In order to be listed on the exchange operated by ASX Limited (the **ASX**), an entity is required to provide a statement disclosing the extent to which it will follow, as at the date of its admission to the official list of the ASX, the recommendations set by the ASX Corporate Governance Council (the **Recommendations**). The Recommendations are set out in the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations (3<sup>rd</sup> Edition)*.

Responsibility for Kogan.com Limited's (**Kogan**) proper corporate governance rests with the board of directors of Kogan.com (the **Board**). This statement describes Kogan's position in relation to each of the Recommendations as at the date of admission to the official list of the ASX on 7 July 2016 and applies the Statement's application to the reporting period ended 30 June 2016 and up to the date of the Directors' Report as contained in the 2016 Annual Report.

ASX Recommendation	Compliance (Yes/No)	Explanation
<p><b>Principle 1: Lay solid foundations for management and oversight</b></p>		
<p>A listed entity should establish and disclose the respective roles and responsibilities of its board and management and how their performance is monitored and evaluated.</p>		
<p><b>Recommendation 1.1:</b> A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p>Yes</p>	<p><b><u>The Board</u></b></p> <p>Kogan's constitution (the <b>Constitution</b>) provides that the business of Kogan will be managed by the Board. The Board operates under a board charter, a copy of which is available on Kogan's website (the <b>Board Charter</b>). The key role and responsibilities of the Board are set out in the Board Charter. A copy of the Board Charter is available on the Company's corporate website <a href="http://www.kogancorporate.com">www.kogancorporate.com</a></p> <p><b><u>Senior management</u></b></p> <p>The Board Charter also sets out the key role and responsibilities of senior management.</p> <p>The Board Charter articulates the division of responsibilities between the Board and management. It is expected that the division of functions between the Board and senior management will vary over time as Kogan evolves.</p> <p>To assist in the execution of the Board's responsibilities, the Board has established the following 2 committees of the Board (each a <b>Board Committee</b>): the Audit and Risk Management Committee and the Remuneration and Nomination Committee. The key responsibilities of each Board Committee are set out in their respective charters (which are also annexed to the Board Charter and available on <a href="http://www.kogancorporate.com">www.kogancorporate.com</a>), containing the terms of reference of each Board Committee. The Board Committees do not take action or make decisions on behalf of the Board unless specifically mandated by prior Board authority to do so.</p>
<p><b>Recommendation 1.2:</b> A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	<p>Yes</p>	<p>The Constitution sets out the process of appointment, retirement and rotation of directors.</p> <p>In accordance with the Board Charter, before a person is appointed as a director or is put forward to shareholders as a candidate for election as a director, Kogan will ensure that appropriate checks are undertaken, including checks as to the person's character, experience, education, criminal record and bankruptcy history.</p> <p>The Remuneration and Nomination Committee is responsible for reviewing potential candidates for directorship and making a recommendation to the Board. In addition, each candidate for directorship is required to be interviewed by the Chair (and any other person that the Chair considers appropriate).</p>

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		The Board will provide shareholders with all material information in the possession of Kogan relevant to a decision on whether or not to elect or re-elect a person as a director.
<b>Recommendation 1.3:</b> A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	In accordance with the Board Charter, the appointment of any new director of Kogan and each senior executive will be made by, and in accordance with, a formal letter of appointment / written agreement setting out the key terms and conditions relative to that appointment. Each of Kogan's executive directors and senior executives have entered into services agreements with Kogan, and each of Kogan's non-executive directors have signed appointment letters with Kogan.
<b>Recommendation 1.4:</b> The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	In accordance with the Board Charter, the decision to appoint or remove the company secretary is to be made or approved by the Board. The company secretary of Kogan is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board. The key role and responsibilities of the company secretary are set out in the Board Charter.
<p><b>Recommendation 1.5:</b> A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	No	Kogan does not have a formal diversity policy. However, Kogan is committed to creating a culture within the workplace that reflects the highest standards of ethics, integrity and behaviour, and has adopted a formal code of conduct which outlines how Kogan expects its employees and directors to behave during the course of their employment. (a copy of this Code of Conduct is available on the corporate website <a href="http://www.kogancorporate.com">www.kogancorporate.com</a> ). Kogan is satisfied that its current policies and procedures are suitable given its resources, size and operations.

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<p><b>Recommendation 1.6:</b> A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Yes	<p>(a) Kogan has adopted a formal policy regarding the process for regularly reviewing the performance of the Board, its Board Committees, individual directors and senior management and addressing any issues that may emerge from that review, a copy of which is available on Kogan's website. In accordance with this policy:</p> <ul style="list-style-type: none"> <li>• the process of evaluating the performance of the Board as a whole is the responsibility of the Board under the direction of the Chair, and involves the setting of annual objectives and an assessment by the Board at the conclusion of the year as to the extent to which the Board achieved its objectives;</li> <li>• each Board Committee is required to annually review its performance and report the results of the review to the Board; and</li> <li>• the Chair, in consultation with the Board, is responsible for determining the process for assessing the performance of each director.</li> </ul> <p>In accordance with the Board Charter, the Board is responsible for evaluating the performance of the CEO and the Chief Operating Officer of Kogan and is also required (under the direction of the Chair) to annually assess the effectiveness of each Board Committee.</p> <p>The Remuneration and Nomination Committee is responsible for establishing processes for the review of the performance of individual directors, each Board Committee and the Board as a whole.</p> <p>(b) A performance evaluation was not undertaken during the reporting period given the Board in its current form was only established during May 2016.</p>
<p><b>Recommendation 1.7:</b> A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Yes	<p>Kogan has adopted a formal policy regarding the process for regularly reviewing the performance of the Board, its Board Committees, individual directors and senior management and addressing any issues that may emerge from that review, a copy of which is available on Kogan's website.</p> <p>In accordance with this policy, senior management are subject to annual performance reviews, involving an evaluation by the Chair with ultimate oversight by the Board.</p> <p>Kogan intends to disclose, at the relevant time, whether such a performance evaluation was undertaken in the relevant reporting period.</p>
<p><b>Principle 2: Structure the board to add value</b></p> <p>A listed entity should have a board of an appropriate size, composition, skills and commitment to enable it to discharge its duties effectively.</p>		

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<p><b>Recommendation 2.1:</b> The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ol style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director, and disclose:</li> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ol> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	No	<p>The Board has established a Remuneration and Nomination Committee governed by the Remuneration and Nomination Committee Charter adopted by the Board a copy of which is available on Kogan's website. The Remuneration and Nomination Committee Charter sets out the roles, responsibilities, composition, structure and membership requirements of the Remuneration and Nomination Committee.</p> <p>The committee is currently comprises 4 members, being Harry Debney, Greg Ridder, David Shafer and Ruslan Kogan. The committee does not comprise a majority of independent directors (with 2 of its 4 directors considered independent). The chair of the committee, Greg Ridder, is an independent director. The Board has considered Kogan's immediate requirements following its transition to an ASX listed company and is satisfied that the composition of the committee reflects an appropriate range of independence, skills and experience for Kogan.</p> <p>The committee is required to meet at least annually in order to perform its functions. In addition, the committee is required to meet as early as practicable prior to the expiration of the term of office of a director to consider suitably skilled and experienced individuals for nomination as directors.</p> <p>The Committee was only formed in May 2016 and has not met at the time of this statement.</p>
<p><b>Recommendation 2.2:</b> A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	Yes	<p>The Remuneration and Nomination Committee is responsible for preparing (and updating as and when required) a board skills matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.</p> <p>A Board Skills review has been undertaken during the period and is available on the Company's website.</p>
<p><b>Recommendation 2.3:</b> A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the</p>	Yes	<p>Kogan has disclosed in the Prospectus each director which the Board considers to be independent, being Greg Ridder (Non-Executive Chairman) and Harry Debney (Non-Executive Director). In addition, Kogan has disclosed in the Prospectus the skills, relevant experience and period of office of each of its directors. The Prospectus is available on Kogan's website.</p>

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<p>board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>		<p>The Board Charter sets out guidelines for the purpose of determining independence of Kogan directors in accordance with the Recommendations and has adopted a definition of independence that is based on that set out in the Recommendations.</p> <p>The Remuneration and Nomination Committee is required to regularly, but at least annually, assess the independence of each director. In the case of a change in a director's interests, positions, associations or relationships, this assessment is required to be made as soon as practicable after the Remuneration and Nomination Committee becomes aware of the change.</p>
<p><b>Recommendation 2.4:</b> A majority of the board of a listed entity should be independent directors.</p>	No	<p>The Board does not comprise a majority of independent directors (with 2 of its 4 directors considered independent). However, the Board is satisfied that its current composition is suitable for Kogan given its resources, size and operations. In particular, the current structure and composition of the Board has been determined having regard to the nature and size of Kogan's operations, the skill set of Kogan's directors both individually and collectively, and the best interests of shareholders. The Board believes that independent judgment is achieved and maintained in respect of its decision-making processes. Furthermore, all directors are entitled to seek independent professional advice as and when required. The directors believe that they are able to objectively analyse the issues before them in the best interests of all shareholders and in accordance with their duties as directors.</p>
<p><b>Recommendation 2.5:</b> The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	Yes	<p>The Chair, Greg Ridder, is an independent director.</p> <p>The Board supports the separation of the role of the Chair from that of the CEO. Kogan's CEO is Ruslan Kogan.</p>
<p><b>Recommendation 2.6:</b> A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p>	Yes	<p>In accordance with the Board Charter, the Board is required to ensure that any new director is appropriately introduced to Kogan and is acquainted with knowledge of the industry within which Kogan operates, its operations and its senior management.</p> <p>The Remuneration and Nomination Committee is responsible for induction and continuing professional development programs for directors to develop and maintain the skills and knowledge needed to perform their role effectively.</p>
<p><b>Principle 3: Act ethically and responsibly</b> A listed entity should act ethically and responsibly.</p>		
<p><b>Recommendation 3.1:</b> A listed entity should:</p>	Yes	<p>Kogan has adopted a code of conduct, a copy of which is available on Kogan's website. Kogan's code of conduct applies to all personnel of Kogan and its subsidiaries (including all directors, senior management and employees). Contractors, consultants, agents and other intermediaries are also</p>

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(a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.		expected to know and observe Kogan's standards and will be made aware of Kogan's code of conduct when engaged to work with Kogan.
<b>Principle 4: Safeguard integrity in corporate reporting</b> A listed entity should have formal and rigorous processes that independently verify and safeguard the integrity of its corporate reporting.		
<b>Recommendation 4.1:</b> The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	No	<p>The Board has established an Audit and Risk Management Committee governed by the Audit and Risk Management Charter adopted by the Board, a copy of which is available on Kogan's website. The Audit and Risk Management Committee Charter sets out the roles, responsibilities, composition, structure and membership requirements of the Audit and Risk Management Committee.</p> <p>The committee is currently composed of 4 members, being Harry Debney, Greg Ridder, David Shafer and Joanne Smith. The committee does not comprise all non-executive directors or a majority of independent directors (with 2 of its 4 members considered independent, and 1 member not a director). The chair of the committee, Harry Debney, is an independent director, who is not the chair of the board. The Board has considered Kogan's immediate requirements following its transition to an ASX listed company and is satisfied that the composition of the committee reflects an appropriate range of independence, skills and experience for Kogan.</p> <p>Each member of the Audit and Risk Management Committee is required to be financially literate and at least one member of the committee should (but is not required to) have accounting and or financial management related qualifications and experience. The relevant qualifications and experience of the committee members have been disclosed in the Annual Report and an overview of their experience is also available on Kogan's website.</p> <p>The committee on forming is required to meet at least 2 times per annum in order to perform its functions. The Audit and Risk Management Committee has met twice since its formation in May 2016.</p> <p>Kogan currently intends that it will disclose, at the relevant time, the number of times the committee met, and the attendance at those meetings, at the end of each relevant reporting period.</p>

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<p><b>Recommendation 4.2:</b> The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	Yes	<p>In accordance with the Board Charter, before the Board approves Kogan's financial statements for a financial period, it must receive from Kogan's CEO and Chief Financial Officer a declaration that, in their opinion, Kogan's financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of Kogan's financial position and performance and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>
<p><b>Recommendation 4.3:</b> A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	Yes	<p>Kogan currently intends that its external auditor will attend Kogan's annual general meetings and be available to answer questions from security holders relevant to the audit.</p>
<p><b>Principle 5: Make timely and balanced disclosure</b> A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.</p>		
<p><b>Recommendation 5.1:</b> A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	<p>Kogan has adopted a written policy for complying with its continuous disclosure obligations under the ASX Listing Rules (and the Corporations Act 2001 (Cth)), a copy of which is available on Kogan's website.</p> <p>Kogan will disclose to ASX any information concerning Kogan which a reasonable person would expect to have a material effect on the price or value of Kogan's securities.</p> <p>Kogan's continuous disclosure policy establishes procedures to ensure that Kogan's directors and senior management are aware of, and fulfil their obligations in relation to, providing timely, full and accurate disclosure of material information to Kogan's stakeholders and comply with Kogan's disclosure obligations under the Corporations Act 2001 (Cth) and the ASX Listing Rules.</p> <p>Kogan is committed to observing its disclosure obligations under the ASX Listing Rules and Corporations Act 2001 (Cth). Information will be communicated to shareholders through the lodgement of all relevant financial and other information with the ASX and continuous disclosure announcements will be made available on Kogan's website.</p>



ASX Recommendation	Compliance (Yes/No)	Explanation
<p><b>Principle 6: Respect the rights of security holders</b></p> <p>A listed entity should respect the rights of its security holders by providing them with appropriate information and facilities to allow them to exercise those rights effectively.</p>		
<p><b>Recommendation 6.1:</b> A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>Yes</p>	<p>Kogan’s website will be the primary means to provide information to all investors (and other stakeholders), in addition to the lodgement of all relevant financial and other information with ASX (which will also be available on Kogan’s and ASX’s websites).</p> <p>The “Corporate Governance” section on Kogan’s website contains the following information for the benefit of Kogan’s shareholders (and other stakeholders):</p> <ul style="list-style-type: none"> <li>• information about Kogan and its governance, including the names, photographs and a brief biographical information for each of its directors and senior executives;</li> <li>• copies of Kogan’s governance documents, including its Constitution, Board Charter, Board Committee charters and policies;</li> <li>• copies of media releases made by Kogan; and</li> </ul> <p>A copy of Kogan’s recent annual reports and financial statements will also be made available going forward.</p>
<p><b>Recommendation 6.2:</b> A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.</p>	<p>Yes</p>	<p>Kogan has adopted a formal shareholder communication policy which supports the Board’s commitment to effective communication with its shareholders, a copy of which is available on Kogan’s website.</p> <p>Kogan intends to communicate with shareholders in a number of ways, including:</p> <ul style="list-style-type: none"> <li>• annual and half-yearly reports;</li> <li>• ASX market disclosures in accordance with Kogan’s continuous disclosure policy;</li> <li>• updates on operations and developments;</li> <li>• announcements on Kogan’s website;</li> <li>• market briefings; and</li> <li>• presentations at general meetings.</li> </ul> <p>In addition, shareholders are encouraged to attend and participate at general meetings. To facilitate this, meetings will be held during normal business hours and at a place convenient for the greatest possible number of shareholders to attend.</p>

ASX Recommendation	Compliance (Yes/No)	Explanation
<p><b>Recommendation 6.3:</b> A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.</p>	Yes	<p>Kogan's shareholder communication policy (a copy of which is available on Kogan's website) provides that in order to facilitate and encourage participation at shareholder meetings:</p> <p>As set out in Kogan's Constitution, shareholders may attend meetings in person, appoint a proxy, attorney or representative to vote on their behalf or directly vote on the resolution(s) proposed at the relevant meeting.</p>
<p><b>Recommendation 6.4:</b> A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p>	Yes	<p>The "Corporate Governance" section on Kogan's website contains a link enabling shareholders to register to receive communications and shareholder materials from Kogan and its security registry electronically. Where permissible, shareholders will be given the option to send communications to Kogan and its security registry electronically]</p>
<p><b>Principle 7: Recognise and manage risk</b></p> <p>A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.</p>		
<p><b>Recommendation 7.1:</b> The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> <li>(1) has at least three members, a majority of whom are independent directors; and</li> <li>(2) is chaired by an independent director,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>(3) the charter of the committee;</li> <li>(4) the members of the committee; and</li> <li>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ol> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	No	<p>The Board has established an Audit and Risk Management Committee to ensure, amongst other things, that Kogan has an effective risk management system in place and to manage key risk areas. The committee is governed by the Audit and Risk Management Charter adopted by the Board, a copy of which is available on Kogan's website.</p> <p>The committee is currently comprised of 4 members, being Harry Debney, Greg Ridder, David Shafer and Joanne Smith. The committee does not comprise a majority of independent directors (with 2 of its 4 members considered independent, and 1 member not a director). The chair of the committee, Harry Debney, is an independent director. The Board has considered Kogan's immediate requirements following its transitions to an ASX listed company and is satisfied that the composition of the committee reflects an appropriate range of independence, skills and experience for Kogan.</p> <p>The committee on forming is required to meet at least 2 times per annum in order to perform its functions.</p> <p>The Audit and Risk Management Committee has met twice since its formation in May 2016.</p>

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<p><b>Recommendation 7.2:</b> The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	Yes	<p>The Board has adopted a risk management policy, a copy of which is available on Kogan's website.</p> <p>The Audit and Risk Management Committee is required, on an annual basis, to review Kogan's risk management policy and its general risk management framework to satisfy itself that it continues to be sound, and disclose, in relation to each reporting period, whether such a review has taken place.</p> <p>During the period under review the risk management framework was reviewed by the Board.</p>
<p><b>Recommendation 7.3:</b> A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	Yes	<p>Kogan does not currently have an internal audit function, however it has adopted processes for evaluating and continually improving the effectiveness of its risk management and internal control processes as set out in the Audit and Risk Management Committee Charter and Kogan's formal risk management policy. For example, the Audit and Risk Management Committee is required to:</p> <ul style="list-style-type: none"> <li>periodically review Kogan's operations to evaluate the effectiveness of Kogan's risk management and internal control processes;</li> <li>directly monitor the potential exposures facing Kogan through ongoing reporting by the Chief Financial Officer; and</li> <li>engage external consultants, as and when required, to review and evaluate the effectiveness of Kogan's risk management and internal control processes.</li> </ul>
<p><b>Recommendation 7.4:</b> A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	Yes	<p>As set out in the Annual Report, Kogan is subject to risk factors that are both specific to its business activities and that are of a more general nature. Specific risks disclosure is included in Operational Review section of the Annual Report which is available on Kogan's website.</p>
<p><b>Principle 8: Remunerate fairly and responsibly</b></p> <p>A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders.</p>		
<p><b>Recommendation 8.1:</b> The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p>	No	<p>The Board has established a Remuneration and Nomination Committee governed by the Remuneration and Nomination Committee Charter adopted by the Board, a copy of which is available on Kogan's website. The Remuneration and Nomination Committee Charter sets out the roles, responsibilities, composition, structure and membership requirements of the Remuneration and Nomination Committee.</p>

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<p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>		<p>The committee is currently composed of 4 members, being Harry Debney, Greg Ridder, David Shafer and Ruslan Kogan. The committee does not comprise a majority of independent directors (with 2 of its 4 directors considered independent). The chair of the committee, Greg Ridder, is an independent director. The Board has considered Kogan's immediate requirements following its transitions to an ASX listed company and is satisfied that the composition of the committee reflects an appropriate range of independence, skills and experience for Kogan.</p> <p>The committee is required to meet at least annually in order to perform its functions. In addition, the committee is required to meet as early as practicable prior to the expiration of the term of office of a director to consider suitably skilled and experienced individuals for nomination as directors.</p> <p>The Committee was only formed in May 2016 and has not met at the time of this statement.</p>
<p><b>Recommendation 8.2:</b> A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	Yes	<p>The Board has adopted a formal policy which sets out its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives, a copy of which is available on Kogan's website.</p> <p>Kogan's policies regarding remuneration of non-executive directors and the remuneration and employment arrangements of executive directors are disclosed in the Directors' Report, which is available on Kogan's website.</p>
<p><b>Recommendation 8.3:</b> A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	<p>(a) Participants in Kogan's employee incentive plan must not enter into transactions or arrangements, including by way of derivatives or similar financial products, which limit the economic risk of holding unvested options, performance rights or awards granted to the participant under the employee incentive plan</p> <p>(b) The Board has adopted a Security Trading policy a copy of which is available on Kogan's website.</p>