

colesgroup



TOGETHER TO
ZERO



**BETTER
TOGETHER**

2021 Sustainability Strategy

Winning Together.

Coles Group Limited
ABN 11 004 089 936

Winning together.



Acting

The impact of climate change calls on all of us to take urgent action. We have identified powerful initiatives across how we use energy, how we can move towards a circular economy, as well as how we will continue to improve our sustainable sourcing.

together

We are not working alone. Our relationships with our team members, shareholders, farmers, suppliers, partners, customers and communities drive our sustainability agenda forward. We are winning together in the best interests of all, including through our Australian First Sourcing Policy.

Front cover: Coles Moonee Ponds, Victoria team members from left to right, Ornella, Store Manager, Vignesh, Hannah and Shih.

This page: Coles Head of Energy, Jane, Brian Morris (Macquarie Capital), Tracey Ward (Lal Lal Wind Farms), Coles Category Manager – Energy, Sustainability & Store Services Vinay and Jackie Funder (Macquarie Capital) at Lal Lal Wind Farm, Victoria. In March 2021, Coles Group announced a commitment to source 100% renewable electricity by the end of FY25. As part of this commitment, Coles signed an agreement with Lal Lal Wind Farm near Ballarat, for the purchase of large-scale generation certificates for renewable electricity until the end of 2030.

TOGETHER TO
ZERO



**BETTER
TOGETHER**



now

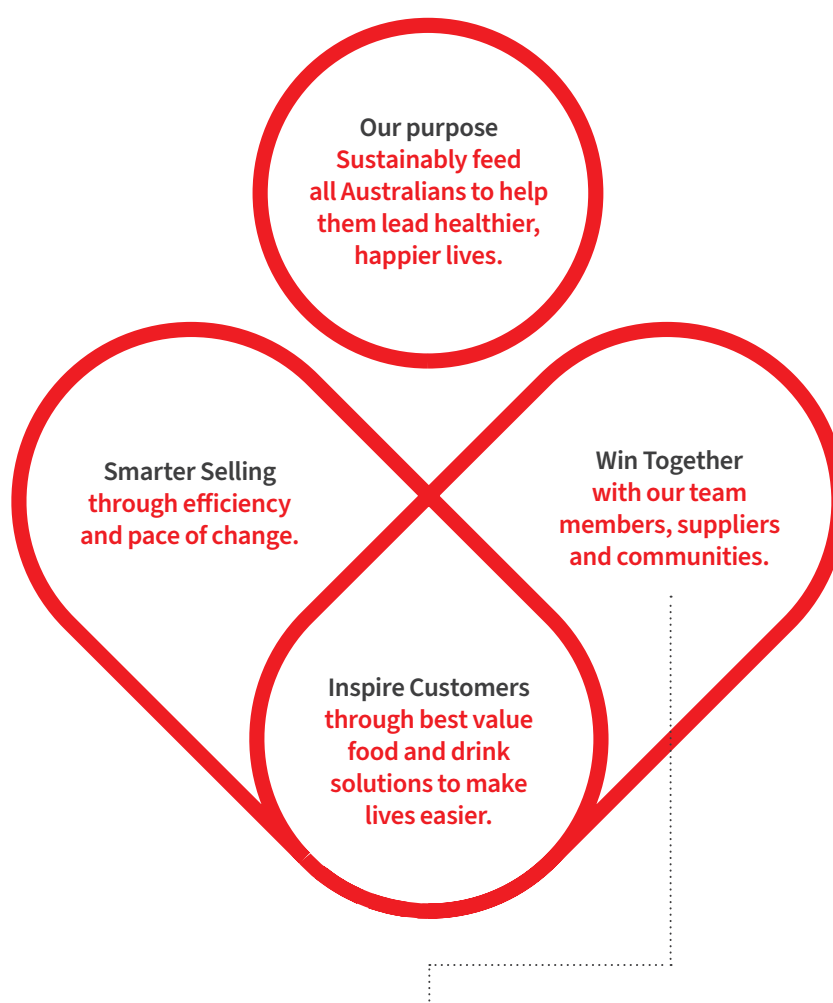
Our sustainability journey is already underway. Our partnerships with SecondBite and REDcycle are long-established, and we have made sustainability more affordable and accessible with our Coles Brand responsibly sourced seafood, RSPCA Approved fresh chicken and 100% Australian fresh beef with no added hormones.

for generations ahead.

We are optimistic about the future, and our sustainability focus is not just guiding Coles in our second century. It is about striving to ensure that future generations will enjoy the same, unique way of life and the fresh Australian food that we do, far into the future. Our purpose is to sustainably feed all Australians to help them lead healthier, happier lives and we value and want to protect the Australian Way.

Our Vision

To become the most trusted retailer in Australia and grow long-term shareholder value.



At Coles our vision is to become the most trusted retailer in Australia and grow long-term shareholder value. Becoming the most trusted retailer in Australia means we need to be reliable and responsible, and will deliver on our purpose. With trust as our foundation, we will build long-term performance for our shareholders.

Our purpose is to sustainably feed all Australians to help them lead healthier, happier lives. We have an important role to play and this is why we exist.

Supporting our vision and purpose, our corporate strategy has three strategic pillars to enable us to deliver our vision and purpose: Inspire Customers, Smarter Selling and Win Together. Our Win Together pillar has five key focus areas: Safer choices together, Great place to work, Together to zero to drive generational sustainability, Better together through diversity and stakeholder engagement, and Innovation through partnerships. Our Sustainability Strategy focuses on two of these areas – Together to zero and Better together. Working towards our ambitions and targets under each of these areas will enable us to take actions together now for generations ahead.

Sustainability Strategy



Win together

Together to zero
Better together

What we are doing and why?
Acting together now for generations ahead.



**Together to
zero emissions**

**Together to
zero waste**

**Together to
zero hunger**

**A team that
is better together**

**A community that
is better together**

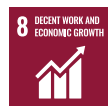
**Sourcing that
is better together**

**Farming that
is better together**

United Nations Sustainable Development Goals

The 17 United Nations Sustainable Development Goals (UN SDGs) are the UN's plan for a better future for people and the planet. Coles' Sustainability Strategy is aligned with and supports the achievement of the UN SDGs.

Our pillars of Together to Zero and Better Together help to address nine key goals highlighted below.



Introducing Coles' Sustainability Strategy

We understand that Coles holds a unique position in Australia. For more than 100 years we have been at the heart of Australian's lives and homes.

We are an employer of more than 120,000 team members, one of the largest private-sector employers of Aboriginal and Torres Strait Islander peoples, we process more than 21 million transactions each week providing our customers with products from thousands of farmers and suppliers, and we are located in communities across the country.



The position we hold comes with responsibility. The world is a very different place to when we first opened our doors in 1914 and today, we face many new challenges.

As one of Australia's leading companies we need to show the way forward. To demonstrate that by acting together now, we can create a better Australia for future generations.

Our Sustainability Strategy is addressing these challenges and opportunities under two pillars: Together to zero and Better together.

Together to zero sets our ambitions to reduce our impact on the environment.

Together to zero emissions

Together to zero waste

Together to zero hunger

Better together recognises that when we work together, we can make a real difference to our team, our suppliers, our customers and to the communities in which we live and work.

A team that is better together

A community that is better together

Sourcing that is better together

Farming that is better together

Our focus areas are aligned with the key issues and opportunities identified through a sustainability materiality assessment that considered the subjects most important to our stakeholders and the ones where we believe we have the greatest influence.

Under these pillars - Together to zero and Better together - we have set our aspirations and the pathway to meet the many challenges and opportunities we face.

By acting together today, we can leave a better place for future Australians.



SecondBite Founder, Simone Carson, Coles Managing Director and CEO, Steven Cain, Coles Moonee Ponds Store Manager, Vignesh, Coles Chief Sustainability, Property & Export Officer Thinus Keevé, and artist Nikita Ridgeway, who designed Coles' sustainability logo, at the opening of the Moonee Ponds store in Melbourne.

Governance

The Board oversees and approves the strategic direction of the Group and the effectiveness of Coles' environmental, sustainability and governance policies. It retains ultimate oversight of material environmental and sustainability risks and opportunities. The Audit and Risk Committee assists the Board in fulfilling its responsibilities.

The Sustainability Steering Committee, a management committee, is responsible for overseeing Group-wide identification and response to sustainability risks and opportunities. It is chaired by the Chief Sustainability, Property & Export Officer, a member of the Executive Leadership Team, who reports to the Chief Executive Officer. The Chief Executive Officer has ultimate responsibility for sustainability at Coles. The Committee's standing members comprise management from functions with key sustainability responsibilities including Risk and Compliance, Sustainability, Coles Brand, People and Culture, Marketing, Company Secretariat and Corporate Affairs.

The Chair of the Sustainability Steering Committee provides regular updates to the Board and the Audit and Risk Committee on sustainability issues.

The Sustainability Steering Committee is supported by other steering committees, subcommittees and working groups including the Human Rights Steering Committee, the Diversity and Inclusion Council, the Climate Change Subcommittee and the Coles Express and Coles Liquor sustainability working groups.

Our Sustainability Strategy is aligned with the ten principles of the United Nations Global Compact and the advancement of the United Nations Sustainable Development Goals (UN SDGs). The 17 UN SDGs are the UN's plan for a better future for people and the planet. Coles' purpose to sustainably feed all Australians to help them lead healthier, happier lives is aligned with and supports the achievement of the UN SDGs.

The Sustainability Strategy is also guided by our social, ethical and environmental policies, which can be found on the Coles Group website.

Our progress against the Sustainability Strategy will be reported annually in the Coles Group Sustainability Report.



TOGETHER TO ZERO

Together to zero sets out our ambitions across key sustainability areas including climate change, waste and hunger.

We will collaborate with our stakeholders to bring about change in these areas, with high expectations for ourselves and the broader community.

**Together to
zero emissions**

**Together to
zero waste**

**Together to
zero hunger**



Together to zero emissions

We understand our responsibility to minimise our environmental footprint and to show leadership in protecting our planet and climate.

We are a significant energy user and producer of greenhouse gas emissions, both directly in our own operations and indirectly through our extensive supply chains.

We are committed to addressing the impacts of climate change and reducing greenhouse gas emissions by responsibly accelerating the decarbonisation of our operations and direct supply chains. By measuring the impacts of our emissions and setting reduction targets across our supply chains, we will engage with key stakeholders to influence climate action.

Climate resilient and Paris aligned

We acknowledge the risks climate change presents to the community and the planet. Coles supports the goals of the Paris Agreement to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. We also support the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

As one of Australia's largest companies, we understand our responsibility to minimise our environmental footprint, as well as to mitigate the environmental, health and social impacts of climate change. We will do this by working towards:

- Building the resilience of our business, supply chain and community against climate change related impacts, both physical and transitional (manage climate risks and opportunities);
- Building a roadmap aligned with the Paris Agreement, and using our position and voice to play a constructive role in influencing others to meet similar goals (influence climate action); and
- Taking action to reduce and negate our climate impacts (decarbonisation).

Net zero and 100% renewable electricity

Coles will continue to implement initiatives to reduce greenhouse gas emissions in our own operations. Where possible, we will deploy mature and available technology as well as work with industry and stakeholders to invest in knowledge and research to identify pathways to address difficult or as yet unsolved decarbonisation challenges.

We will embark on a greenhouse gas emissions reduction pathway with the goal of:

- Sourcing 100% renewable electricity by the end of FY25 through a mixture of power purchase arrangements, retail agreements, on site solar and the voluntary purchase of renewable electricity certificates.
- Reducing combined Scope 1 and 2 greenhouse gas emissions by more than 75% by the end of FY30 (from a FY20 baseline). These being the emissions associated with electricity purchases and with emissions from our direct operations.
- Achieving net zero emissions by 2050 by taking a leadership position in responding to this global issue.

Reduce greenhouse gas emissions from our value chain

We understand that the majority of greenhouse gas emissions in our value chain are not in areas where we have direct control but where we do have influence. We will work with our suppliers and other stakeholders to explore and implement broader emissions reduction initiatives including:

- Addressing the most material and actionable emissions sources in our value chain.
- Developing a Scope 3 emissions baseline across high impact commodities.
- Exploring technologies to reduce greenhouse gas emissions.

Supports Sustainable
Development Goal





Together to zero waste

The world's resources are finite and we must conserve and use them as efficiently as possible, wherever we can.

Our customers want to see reduced waste and packaging, as well as increased efficiencies across our value chain, without compromising the safety and quality of the products we sell.

We recognise the role we can play in reducing food waste and packaging, reflecting customers' needs while making our operations more sustainable and efficient. By working with industry partners, suppliers and customers we aim to increase food security, reduce waste and overall, conserve our valuable resources.

Support a circular economy

We continue to look for efficiencies across our business and are moving towards circular thinking to avoid the use of valuable resources and to reduce waste. We will support a circular economy and optimise our resources with the aim of:

- Supporting and creating end-markets to use recovered materials including those collected through initiatives such as the REDcycle soft plastic collection program available in all Coles supermarkets.
- Closing the loop by using recycled content in product packaging to create an end-market for recycled materials, particularly plastic packaging.

Sustainable packaging

We understand our customers want us to reduce packaging and to make it easier for them to recycle. We also know that packaging, including plastic packaging, plays a key role in protecting products during transport, extending product life, keeping food safe and reducing food waste.

We are working together with our supplier partners, government and industry to accelerate packaging sustainability and transition to a circular economy in Australia. We will do this with the goal of:

- For all Coles Brand packaging, we are driving the delivery of the Australian Government's 2025 National Packaging Targets ensuring that:
 - All Coles Brand packaging will be 100% recyclable, reusable or compostable by 2025.
 - Across Coles Brand packaging, there will be an average of 50% recycled content by 2025.

- All Coles Brand packaging will carry the Australasian Recycling Label (ARL) by 2025. The ARL provides guidance on what packaging components can be disposed of according to different waste streams.
- Phasing out problematic, and unnecessary single use plastics packaging by 2025 or earlier for all Coles Brand products.

- Working with our supplier partners of proprietary products to drive packaging sustainability.

Coles aims to play a key role in driving industry change and will continue to search for innovative solutions to deliver ahead of the 2025 National Packaging Targets.

Minimise food waste

We will continue to minimise food waste, both upstream and downstream in our value chain, as food security and reducing food waste are important social and environmental issues that we can help address. We will minimise food waste to landfill with the ambition of:

- Diverting 85% of waste from landfill by FY25 and continuing our focus on reducing food waste. Our first choice for unsold, edible food is to donate it to food rescue organisations such as SecondBite and Foodbank. Following that, we have other food waste solutions including donations to farmers and animal or wildlife services, organics collections and in-store food waste disposal equipment.
- Identifying opportunities to reduce in-store food waste and maximise shelf-life by working with industry and suppliers on alternative solutions.
- Partnering with suppliers to reduce food waste upstream in the supply chain. This includes working with suppliers to reduce food waste and increase overall crop yields by using produce, which typically would not be sold in stores, in other products.

Supports Sustainable
Development Goal





1.5B PIECES OF SOFT PLASTIC RETURNED TO OUR STORES

Since the partnership with REDcycle began, more than 1.5 billion pieces of soft plastic have been returned to our stores.



Coles team members Luke and Fiona at the new Coles' Cobblebank, Victoria. Coles has partnered with Victorian recycling organisations RED Group and Replas to pioneer and install footpaths, curbing and footings, made partly out of recycled soft plastics, in the car park at the store. The car park is the first commercial construction project in Australia to make use of Polyrok – a sustainable alternative to aggregate minerals used in concrete, such as stone. It is made from plastic bags and soft plastic packaging recovered from the REDcycle program, available in all Coles supermarkets. Insert: Polyrok is used in the concrete paving and edges of the supermarket carpark at our new supermarket in Cobblebank, Victoria.





Together to zero hunger



Coles Store Manager David provides food donations to Major Brendan Nottle from the Salvation Army as part of Coles' partnership with national food rescue organisation, SecondBite.

178M MEALS

PROVIDED BY COLES*

Coles has an ambition to work Together to zero hunger. This encompasses our commitment to donate unsold, edible food from our supermarkets and distribution centres to food rescue organisations. It also includes the support we provide in times of need, including funds and food as part of disaster relief.

Coles and food rescue organisation SecondBite have been working together since 2011 in the fight against hunger and food waste. Since the partnership began, Coles has provided SecondBite with the equivalent of 145 million meals,* as well as valuable funds raised with

the support of our generous customers. The food we provide to SecondBite is distributed to more than 1,000 community organisations who are helping Australians in need. We have been working with Foodbank since 2003, providing the equivalent of 33 million meals.* The food we provide Foodbank supports approximately 2,400 agencies and community groups.

Supports Sustainable
Development Goal



* as of 30 April 2021.



Top photo: Hoa, Deanne and Nina (from left to right) preparing food donated by SecondBite at Diamond House Clubhouse, Adelaide, South Australia. Lower photo: Foodbank established a pop up store in Melbourne during COVID-19 to help international students. Coles supported the set-up of the shop. Pictured are Coles team member Tania and Foodbank team member Leticia.



BETTER TOGETHER

We know that when we work together, we can create positive outcomes for our team members, farmers, suppliers, customers and the communities in which we live and work.

Better together sets out our ambitions and details how we will work together with all our stakeholders to bring about positive change.

**A team that
is better together**

**A community that
is better together**

**Sourcing that
is better together**

**Farming that
is better together**



A team that is better together

We are all different and at Coles, we know that is a good thing.

Just as we have for over a century, we are making Coles somewhere everyone feels like they belong. So that we can all live healthier and happier lives.

Our differences help us spark ideas, create connections and discover commonality, helping us foster understanding, show empathy and build communities. Being unique reminds us that every customer, team member and supplier we work with is unique too.

It inspires us to win together to achieve our goal of sustainably feeding all Australians. We are making Coles somewhere everyone feels like they belong so that we can all live healthier and happier lives.

To achieve this, we are committed to delivering the following targets by December 2023.

All together for Belonging

To foster an open and welcoming culture where everyone feels valued, we will:

- Develop inclusive leaders so we benefit from diverse teams that reflect the communities we serve.
- Make work flexible at Coles, so we can all thrive in our careers.
- Improve engagement of all diverse groups so that everyone at Coles can be at their best.

All together for Gender equity

To achieve a gender balanced workforce to benefit all of us and our community, we will:

- Reach 40% women in leadership roles at an organisational level. Improve male and female representation in each function to 30% of each gender.
- Achieve pay parity to support achievement of gender equality.
- Be recognised as a WGEA Employer of Choice for Gender Equality enabling us to attract and retain the best talent at Coles.

All together for Accessibility

To recognise and enable people with all kinds of abilities, we will:

- Achieve 90% completion of Disability Confidence Training by customer-facing team members so we can support every customer.

- Continue to improve the accessibility of our in-store and online experience, including quiet hour being available in over 420 supermarkets nationally.

- Take part in the Australian Network on Disability's Access and Inclusion Index to make sure we are always working to improve our inclusion outcomes.

All together for Pride

To champion LGBTQI+ inclusion in the workplace and beyond, we will:

- Build a strong Pride at Coles network and actively contribute to local LGBTQI+ communities and events in all states.
- Provide LGBTQI+ inclusion training to all team members to create a place where everyone feels like they can be their authentic selves at work.
- Improve our status in the Australian Workplace Equality Index and be recognised as an active and influential leader in LGBTQI+ workplace inclusion.

All together for Indigenous engagement

To provide more opportunities for Aboriginal and Torres Strait Islander peoples, suppliers, customers and communities to engage with our business, we will:

- Increase Aboriginal and Torres Strait Islander team member representation to 5% of our workforce and 3% of trade and management roles by providing great careers at Coles.
- Increase opportunities for Aboriginal and Torres Strait Islander suppliers to participate in our supply chain.
- Progress sustainable relationships with Indigenous customers and communities to increase our understanding, value and recognition of Aboriginal and Torres Strait Islander cultures, histories, knowledge and rights.

Supports Sustainable
Development Goals





A community that is better together

We believe we can build stronger communities when we work together to make a positive difference and support each other in times of need.

A community that is better together is one where we protect our most vulnerable and prioritise the health and wellbeing of our customers.

Community partnerships and disaster relief

By building strong, resilient communities we aim to help Australians to lead healthier, happier lives. We will do so by:

- Continuing to invest in local communities and supporting them in times of need.
- Partnering with and supporting charities and community organisations to drive health benefits, reduce disadvantage and improve sustainability.
- Facilitating and supporting volunteering opportunities for our team members.
- Supporting small to medium sized Australian businesses through the Coles Nurture Fund, industry partnerships and disaster relief.

Health and nutrition

Our purpose is to sustainably feed all Australians to help them lead healthier, happier lives. We will inspire customers with best value food and drink solutions to make it easy, affordable and enjoyable to shop health at Coles by:

- Nutritionally improving Coles Brand products to meet Federal Government Healthy Food Partnership targets for salt, saturated fat and sugar.
- Continuing to ensure Coles Brand range of food and drinks are free from artificial colours and flavours.
- Expanding our range of Coles Brand plant-based and alternative protein products.
- Focusing on marketing and innovation support to grow our key health and lifestyle brands.
- Making healthy choices easier by utilising the Health Star Rating on eligible Coles Brand products for transparent labelling.

- Voluntarily labelling industrial trans fats in the nutrition information panel of relevant Coles brand food and drink products.
- Working with government, academic, food industry and public health groups to support Australian Dietary Guidelines for population health.

Responsible sale of alcohol and tobacco

We are committed to trading safely, responsibly and sustainably, and take the wellbeing of our team members and customers very seriously. We will do so by:

- Supporting initiatives that reduce the misuse and abuse of alcohol in our communities.
- Continuing to take a proactive approach to the responsible sale of alcohol and tobacco.
- Providing ongoing training programs and communications to reinforce the important role our team members play in being a responsible alcohol and tobacco retailer.
- Continuing to engage with government, industry and community partners to promote a safe and responsible drinking culture through informative and educational campaigns and marketing.
- Ensuring a range of low or no alcohol products are available to meet customer needs.

Supports Sustainable
Development Goal





Coles is proud to partner with the Stephanie Alexander Kitchen Garden Foundation to deliver food education to children around Australia. Stephanie is pictured with children from the Ascot Vale Heights School in Ascot Vale, Melbourne.





During FY21, Coles supported Beechworth Honey with a Coles Nurture Fund grant which will be used for robotic technology to streamline its operations resulting in increased productivity and cost efficiencies in its honey packing facilities. The Coles Nurture Fund helps small to medium sized Australian businesses to innovate and grow. Image supplied by Farm to Fork.



Sourcing that is better together

We will work with our suppliers and producers to make life easier for our customers by offering quality, safe and trusted products – sourced in an ethical, transparent and responsible way.

Responsibly sourced products and ingredients

We are working with our farmers, suppliers and industry partners to have a positive impact on the environment and help our customers make more responsible choices.

We will continue to support independent certification or verification of Coles Brand products with higher environmental and labour risks by:

- Ensuring all Coles Brand seafood sold in Coles supermarkets is responsibly sourced to either Marine Stewardship Council (MSC), Aquaculture Stewardship Council (ASC), GLOBALG.A.P or Best Aquaculture Practises (BAP) certification or independently assessed to the Coles Responsibly Sourced Seafood criteria. We are proud that all Coles Brand seafood sold in Coles supermarkets is responsibly sourced and has been since 2015. We will continue to maintain our industry-leading commitment to the responsible sourcing of seafood in Coles Brand products.
- Maintaining our focus on responsibly sourced palm oil. Since 2015 all Coles Brand food and drink products sold in Coles supermarkets have been responsibly sourced to support the production of sustainable palm oil. This means that within the food and drink supply chain for Coles Brand products sold in Coles supermarkets, Coles requires the supplier using palm oil to:
 - obtain Roundtable on Sustainable Palm Oil (RSPO) Supply Chain Certification for its own supply chain; or
 - be able to demonstrate RSPO Certification for each palm oil ingredient that is incorporated into the Coles Brand product.
- Maintaining our focus on responsibly sourced timber. The production of all Coles Brand timber, pulp and paper products sold in Coles supermarkets utilises material from forest plantations independently certified to the Programme for the Endorsement of Forest Certification (PEFC) or Forest Stewardship Council® (FSC®) certification schemes; or from post-consumer recycled fibre.
- Maintaining our focus on responsibly sourced tea, coffee and cocoa. All single ingredient tea, coffee and cocoa Coles Brand products, and cocoa used in Coles Brand solid chocolate blocks, sold in Coles supermarkets have been independently certified or verified from recognised certifications and verification programs including Fairtrade, Rainforest Alliance/UTZ and Cocoa Horizons. We aspire to increase the use of certified and/or verified coffee, tea and cocoa as ingredients in Coles Brand products sold in Coles supermarkets.
- Continuing to support the Bonsucro program for the responsible production of sugar cane.

Understanding product impact

We understand customers' concerns about making sustainable choices and wanting to be aware of the impact they are making through their product purchases. We will look to understand the environmental impacts of our products by:

- Providing information to customers to help them buy responsibly by prioritising the social and environmental issues of most importance to them.
- Engaging with customers about the environmental and social impacts of products through different communication channels.

Human rights

Protecting human rights is a global issue, and we understand our important role in safeguarding human rights in our own operations and in our extended and complex supply chains. We are committed to:

- Ensuring that human rights are understood, respected and upheld in accordance with internationally recognised human rights principles.
- Robust governance of human rights in our operations and our supply chain.
- Creating experiences for our customers that value their unique needs and circumstances.
- Serving our customers safely and without discrimination, respecting their privacy and prioritising accessibility for all.
- Minimising the potential for labour and human rights issues in our supply chains and operations, shining a light on areas of risk and ensuring we make responsible buying decisions.
- Respecting the human rights of workers throughout our supply chain. We expect our partners and everyone in our supply chain to have the same commitment.
- Listening to the experiences of the most vulnerable by encouraging dialogue and consultation with rightsholders, including a key focus on worker voice and engaging with our stakeholders.
- Maturing our operational level grievance mechanisms to ensure they are accessible, predictable, equitable, transparent, rights compatible, legitimate and a source of continuous improvement.
- Recognising the important role played by human rights defenders and being responsive to our stakeholders. We support and welcome dialogue on where we face challenges and our opportunities to improve our respect for human rights.

Supports Sustainable Development Goals





Farming that is better together

We want to win together with our supplier partners and we are committed to building strong, multigenerational, collaborative relationships with Australian farmers and producers.

Their hard work and dedication enables us to provide high-quality products to our customers.

Invest in farmers and producers

We will establish sustainable partnerships with farmers and producers by:

- Continuing to build our reputation and industry by working with wider stakeholders for the benefit of the industry.
- Co-investing with our farmers in long-term projects. This includes the Coles Nurture Fund, a \$50 million fund to help small to medium sized Australian businesses to innovate and grow.
- Continuing to implement our direct dairy sourcing model, working collaboratively with Coles Sustainable Dairy Development Group to enhance sustainable farming practices on our partner dairy farms.

Coles is working to support Australian farmers with initiatives such as our Supermarket Australian-first fresh produce sourcing policy which provides our customers with quality Australian grown fresh produce as a first priority.

Animal welfare

We aim to safeguard animal welfare by sourcing higher welfare meats and ingredients in Coles Brand products by:

- Aspiring to improve our score in the Business Benchmark on Farm Animal Welfare.
- Continuing to maintain our industry-leading commitments to higher welfare standards such as:
 - All Coles Brand fresh beef with no added hormones.
 - All Coles Brand fresh pork, bacon and ham is sow stall-free and produced without artificial growth promotants.
 - All Coles Brand fresh chicken (including free-range) and fresh turkey is RSPCA Approved.
 - All Coles Brand fresh free-range pork is RSPCA Approved.
 - All Coles Brand shell eggs are cage-free.
 - Launching Slow Hills chicken. The first slow growing chicken range to be launched by a major Australian supermarket, this is from a slow growing chicken breed.
- Continuing to grow our proportion of Coles Brand products with cage-free eggs as ingredients targeting 100% completion by 2025.

Supports Sustainable Development Goal





Dairy farmers Matt and Alli Reid from Carlisle River, Victoria are part of Coles direct sourcing model which offers transparent farm-gate prices enabling farmers to more confidently plan for their future through the choice of one, two or three-year contracts. The Coles Sustainable Dairy Development Group (CSDDG) supports the direct milk sourcing model. Matt and Alli were also awarded The Weekly Times Coles 2020 Farmer of the Year. Insert: Reid's farmgate sign identifying them as a Coles' farmer.



About the artwork

The dots, as used in the art of Northern Aboriginal Australian people, reflect the notion of community with many different groups circling around a larger collective goal. The cross hatching designs, as used in the art of Southern Aboriginal Australian people, represent the weaving technique used to create tools to hunt and gather food. Combined they represent the importance of working together to protect and sustain life.

This original artwork design was created for Coles by Bundjalung/Biripi artist Nikita Ridgeway of Boss Lady Design and Communications.

Coles acknowledges the Traditional Custodians of Country throughout Australia and pays its respects to elders past and present. We recognise their rich cultures and continuing connection to land and waters.

Aboriginal and Torres Strait Islander peoples are advised that this document may contain names and images of people who are deceased.

All references to Indigenous people in this document are intended to include Aboriginal and/or Torres Strait Islander people.

In this document, the terms 'Coles', 'the Group', 'our business', 'organisation', 'we', 'us', 'our' and 'ourselves' refer to Coles Group Limited and its controlled entities.

Forward-looking statements

This document contains forward-looking statements in relation to Coles Group Limited and its controlled entities (together, 'Coles' or 'the Group'), including statements regarding the Group's intent, belief, goals, objectives, initiatives, commitments or current expectations with respect to the Group's business and operations, market conditions, results of operations and financial conditions, and risk management practices. Forward-looking statements can generally be identified by the use of words such as 'forecast', 'estimate', 'plan', 'will', 'anticipate', 'may', 'believe', 'should', 'expect', 'intend', 'outlook', 'guidance' and other similar expressions.

These forward-looking statements are based on the Group's good-faith assumptions as to the financial, market, risk, regulatory and other relevant environments that will exist and affect the Group's business and operations in the future. The Group does not give any assurance that the assumptions will prove to be correct. The forward-looking statements involve known and unknown risks, uncertainties and assumptions and other important factors, many of which are beyond the reasonable control of the Group, that could cause the actual results, performances or achievements of the Group to be materially different from future results, performances or achievements expressed or implied by the statements.

Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements in this report speak only as at the date of issue. Except as required by applicable laws or regulations, the Group does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in assumptions on which any such statement is based. Past performance cannot be relied on as a guide for future performance.

Reliance on third-party information

The views expressed in this document contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

Photographs in this document were taken in accordance with COVID-19 requirements, at those times when restrictions were in place.

Investor relations

Anyone seeking to use information in this document to draw conclusions from the data presented should email investor.relations@colesgroup.com.au for assistance.

Corporate directory

Registered office:

800-838 Toorak Road
Hawthorn East VIC 3123

Telephone: +61 3 9829 5111

Website: www.colesgroup.com.au

Email: sustainability@coles.com.au

Further information

More information on Coles and sustainability can be found at colesgroup.com.au/sustainability

Feedback



We welcome feedback on this document. For more information or to provide comments, please contact us at: sustainability@coles.com.au



Coles Group Limited

ABN 11 004 089 936

800-838 Toorak Road

Hawthorn East VIC 3123