



# **Corporate Governance Statement**

# Corporate Governance Statement

The Dicker Data Limited Board of Directors is pleased to present Dicker Data’s latest Corporate Governance Statement (**Statement**). This Statement outlines Dicker Data’s principal corporate governance practices in place during the financial year ended 31 December 2020. Copies of all governance documents referred to in this Statement can be found at [http:// www.dickerdata.com.au](http://www.dickerdata.com.au).

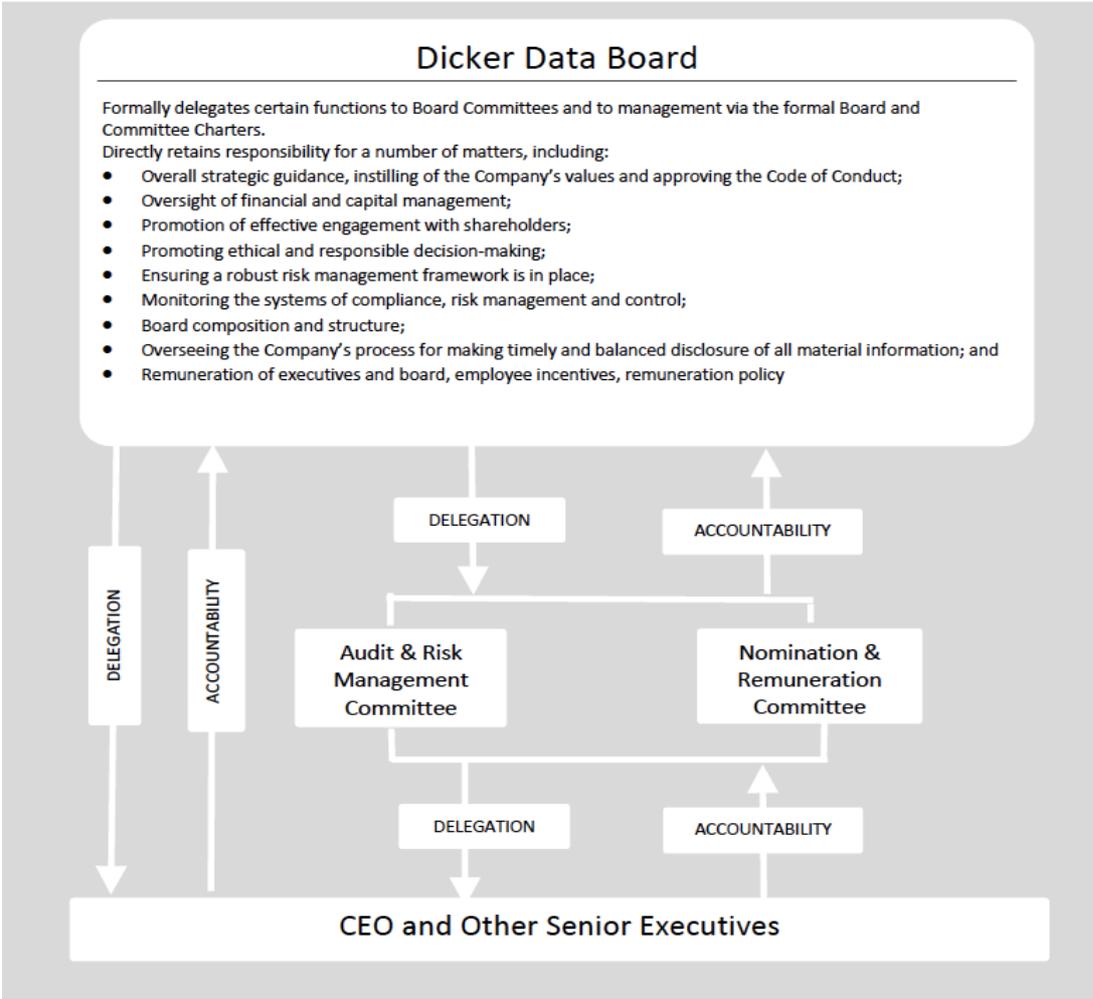
The Board and management team maintain high standards of corporate governance as part of the Company’s commitment to maximise shareholder value through effective strategic planning, risk management, transparency and corporate responsibility.

Our governance policies and practices have been consistent with the majority 4<sup>th</sup> edition of the ASX Corporate Governance Council’s Principles and Recommendations (**ASX Governance Principles**) throughout the year. These policies and practices are reflected in this Statement as well as our Appendix 4G.

We regularly review our governance practices in light of the growth in the Company and relevant emerging corporate governance developments.

Our governance framework ensures accountability, both of the Board and senior executives, to the Company and its shareholders. The diagram below summaries our governance framework, including the functions reserved for the Board. The functions carried out by the two standing Board Committees are outlined in section 2.1 of this Statement.

The following diagram (**Diagram 1**) depicts the operation of the Company’s current governance framework.



# 1 The Board of Directors

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## Relevant governance document:

- **Board Charter**  
<https://www.dickerdata.com.au/investor>
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### 1.1 The responsibilities of the Board

The Board is accountable to our stakeholders and as such the Board is responsible for demonstrating leadership, defining the Company's purpose, establishing strategic objectives, approving our values and the Code of Conduct and oversight of the management of the Company. To clarify the roles and responsibilities of directors and management and to assist the board in discharging its responsibilities, our Board operates under a formal charter which sets out the functions reserved to the Board and provides for the delegation of functions to Board Committees and to senior management.

The Board has reserved for itself the specific responsibilities summarised in the Diagram 1.

Further detail around the responsibilities reserved for the Board and those specifically delegated to the CEO are outlined in the Board Charter, which is reviewed on an annual basis to ensure that the division of functions between the Board and management continues to be appropriate for the needs of the Company.

Our Board has delegated specific authority to two Board committees which assist the Board by examining various issues and making recommendation. A description of each committee and their responsibilities is set out in section 2 of this Statement.

### 1.2 Board composition

As of 31 December 2020, there were six directors on our Board. Table 1 below sets out each director, the commencement of their tenure, and their status as an independent or non-independent director.

Table 1

Director	Tenure commencement	Independent / Non-independent
Mr David Dicker	20 January 1972	Non-independent, Chairman and Chief Executive Officer
Ms Fiona Brown	7 May 1983	Non-independent, Non-Executive Director
Ms Mary Stojcevski	31 August 2010	Non-independent, Executive Director
Mr Vladimir Mitnovetski	8 September 2014	Non-independent, Executive Director
Mr Ian Welch	6 August 2015	Non-independent, Executive Director
Ms Leanne Ralph	13 December 2019	Independent, Non-Executive director

Mr Michael Demetre resigned as an Executive Director on 24 December 2020.

Directors' qualifications and experience are listed in the Annual Report in the Directors' Report, including details of their other listed entity directorships. This information can also be found on the Company's website.

### 1.3 Director independence

The Board assesses the independence of all directors against the criteria outlined in Box 2.3 of the ASX Governance Principles annually. The Board considers a director to be independent if they are independent of management and free of any business or other relationship that could materially interfere with, or could reasonably be perceived to interfere with, the exercise of their unfettered and objective judgement.

Information about any such interests or relationships, including any related financial or other details, is assessed by the Board to determine whether the interest, position, association or relationship could, or could reasonably be perceived to, materially interfere with the exercise of a director's unfettered and independent judgement. As part of this process, the Board takes into account each of the factors relevant to assessing the independence of a director set out in Box 2.3 of the ASX Governance Principles, and other facts, information and circumstances that the Board considers relevant. The board considers the materiality of any given relationship on a case-by-case basis.

The Board assesses the independence of new directors on appointment and makes an annual assessment of each non-executive director to determine whether it considers the director to be independent.

David Dicker is a substantial shareholder of the Company and holds the position of Executive Chairman/Chief Executive Officer (**CEO**). By virtue of this position, based on the criteria in Box 2.3 of the ASX Governance Recommendations, he is not considered to be an independent director. The Board believes that Mr Dicker's deep knowledge and experience with the Company and in the industry is invaluable to the Company and its operations.

Three of the directors are employed by the Company and are also not considered to be independent by virtue of their positions.

Fiona Brown, a non-executive director, is a substantial shareholder of the Company and therefore is not considered to be independent based on the criteria outlined in the ASX Governance Recommendations.

Leanne Ralph is currently the only independent Non-Executive Director on the Board.

The Company does not have a majority of independent directors on the Board. However, current composition of the Board is deemed appropriate to the Company's operations. The executive Directors have deep expertise and experience of the industry in which Dicker Data operates, and extensive collective knowledge of the Company. Further, all directors bring their considerable skillsets to bear on matters before the Board and exercise independent judgement in decision-making. All directors hold shares in the Company, which align their interests with those of shareholders.

### 1.4 Our Chairman

As noted above, the directors have elected Mr David Dicker as Chairman of the Board. Mr Dicker is not considered to be independent, and the rationale for his appointment despite this non-independent classification is outlined above. Mr Dicker is an Executive, and his role is outlined in the Board Charter. The duties of the Chairman and the CEO are not carried out by separate people.

### 1.5 Relationship between the Board and our CEO

The CEO oversees the strategic direction of the business and ensures implementation of the day-to-day management of the business and, with the support of senior management, reports to the Board on the exercise of his delegated authority. The CEO has been delegated the authority to manage the

Company in accordance with the strategy, plans and policies approved by the board. The delegations are reviewed by the Board from time to time.

### 1.6 Nomination and appointment of Directors

When considering the appointment of directors to the Board, a formal process is undertaken to identify various candidates, with interviews held and appropriate back-ground checks carried out. In addition, the Board considers and formally resolves to support the election or re-election of directors to shareholders at general meetings/annual general meeting.

Before director candidates are selected, the Board considers the current collective skills and competencies, and will assess its needs at that time and in the future and develop selection criteria for the candidates. Candidates are required to disclose their other commitments and confirm that they are able to dedicate sufficient time to their duties. A shortlist of candidates is considered by the board relative to its selection criteria.

We provide shareholders, in the relevant notice of meeting, with all information in our possession relevant to assist them to make an informed decision on all directors standing for election or re-election. This information includes biographical details, covering relevant qualifications, experience and skills directors bring to the board, details of any other material directorships currently held by the candidate, the term of office currently served by the directors, a statement on the independence of the candidate and the reasons why, and a statement by the Board as to whether it supports the election or re-election of the candidate and a summary of the reasons why.

Directors are elected re-elected in accordance with the Company Constitution, the *Corporations Act 2001* (Cth) (**Corporations Act**), and the ASX Listing Rules. At our 2020 Annual General Meeting, Ms Leanne Ralph was elected, and Ms Fiona Brown was re-elected by shareholders.

### 1.7 Induction and ongoing development

A director induction program has been designed and directors are expected to participate in this induction and orientation program on appointment. In addition, industry updates are regularly provided to the Board to ensure they are informed about developments within the company and the industry in which it operates.

### 1.8 Knowledge, skills and experience

The Board maintains a Board Skills Matrix that outlines the skills and experience considered by the Board to be important for its directors to collectively possess. These skills are set out in Table 2, with each considered a competency that the Board believes it requires to effectively discharge its duties.

The Board Skills Matrix and competency descriptions are reviewed annually to ensure the skills remain relevant to the Company. This review was carried out in 2020.

In revising the Board Skills Matrix, the Board identified that, collectively, the Board does have the necessary mix of skills and experience appropriate to the current size and complexity of the Company's business. This is evidenced in the director backgrounds in the Company's Annual Report which outlines the skills and expertise of each director.

Executive directors Mr David Dicker and Ms Fiona Brown have a deep knowledge and understanding of the operations of the company through their length of service to the Company. This also allows Mr Dicker as CEO to bring to the Board the ability to debate and discuss all issues with his unique knowledge, experience of, and perspective on, all Company services.

Mr Mitnovetski sales and marketing expertise in the technology distribution industry strengthens the collective skills of the Board.

Ms Mary Stojcevski complements and strengthens these skills with her accounting and commerce background. Ms Stojcevski also possesses skills and experience in the areas of risk and financial controls in the technology distribution sector and other industries.

The digital technology skills of the Board are further enhanced with Mr Ian Welch, the Chief Information Officer of the Company.

Ms Ralph as an independent Non-Executive brings to the Board strong governance expertise with over 16 years’ experience in this field, in addition to her extensive accounting and finance experience.

Diagram 2 illustrates the number of directors that have a level 3, ‘high’, or level 2, ‘medium’ competency, and experience in the described skill (where directors were asked to rate their competency level for each skill as low, medium, or high against the description of each skill). These numbers are extracted directly from the Board Skills Matrix, where directors are rated on their level of competence in each identified skill.

In addition to the skills and experience set out in Table 2, we consider that each director has the following attributes:

- honesty and integrity;
- the ability to think strategically;
- the time available to devote to Dicker Data’s business;
- a willingness to question and challenge; and
- a commitment to the highest standards of governance.

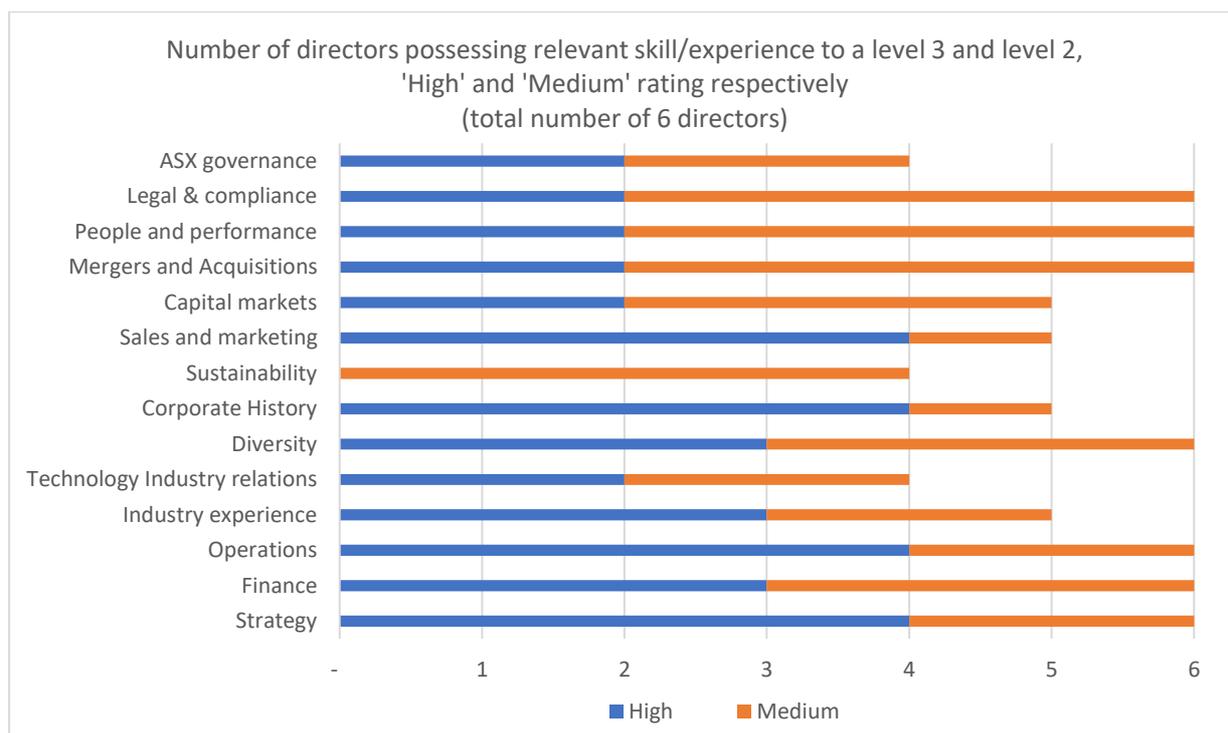
All directors are expected to use their range of relevant skills, knowledge and experience and to apply their judgement to all matters discussed at Board meetings.

Table 2

SKILL	DESCRIPTION
Strategy	Ability to think strategically and identify and critically assess opportunities and threats and develop effective strategies in the context of changing market conditions, including disruptions and innovations.
Finance	The ability to analyse financial statements and reporting, critically assess the financial performance of the group, contribute to budget planning and efficient use of capital and resources.
Operations	A broad range of commercial and business experience in business systems, practices, improvements, risk and compliance, sales, maintenance, technology and human resources.
Sales and Marketing	Clear understanding of developing and implementing sales and marketing teams and strategies, recruiting, running and incentivising sales teams, and setting sales budgets and targets.
Capital markets	Expertise in considering and implementing efficient capital management including alternative capital sources and distributions, yields and markets.

SKILL	DESCRIPTION
Industry experience	Experience and broad understanding of the application of language technology, machine learning and artificial intelligence, including market drivers, risks and trends including policies, competitors, end users, regulatory policy and framework.
Mergers and Acquisitions	Experience in all aspects of the negotiation, structuring, risk management and assessment of both acquisitions and divestments at a corporate level.
People and performance	Appreciation for the best practices in HR planning and management with familiarity in employment legislation and labour relations, recruitment, compensation, performance reviews and conflict management.
Legal and compliance	Ability to identify key risks to the group in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks and systems.
ASX governance	Knowledge and experience in best practice ASX and Corporations Act, Governance structures, policies and processes.
Technology / Industry Relations	Expertise in the technology industry that the Group should be aware of and utilising, both in terms of policy development, interest group input and lobbying and legislation.
Diversity	The board leadership capability to advise on diversity issues impacting the Company.
Corporate History	A good understanding of recent corporate background including organisational structure, litigation, key contracts and relationships, performance and capital structures
Sustainability	Expertise in the areas of environment, social and governance (ESG), and the ability to advise the Company of required disclosures on these matters.

Diagram 2



## 2 Operation of the Board

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### Relevant governance documents:

- **Audit and Risk Management Committee Charter**
  - **Nomination and Remuneration Committee Charter**  
<https://www.dickerdata.com.au/investor>
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### 2.1 Board Committees

Our Board has established the following standing committees, which assist it with the execution of its responsibilities. The composition and effectiveness of the committees are reviewed on an annual basis:

- Audit and Risk Management Committee; and
- Nomination and Remuneration Committee (established 18 December 2020).

In addition, the Board may establish ad-hoc committees or delegate authority to existing committees to oversee specific activities.

Each of these committees operate in accordance with specific charters approved by the board, which sets out its composition, functions and responsibilities.

Details of the number of committee meetings held during the year and individual directors' attendance at these meetings can be found in the 2020 Directors' Report. Details of the qualifications and experience of committee members can also be found in the Directors' Report.

A high-level description of each committee's responsibilities and committee composition as at 31 December 2020 is set out in the following table.

Table 3

Committee	Members*	Composition Requirements	Key Responsibilities
<b>Audit and Risk Management Committee</b>	Ms Fiona Brown (Chair) Mr David Dicker Ms Leanne Ralph Mr Vladimir Mitnovetski	<ul style="list-style-type: none"><li>- At least three members, all of whom must be non-executive directors and a majority of whom are independent directors.</li><li>- The chair should be an independent non-executive director, who is not the chairman of the board.</li><li>- All members should be financially literate and at least one member must have financial expertise and some members must have an understanding of the industry in which Dicker Data operates.</li></ul>	<ul style="list-style-type: none"><li>- Monitoring and reviewing:<ul style="list-style-type: none"><li>a. the integrity of the Company's corporate reporting processes and financial statements, and the integrity and effectiveness of the internal control environment of the Company;</li><li>b. accounting and tax and related policies;</li><li>c. the appointment, remuneration, independence and competence of the Company's external auditors;</li></ul></li></ul>

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			<ul style="list-style-type: none"> <li>d. the performance of the external audit function and review of their audits;</li> <li>e. the effectiveness of the Company's system of risk management and internal controls; and</li> <li>f. the Company's systems and procedures for compliance with applicable legal and regulatory requirements.</li> </ul>
<b>Nomination and Remuneration Committee</b>	<p>Ms Leanne Ralph (Chair)</p> <p>Ms Fiona Brown</p>	<ul style="list-style-type: none"> <li>- At least three members, the majority of whom are independent directors.</li> <li>- The chair should be an independent director.</li> <li>- All members should have an appropriate level of understanding of the ASX Governance Principles, the Company's business and organisation structure, the functions of the board and the various roles and responsibilities of directors and other senior executive positions, disclosure requirements under the Corporations Act and ASX Listing Rules, and the complexities involved in negotiating and determining executive remuneration packages.</li> </ul>	<p>Advising the Board on:</p> <p><b>Nomination</b></p> <ul style="list-style-type: none"> <li>a. Board succession planning generally;</li> <li>b. induction and continuing professional development programs for Directors;</li> <li>c. the development and implementation of a process for evaluating the performance of the Board, its committees and directors;</li> <li>d. the process for recruiting a new director, including evaluating the balance of skills, knowledge, experience, independence and diversity on the Board and, in the light of this evaluation, preparing a description of the role and capabilities required for a particular appointment</li> <li>e. the appointment and re-election of Directors; and;</li> <li>f. the effectiveness of the ensuring there are plans in place to manage the succession of the (CEO) and other senior executives, to ensure that the Board is of a size and composition conducive to making appropriate decisions, with the benefit of a variety of perspectives and skills and in the best interests of the Company as a whole.</li> </ul> <p><b>Remuneration</b></p> <p>The Committee also assists and advises the Board on remuneration policies and practices for the Board, the CEO, the CFO, senior executives and other persons whose activities, individually or collectively, affect the financial soundness of the Company.</p>

\* Our Board is currently recruiting another independent, non-executive director which will see the composition of these committee's change to all non-executive members.

## 2.2 Remuneration of Directors and Senior Executives

Our remuneration framework is designed to ensure that the level and composition of remuneration is both competitive and reasonable. Remuneration is intimately connected to performance and is intended to be appropriate for the results delivered. The Company's policies are designed to attract and maintain talented and motivated employees as well as raising the level of performance of the Company.

### *Remuneration of Executives*

Our remuneration framework is designed to attract, motivate and retain employees, including senior management, and ensure that the interests of the employees are aligned with those of the shareholders. In discharging its duties, the Nomination and Remuneration Committee reviews and makes recommendations to the Board on the remuneration of the CFO and other senior managers.

In making its recommendations the Nomination and Remuneration Committee ensures that:

- Remuneration is set with reference to prevailing market rates for similar positions, adjusted to account for experience, productivity and ability;
- Remuneration packages are designed to motivate senior management to pursue the long-term growth and success of the Company, and not reward conduct that is contrary to the Company's values or risk appetite; and
- A clear relationship exists between performance and remuneration.

### *Remuneration of non-executive Directors*

Our non-executive Directors are remunerated by way of fees which are set with reference to the prevailing market rates. They do not participate in the schemes designed for the remuneration of executives, nor do they receive bonus payments, or any retirement benefits other than statutory superannuation.

Each director's current Dicker Data shareholding is set out in the Remuneration Report in the 2020 Annual Report.

Conversely to preserve independence and impartiality, no element of non-executive director remuneration is 'at risk' (that is, it is not based on the performance of the Group).

## 2.3 Performance evaluation

Our Board is committed to enhancing its effectiveness through performance management and review. Our Board review is an informal process of discussion led by the Chairman on an annual basis.

The CEO's performance is formally assessed on an annual basis by the Board in conjunction with the Nomination and Remuneration Committee.

An annual assessment of the performance of all other senior executives is undertaken by the CEO, who conducts performance reviews in relation to each senior executive.

A performance evaluation for all senior executives, including the CEO, was undertaken in the reporting period in accordance with the process disclosed above.

Further information on directors' and executives' remuneration, including principles used to determine remuneration and KPIs, is set out in the Annual Report under the heading 'Remuneration Report'.

## 2.4 Independent Advice

In order to facilitate independent judgement in decision-making, each director has the right to seek independent professional advice at the Company's expense.

## 2.5 Agreements with directors and senior managers

The non-executive directors are appointed pursuant to formal letters of appointment which, among other things, set out the key terms and conditions of the appointment, the Board's expectations in relation to the performance of the director, procedures for dealing with a director's potential conflict of interest and the disclosure obligations of the director, together with the details of the director's remuneration.

All senior executives (defined as a member of the Executive Team) are currently direct reports to the CEO. All senior executives have detailed service contracts in place with their performance criteria requirements outlined in this document.

## 2.6 Company Secretary

The Board Charter expressly provides that the company secretary is directly accountable to the board through the Chair on all matters to do with the proper function of the board. All directors have access to the company secretary, who is appointed by, and accountable to, the board on all governance matters.

## 2.7 Board Meetings

Details of Board meetings held during the year and individual directors' attendance at these meetings can be found in the Directors' Report in the 2020 Annual Report.

## 3 Diversity and Inclusion

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### Relevant governance document:

- **Diversity Policy**  
<https://www.dickerdata.com.au/investor>
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### 3.1 Diversity and inclusion at Dicker Data

A formal Diversity Policy has been adopted by the Board that outlines the Company's commitment to inclusions at all levels, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

### 3.2 Dicker Data diversity profile, diversity initiatives and measurable objectives

The Company's induction, training and other programs are designed to promote the Company's culture of diversity and female participation in the workplace and within leadership positions.

The Board is committed to maintaining current high levels of female representation within the Company, and as such has established the following measurable objectives for gender diversity:

- Female Director Representation – 40%
- Female Senior Executives – 40%
- Females in the Workforce generally – 40%

The Board reviews these measurable objectives annually and a review was undertaken in 2020.

We have always had a policy of actively encouraging gender diversity at all levels in the organisation, and a culture that supports workplace diversity. As at 31 December 2020, the following gender diversity levels were evidenced by the Company:

- The proportion of female directors: 50%
- The proportion of female employees in the whole organisation: 43.3%
- The proportion of female employees in senior positions: 32%

The Company's policies and procedures are outlined in the Diversity Policy and ensure promotion of diversity within the workplace and that management teams are made aware of the policies that exist within the organisation to promote diversity within the workplace. For example:

1. For director selection:

- at least one serious female candidate should be present on every shortlist;
- at least one female to form part of the interview and selection panel for these appointments; and
- if, at the end of the selection process, a female candidate is not selected, the Board must be satisfied that there are objective reasons to support its determination.

2. For employee selection:

- a wider candidate pool can be established by engaging a professional search/recruitment firm(s), and/or by advertising vacancies; and
- a short-list identifying potential candidates for the appointment should include a mix of both male and female candidates wherever possible.

In addition to gender, the Company's Diversity Policy supports the Company's stance of a policy of non-discrimination that ensures all employees are treated fairly.

During the year the Company contributed to the Champions of Change Coalition 2020 Impact Report (**Impact Report**). The Champions of Change Coalition is a globally recognised, innovative strategy for achieving gender equality, advancing more and diverse women in leadership and building respectful and inclusive workplaces.

The Impact Report details the action and impact on equality, the advancement of more and diverse women into leadership and building respectful and inclusion working environments for all employees.

The results of the Impact Report outline Dicker Data's gender diversity levels of 43.3% and highlights the rate of women being promoted at Dicker Data at 59.3%.

## 4 Risk Management and Assurance

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### Relevant governance document:

- **Audit and Risk Management Committee Charter**  
<https://www.dickerdata.com.au/investor>
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### 4.1 Role of the Audit and Risk Management Committee

Our Audit and Risk Management Committee assists the Board in overseeing and reviews the integrity of financial reporting, the effectiveness of the risk management framework compliance systems and internal control framework, and the external and internal audit functions to ensure that they continue to remain sound and appropriate.

Senior executives, and the external auditors attend meetings by invitation of the Audit and Risk Management Committee. The committee holds regular meetings with the external auditor without management or executive directors present. Any director who is not a member of the Audit and Risk Management Committee may attend any meeting of the committee.

### 4.2 Risk Management Framework

Our Audit and Risk Management Committee reviews and assesses the Company's risk management framework annually. This process includes reviewing the implementation, management and maintenance of appropriate enterprise-wide risk management systems, policies and procedures, reporting protocols and internal controls, to ensure they continue to be sound and that the Company is operating in line with the current risk appetite set by the Board.

### 4.3 External auditor

One of the functions of the Audit and Risk Management Committee is to review and monitor the performance and independence of the external auditor.

The Company's current auditor is BDO Audit Pty Ltd.

BDO has provided an independence declaration to the Board for the year ended 31 December 2020 and this declaration forms part of the 2020 Directors' Report. Details of non-audit services provided by the external auditor over the reporting period are included in the Financial Statements.

Our external auditor is required to attend the annual general meeting and is available to answer questions from shareholders questions about the conduct of the audit and the preparation and content of the external auditor's report; accounting policies adopted by Dicker Data in relation to the preparation of the financial statements; and independence of the auditor in relation to the conduct of the audit.

### 4.4 Integrity in Financial Reporting and Periodic Corporate Reports

We have a requirement that the CEO and CFO provide written assurance to the Board, prior to approval of the Company's financial statements for each financial period, that in their opinion, the Company'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 Dicker Data's financial position and performance, and that this opinion has been formed on the basis of a sound system of risk management and internal control which operates effectively.

This written declaration was received by the Board prior to its approval of the full year and half year financial statements for the financial year ended 31 December 2020.

We have a process in place to verify the integrity of any other financial or non-financial corporate reports not reviewed by the external auditor. Any periodic corporate report receives the approval of the board prior to release to the market. This approval is based on a review of all relevant information provided by management. The specific process for each periodic corporate report will vary depending on the particular release but generally involves management analysis, discussion and recommendation, backed up by supporting documentation.

#### 4.5 Economic, Environmental and Social Sustainability Risks

We consider the Company's exposure to economic, environmental and social sustainability risks, and we have policy frameworks to manage both the risks and the opportunities.

- *Economic risks* – the business is exposed to general economic conditions. It is not considered a material risk. Key areas of strategic focus include customer and revenue diversification and expansion into new growth markets.
- *Environmental including climate change risks* – our environmental risks and impacts are low as our core business activity is technology distribution. We are, however, committed to managing and minimising the environmental footprint of our operations, including our offices and facilities.
- The Board also considers the physical and transition risks that climate change poses to the business. Our approach to climate change is outlined in the Climate-related Financial Disclosures in the 2020 Annual Report; and
- *Social risks* – we consider the salient human rights and labour risks and have practices and processes in place to mitigate the risks, including a Code of Conduct and Modern Slavery Statement.

The Company has recently completed an Environmental, Social and Corporate Governance survey and are considering the initiatives suggested within the report received from completion of the survey.

Further information relating to the Company's environmental, social and governance practices can be found in section 5.9.

#### 4.6 Internal Audit

The Company does not currently have an internal audit function. The process we employ for evaluating and continually improving the effectiveness of our governance, risk management and internal control function has been delegated to the Company's auditors and is reviewed periodically in conjunction with the Audit and Risk Committee.

## 5 Corporate Responsibility

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### Relevant governance documents:

- **Code of Conduct**
  - **Whistleblower Policy**
  - **Modern Slavery**
- <https://www.dickerdata.com.au/investor>
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### 5.1 Our values

The Board acknowledges the need for high standards of corporate governance practice and ethical conduct by all directors and employees of the Company.

The Board has endorsed a Code of Conduct which outlines 'acceptable behaviour' and attitudes expected from all staff to promote and maintain the confidence and trust of all those dealing with the Company.

Our core values are for employees to be:

- Flexible;
- Accessible;
- Knowledgeable;
- Collaborative; and
- Dedicated.

The vision and mission for the Company are outlined as follows:

#### **Vision**

Dicker Data's vision is to be the preferred source of industry leading technology, universally recognised for consistently exceeding expectations.

#### **Mission**

Dicker Data's mission is to enable, educate and inspire IT resellers to achieve their full potential through the delivery of unparalleled service, technology and logistics.

### 5.2 Code of Conduct

Our Code of Conduct (the **Code**) outlines the standards of conduct expected of the business and its people, taking into account the Company's legal and other obligations to its stakeholders. The Code applies to the directors of the Company, and all employees of the Company and its subsidiaries (**Group Personnel**).

As well as the legal and equitable duties owed by Group Personnel, the expectation of the Code is that all Group Personnel will:

- Act in accordance with the Company's stated values and in the best interests of the Company;
- Act honestly and with high standards of personal integrity;
- Comply with all laws and regulation that apply to the Company and its operations;
- Act ethically and responsibly;

- Treat fellow staff members with respect and not engage in bullying, harassment or discrimination;
- Deal with customers and suppliers fairly;
- Disclose and deal appropriately with any conflicts between their personal interests and their duties as a director, senior executive or employee;
- Not take advantage of the property or information of the Company or its customers for personal gain or to cause detriment to the entity or its customers;
- Not take advantage of their position or the opportunities arising therefrom for personal gain; and
- Report breaches of the code to the appropriate person or body within the Company.

A report is presented at the Board on any material incidents or breaches to this Code.

### 5.3 Whistleblower Policy

We have adopted a Whistleblower Policy. The policy sets out the principles for making, receiving, investigating and addressing disclosures made by whistleblowers. We believe every employee should have the chance to speak up anonymously when they feel we are not adhering to our corporate values or complying with the law. Dicker Data believes everyone should be able to make disclosures anonymously. We protect whistleblowers' identities and they only need to reveal their identity if they choose to. We provide Whistleblowers a place to report concerns and, after proper investigation based on the results, we commit to fixing problems and making improvements.

The policy outlines the procedures available for an eligible person to report a disclosure, ensuring there are different channels available that ensures the whistleblower's identity is safeguarded and the whistleblower is protected from retaliation or victimisation.

A report is presented at the Board on any material incidents or breaches to this Policy.

### 5.4 Anti-Corruption and Anti-Bribery Policy

Dicker Data is committed to its directors, officer, employees and agents conducting themselves according to the highest standards of ethical conduct, including a zero tolerance for bribery and corruption.

Whilst there isn't a separate Anti-Bribery and Corruption Policy, Dicker Data's Code of Conduct outlines clear guidelines in relation to anti-bribery and corruption which must be complied with so as to uphold all laws against bribery, corruption and related conduct applying to the Company in all the jurisdictions where the Company operates.

No money, opportunity or other benefit which could be interpreted as an inducement, secret commission or bribe can be accepted.

Dicker Data is committed to adopting effective systems to counter bribery and related improper conduct. If a breach is found to have occurred, legal or disciplinary action will be taken against any employee.

A report is presented at the Board on any material incidents or breaches to the Policy.

## 5.5 Modern Slavery

Following the passage of the Australian Modern Slavery Act (2018), Dicker Data included a section on modern slavery within the Code of Conduct and is in the process of preparing a Modern Slavery Statement to be submitted to the Department of Home Affairs prior to 30 June 2021.

The Company recently undertook a Supplier Analysis Report to prepare for the Modern Slavery Statement. The Supplier Analysis Report is an overview of the modern slavery risks for Dicker Data's suppliers as well as the policies and procedures these suppliers have in place to mitigate the risks of modern slavery and human trafficking.

The supplier deep dives complement the deep dives performed by Fair Supply into the industry categories which represented the highest risks of modern slavery. The Supplier Analysis Report provides further data on the scope of the Company's supply chain assessment for inclusion in the Modern Slavery statement and it also informs possible mitigating steps the Company may want to take in line with other industry players.

The Company supports the United Nations' Universal Declaration of Human Rights and the International Labour Organization's Fundamental Conventions. In adherence to these international treaties, the Company is committed to upholding the fundamental human rights of all workers in our operations and supply chains and treating them with dignity and respect.

All of the Company's contracted resellers are bound to our reseller terms and conditions, which include specific warranties and expectations relating to compliance with the Company's aforementioned policies.

## 5.6 Privacy

The Company has implemented various systems and processes internally to manage privacy, ensure compliance and mitigate risks.

In addition to their obligations under the Corporations Act in relation to inside information, all directors, employees and consultants have a duty of confidentiality to the Company in relation to confidential information they possess.

Further information on the Company's Privacy Policy can be found at <https://www.dickerdata.com.au/privacy-policy>.

## 5.7 Ethics

The Code of Conduct has been established to ensure that a high standard of ethical business behaviour is observed by all staff members and deals with issues such as:

- Conflicts of interests;
- Insider trading;
- Whistleblowing;
- Gifts, entertainment and anti-bribery; and
- Handling confidential information.

## 5.9 Environment, Social and Governance (ESG)

Sustainable and responsible business practices are important to the creation of value for employees, customers, vendors and shareholders, as well as the community and environment at large. We listen to feedback from our stakeholders on what is most important to them. We also focus on what is most material for our business and where we can make a meaningful difference. We provide updates on our commitments, activities and progress in our Annual Report. For information on how we manage ESG risks see Section 4.5.

As part of the relocation to our new facility we have incorporated ecological friendly aspects into our build such as solar panels, 8 electric vehicle charging stations, recycled water systems and over 30,000 new seedlings and trees on the grounds surrounding the new facility.

In an effort to incorporate environmental initiatives into our sales process, the Company is supporting the Plant a Tree for Me Project run by the Foundation for National Parks and Wildlife (**FNPW**). The FNPW and not-for-profit, One Tree Planted, developed the Plant a Tree for Me Project in an effort to plant up to one million trees in bushfire recovery nurseries throughout Australia.

This project leverages existing, community-based nurseries, to build capacity and prepare trees for planting when land has recovered. There is also an opportunity for Dicker Data's staff or customers volunteer at the nurseries and/or help with planting if they wish.

## 5.10 Cybersecurity

Security is an essential and core competency for Dicker Data's business model. Dicker Data's approach to security is comprehensive and entails people, processes and technology to ensure the right outcome for clients, regulators, employees and shareholders.

Dicker Data has established a number of dedicated information security and privacy roles throughout the business. Mandatory Security Awareness training is conducted for all employees and this is being rolled out to independent contractors based on requirements.

Dicker Data has implemented various internationally recognised standards and maintains various systems and processes in order to deal with cybersecurity threats that our business faces, including:

- Data protection is achieved via daily backups and disaster recovery plans are in place for business-critical systems
- Data privacy compliance is in place – specifically Australian Privacy Act
- Annual security penetration testing by third part professional service security organisation focused on both infrastructure and application

Technology standards have been introduced globally across Dicker Data to ensure consistency and reliability. The following technology standards apply:

- Data encryption is in place when data is at rest and in transit for critical systems
- Client device encryption
- Virtual private Network utilised as required
- Secured File Transfer Protocols available as required
- Centralised access controls via directory services based on 'least privilege'

Whilst Dicker Data has a robust security environment, the Company is continuously working on improvements to the security profile and processes based on current best practices.

## 6 Engaging with our Shareholders and Investors

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### Relevant governance documents:

- **Continuous Disclosure Policy**  
<https://www.dickerdata.com.au/investor>
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### 6.1 Communications and external disclosure

The Company has adopted a Continuous Disclosure Policy, the objectives of which are to:

- ensure that the Company is able to meet its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act; and
- establish internal procedures so that all Group Personnel understand their obligations to ensure:
  - confidential information is protected; and
  - disclose Price Sensitive Information to the Disclosure Officer.

The purpose of this policy is to:

- ensure that the Company immediately discloses all price-sensitive information to ASX in accordance with the ASX Listing Rules and the Corporations Act;
- confirm officers and employees are aware of the Company's continuous disclosure obligations; and
- establish procedures for:
  - the collection of all potentially price-sensitive information;
  - assessing if information must be disclosed to ASX under the ASX Listing Rules or the Corporations Act;
  - releasing to ASX information determined to be price-sensitive information and to require disclosure;
  - dealing with market rumours and speculation;
  - communicating with analysts and investors;
  - establish authorised Company spokespersons; and
  - responding to any queries from ASX (particularly queries under Listing Rule 3.1B).

The overarching principle of this policy is governed by Listing Rule 3.1, which requires the Company to immediately notify the ASX of any information that a reasonable person would expect to have a material effect on the price or value of Dicker Data's quoted securities, provided that the information does not fall within the exception to disclosure under the Listing Rules. The Policy provides for the exceptions to Listing Rule 3.1 as outlined in Listing Rule 3.1A.

Further, all material ASX announcements are promptly circulated to directors upon the release to the market.

### 6.2 Shareholder communications

We are committed to maintaining direct, open and timely communications with all shareholders and stakeholders. The board's policy is that shareholders are informed of all material developments that impact on the Company and the Investor Centre of the Company's website contains a large amount of relevant information to assist this communication.

Specifically, information is communicated to shareholders and stakeholders through:

- release of half-year and full-year financial statements

- release of ASX Announcements relating to important strategic and financial initiatives
- the Annual General Meeting
- audio webcasts post results
- provision of information and resources through the online Investor Centre at <https://www.dickerdata.com.au/investor>
- investor presentations

We also invite shareholders to communicate directly with us and provide contact information and a dedicated email address on our Investor Centre. All shareholders have the option to receive communications from, and send communications to, the Company and our Share Registry electronically.

When we hold a new investor or analyst presentation, a copy of the presentation materials are released to the ASX ahead of the presentation.

### 6.3 General Meetings

Our annual general meeting is convened once a year, usually in May. The 2020 AGM was held as a virtual meeting in July 2020 as a result of Government mandated restrictions during the COVID-19 pandemic.

In relation to our meetings of shareholders, an explanatory memorandum on the resolutions is included with the notice of meeting which provides all relevant information to enable shareholders to make informed decisions on the matters put to them.

Shareholders are encouraged to vote on all resolutions and unless specifically stated otherwise in the notice of meeting, all shareholders are eligible to vote on all resolutions. Shareholders who cannot attend the annual general meeting may lodge a proxy in accordance with the Corporations Act. Proxy forms may be lodged with the share registry by mail, hand delivery, facsimile or electronically.

The Company has always adopted the process of all resolutions being decided by a poll.

Transcripts of the chairman's address and any investor presentation are released to the ASX prior to the commencement of the annual general meeting and the outcome of voting on resolutions at the meeting is released to the market after the conclusion of the meeting. Both documents are also posted on the Company website.

In the event that shareholders cannot attend formal meetings, they are able to lodge a direct vote online or return their voting form to the share registry. In addition, shareholders are encouraged to submit questions prior to the meeting via the share registry portal.

All shareholders have the option to receive communications electronically from and send communications to the Company's registry service provider Link Market Services.

### 6.4 Investor engagement

We aim to ensure that its shareholders and the broader investment community are kept well-informed of all major developments and business events that are likely to materially affect the Company's operations and financial standing, and the market price of its securities.

Key activities in our investor engagement program include:

- the Annual General Meeting
- the release of our Annual Report

- regular releases of financial information, including half-year and full-year financial results, and trading updates as required
- media and analyst calls with our CEO, CFO and COO following the release of key financial information
- the provision of investor-related resources on our website at <https://www.dickerdata.com.au/investor> including information on the operations of the group, the Board, management, corporate governance charters and policies, ASX announcements, the share price, dividend distribution, and material ESG matters
- one-on-one briefings with members of the domestic and international investment community
- responding to shareholder queries
- engaging with the Australian Shareholders Association, retail stockbrokers and proxy advisor organisations as requested

### 6.5 ASX Releases to the Board

We have a process of ensuring that all material ASX announcements are distributed to directors immediately upon its release to the market. This process is mandated in the Continuous Disclosure Policy.

## 7 Securities

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**Relevant governance document:**

- **Securities Trading Policy**  
<https://www.dickerdata.com.au/investor>
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### 7.1 Securities Trading Policy

We have adopted a Securities Trading Policy that is intended to explain the types of conduct in relation to dealing in securities that are prohibited under the Corporations Act and establish a best practice procedure for the buying and selling of securities that protects our directors, officers, employees and management against the misuse of unpublished information that could materially affect the value of securities.

The Securities Trading Policy sets out restrictions that apply to dealing with securities and defines “prohibited periods” during which Designated Persons, are unable to deal in Dicker Data securities.

In all instances, buying or selling of shares is not permitted at any time by any person who possesses price – sensitive information.

The Company’s Security Trading Policy provides that Designated Persons must not enter into any transaction that operates to limit the economic risk associated with holding securities in the Company. In addition, Designated Persons are prohibited from engaging in short-term dealing of Dicker Data shares, where ‘short-term’ is considered a 120-day period.

This Corporate Governance Statement is current as at 25 February 2021 and has been approved by the Board.

**Our Corporate Governance Statement and Key to Disclosures (Dicker Data Appendix 4G) have been lodged with the ASX and are available at <https://www2.asx.com.au/markets/company/ddr>**