



Market Disclosure Policy



Policy Overview

Background

The Company has significant obligations contained in the Listing Rules of the Australian Securities Exchange (**ASX**) and the Corporations Act 2001 (**Cth**) to keep the market fully informed of information which may have a material effect on the price or value of the Company's securities.

The Company is committed to complying with its obligations relating to the disclosure of market sensitive information and providing security holders and the market with timely information about the Company's activities.

Policy application

This Policy applies to all directors and employees (referred to as team members) of Coles Group Limited (the **Company**) and its subsidiaries (the **Group**).

Key terms of the Policy

All directors and team members of the Group must:

- (a) immediately report potentially 'material' price sensitive information in accordance with the Reporting Structure (set out below);
- (b) immediately report in accordance with the Reporting Structure any situations where information that has been lodged with the ASX is or has become incorrect, false, misleading, or deceptive;
- (c) establish processes within their teams to ensure that potentially 'material' price sensitive information is elevated within the Reporting Structure immediately;
- (d) maintain and protect confidential information of the Group, including by limiting the number of people who are given access to confidential information, ensuring that anyone receiving confidential information is bound by obligations of confidentiality and establishing appropriate procedures for the protection of financial information and information relating to significant projects;
- (e) not use confidential information in a way that may injure or cause loss to the Group, or gain personal advantage;
- (f) not speak publicly about the affairs of the Group unless authorised under the Policy; and
- (g) comply with the restrictions on engagement with the investment community, media and other public announcements that are set out in the Policy, including adhering to the communication restriction periods set out in the Policy.

Reporting Structure

Each director and team member within the Group is responsible for identifying and reporting potentially material price sensitive issues in accordance with the diagram below (**Reporting Structure**), through to the Disclosure Committee in accordance with this Policy. The Disclosure Committee is responsible for administering this Policy (including receiving reports and recording and managing the decision making process under this Policy), making decisions in relation to the disclosure of potentially material price sensitive information, and the referral of information to the Board.

The Disclosure Committee comprises the Managing Director and Chief Executive Officer (**CEO**), Chief Financial Officer (**CFO**), Company Secretary and Chief Legal Officer (or their delegates).

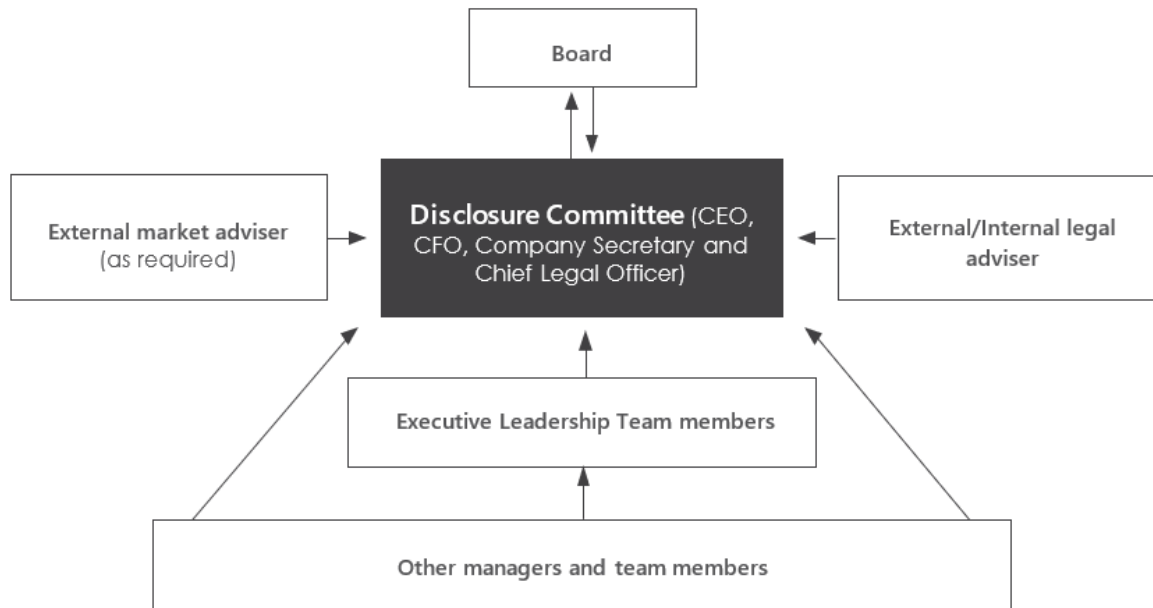
Breaches

Breach of the continuous disclosure rules can expose the Company and individuals involved in the breach to penalties, third party claims, and reputational damage.

A breach can also undermine confidence in the market for the Company's securities.

Strict compliance with this Policy is a condition of employment within the Group. Breaches of this Policy may lead to disciplinary action, which may include termination of employment.

Reporting Structure



1. Continuous Disclosure rule

1.1 ASX Listing Rule 3.1

The ASX has described Listing Rule 3.1, known as the continuous disclosure rule, as its most important and 'cornerstone' Listing Rule.

The Listing Rule requires that the Company must immediately notify the ASX of **any information** it becomes aware of concerning itself that a **reasonable person would expect to have a material effect on the price or value of the Company's securities**, unless an exception applies under section 1.3 below.

The basic principle underlying the continuous disclosure framework is that timely disclosure must be made of:

- (a) information which may affect security values or influence investment decisions; and
- (b) information in which security holders, investors and ASX have a legitimate interest.

The information must be given to the ASX (and an acknowledgement that the ASX has released the information to the market must be received) before the information can be given to any other person or released on the Company's website.

1.2 Material price sensitive information

Materiality must be assessed by looking at all relevant information, including past ASX announcements made by the Company and other generally available information.

A reasonable person is taken to expect information to have **a material effect** on the price or value of securities if it would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to buy or sell the securities.

1.3 Exceptions to the continuous disclosure rule

Disclosure to the market is not required where **each** of the following conditions is and remains satisfied:

- (a) **one or more** of the following apply:
 - (1) it would be a breach of a law to disclose the information;
 - (2) the information concerns an incomplete proposal or negotiation;
 - (3) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - (4) the information is generated for the internal management purposes of the Company; or
 - (5) the information is a trade secret; **and**
- (b) the information is confidential and the ASX has not formed the view that the information has ceased to be confidential; **and**
- (c) a reasonable person would not expect the information to be disclosed.

A member of the Disclosure Committee will be responsible for determining whether any such exception applies. Even though an exception might apply, this does not qualify or change the obligation on team members and directors of the Group to communicate or report material information under this Policy.

1.4 Confidentiality

When the Company is relying on an exception to Listing Rule 3.1, or is involved in a development that may eventually require reliance on an exception, appropriate confidentiality protocols must be adhered to. A leak of confidential information will immediately deny the Company the ability to withhold the information from the ASX and force the Company to make a 'premature' announcement, regardless of where the leak comes from.

Information about a matter involving the Company may cease to be confidential if there is:

- a reasonably specific and reasonably accurate media or analyst report about the matter;
- a reasonably specific and reasonably accurate rumour known to be circulating the market about the matter; or
- a sudden and significant movement in the market price or traded volumes of the Company's securities that cannot be explained by other events or circumstances.

1.5 False market

If the ASX considers that there is or is likely to be a false market in the Company's securities and asks the Company to give it information to correct or prevent a false

market, the Company must immediately give the ASX that information.

The obligation to give this information arises even if an exception described in section 1.3 would otherwise apply.

2. Reporting process

2.1 Reporting information to Disclosure Committee

- (a) Each team member within the Group is responsible for identifying and reporting potentially market sensitive issues in accordance with the Reporting Structure, through to the Company's Market Disclosure Committee.
- (b) The Disclosure Committee has responsibility for compliance with the Company's continuous disclosure obligations. See section 5 for further information regarding the role of the Disclosure Committee.
- (c) If an Executive Leadership Team member, either him/herself or in accordance with paragraph (d), becomes aware of any information at any time that should be considered for release to the market, it must be reported immediately to a member of the Disclosure Committee.
- (d) Executive Leadership Team members must ensure they have appropriate procedures in place within their areas of responsibility to ensure that all relevant information (i.e. any information that could be materially price sensitive) is immediately reported to them for immediate forwarding in accordance with this Policy. Managers and other team members must provide their Executive Leadership Team member with as much detail about any matter or information that could be materially price sensitive, as is reasonable in the circumstances, and a brief description of why the information does or may have a material effect on the price or value of the Company securities.
- (e) The Disclosure Committee will determine whether information is material and requires disclosure. Accordingly, this Policy requires **all potentially material** information to be reported to the Disclosure Committee even where the reporting person is of the view that it is not in fact 'material'. The person's view on materiality can (and should) be shared with the Disclosure Committee but will not be determinative.

2.2 Considerations by Disclosure Committee

Where information is reported to the Disclosure Committee (as referred to in paragraph 2.1(c)), the Disclosure Committee will (as appropriate):

- review the information in question;
- urgently seek any advice that is needed to assist the Disclosure Committee to interpret the information (provided that disclosure of the information cannot be delayed if the information is clearly materially price sensitive on its face);
- determine whether any of the information is required to be disclosed to the ASX;
- consider whether it is necessary to seek a trading halt to facilitate an orderly, fair and informed market in the Company's securities;
- coordinate the form of announcement with the relevant members of management; and
- obtain approval from the CEO and CFO (or Board approval where required – see section 3) for the proposed disclosure.

The Company Secretary, is responsible for administering this Policy, including recording

and managing the decision making process under this Policy. For more information, see section 6 below.

2.3 Approval process

All announcements under Listing Rules 3.1 or 3.1B must be approved by the CEO and CFO, before the announcement is made or disclosure released through the Company Secretary (or his/her delegate). The exceptions to this rule are:

- an ASX announcement relating to matters listed in section 3 which require Board approval; and
- as provided in section 2.4 for a rapid response situation.

2.4 Rapid response situation

A rapid response situation is a situation where an announcement must be made to the market immediately in order for the Company to comply with its continuous disclosure obligations.

In a rapid response situation, where the CEO and CFO are not both available to approve an announcement, the approval process set out below must be followed.

One of the CEO or CFO together with one of the following persons may approve the announcement:

- (a) the Chair of the Board; or
- (b) if the person in (a) is unavailable, the Chair of the Audit and Risk Committee; or
- (c) if the persons in (a) and (b) are unavailable, the Chief Legal Officer; or
- (d) if the persons in (a), (b) and (c) are unavailable, the Company Secretary, or

if neither the CEO or CFO are available, two of the Chair of the Board, Chair of the Audit and Risk Committee, Chief Legal Officer and Company Secretary, in that order.

3. Matters requiring Board approval

The usual procedure for making disclosures under Listing Rule 3.1 is through the Disclosure Committee as outlined in sections 2.1-2.3.

Board approval and input will be required in respect of matters that are within the reserved powers of the Board or matters that are otherwise of fundamental significance to the Company, including:

- significant profit upgrades or downgrades;
- dividend policy, guidance or declarations;
- company-transforming transactions or events; and
- any other matters that are determined by the CEO, CFO, Disclosure Committee or the Chair of the Board to be of fundamental significance to the Company.

Where an announcement is to be considered and approved by the Board, the Disclosure Committee must ensure that the Board is provided with all relevant information necessary to ensure that it is able to fully appreciate the matters dealt with in the announcement.

Rapid Response Process: In the event that an announcement that would ordinarily require Board approval must immediately be disclosed to the market in order for the Company to comply with its continuous disclosure obligations, all reasonable effort must be made to have the announcement urgently considered and approved by the Board

prior to release. However, if Board approval cannot be obtained within the applicable time parameters, the announcement must be considered by both the CEO and CFO, who are jointly authorised to call a trading halt or make an

announcement to the ASX, as they determine appropriate. Where the CEO and CFO are not both available, then the rapid response process referred to in section 2.4 applies with respect to the persons who are authorised to call a trading halt or make an announcement to the ASX, as they determine appropriate.

The announcement must then be considered by the Board at the first possible opportunity following its release to determine what, if any, further steps need to be taken by the Company.

4. Trading Halts

The Company may request a trading halt to maintain fair, orderly and informed trading in its securities and to manage disclosure issues.

A trading halt may be necessary where the Company is not in a position to give an announcement to the ASX and:

- the Company's securities experience an unexplained price and/or volume change;
- a confidentiality leak has occurred and it is having, or is likely to have when trading resumes, a material effect on the market price and/or traded volumes of the Company's securities; or
- the ASX forms a view that a false market exists and asks the Company to release information to correct a false market and the Company is not able to make a release immediately.

The CEO and CFO are jointly authorised to call a trading halt and will alert and keep the Chair of the Board informed of any request for a trading halt.

Rapid Response Process: Where the CEO and CFO are not both available, then the rapid response process referred to in section 2.4 applies with respect to the persons who are authorised to call a trading halt.

5. Role of Disclosure Committee

The Disclosure Committee comprises the CEO, CFO, Company Secretary and Chief Legal Officer (or their delegates).

Responsibilities of the Disclosure Committee include those set out below and such other matters as determined by the Disclosure Committee to be necessary:

- ensuring the Company complies with its continuous disclosure obligations;
- reviewing information which is brought to its attention to determine if it requires disclosure to ASX and, if so, whether any ASX Listing Rule non-disclosure exception applies;
- maintaining the Company's disclosure policies and procedures and ensuring that there is an adequate system in place for the timely disclosure of all material information to the ASX and other authorities;
- reviewing, and advising the Board on, any ASX queries or ASIC infringement notices; and
- ensuring that management and staff are educated on the Company's disclosure policies and procedures.

The Disclosure Committee meets regularly (as required) and may meet at short notice where necessary. Meetings and decisions of the Disclosure Committee may be made electronically (including by telephone, email or other electronic means). A quorum of two members is required for the Disclosure Committee to make a disclosure decision.

6. Role of the Company Secretary

The role of the Company Secretary (or his/her delegate) in relation to this Policy and market disclosure generally, includes:

- liaising with the ASX in relation to continuous disclosure issues and other ASX Listing Rules matters;
- lodging ASX announcements in relation to continuous disclosure matters;
- implementing procedures to ensure that the Company's PIN and individual passwords are secure;
- ensuring senior management are aware of this Policy and related procedures, and of the principles underlying continuous disclosure;
- ensuring this Policy is reviewed and updated periodically as necessary; and
- maintaining a record of all announcements sent to the ASX and all correspondence with ASIC in relation to the Company's continuous disclosure obligations.

7. Authorised spokesperson

The only representatives authorised to speak on behalf of the Company to major investors and stockbroking analysts are:

- Chair of the Board;
- CEO;
- CFO;
- General Manager, Group Strategy, Business Development and Investor Relations;
- Chair of the People and Culture Committee (for matters relating to remuneration); or
- their delegates nominated for specific purpose.

Authorised spokespersons must not provide any material price sensitive information that has not already been announced to the market nor make any comment on anything that may have a material effect on the price or value of the Company's securities.

The Company Secretary (or his/her delegate) will ensure all announcements to the ASX made under this Policy are placed promptly on the Company's website following receipt of acknowledgement from the ASX that it has released the information to the market.

8. Financial markets and media communication

8.1 No selective disclosure

When interacting with the financial community the Company must adhere to its continuous disclosure obligations. In particular, it must not selectively disclose material price sensitive information to any person unless that information has first been released to the ASX.

8.2 Financial results announcements

All financial results must be announced to the ASX before they are communicated to any person.

8.3 Communication blackout periods

The Company has adopted communication blackout periods in order to avoid the risk of inadvertently disclosing information that is incomplete or uncertain. The communication blackout periods are from 20 June and 20 December for the full-year and half-year financial results respectively, until the announcement of the Company's financial results on the ASX and from 1 April and 1 October until the announcement of the Company's quarterly retail sales results on the ASX.

During these periods the Company will not hold open briefings or one-on-one briefings for investors or analysts to discuss anything other than information that has been announced to the ASX. Any deviation from this Policy must be approved by the CEO.

8.4 Open briefings and public speeches

The Company may hold open briefings for analysts and investors, often after announcing its financial results or making other significant announcements. The Company will not disclose material price sensitive information in these briefings unless that information has been announced to the ASX.

The Company will announce any open briefings in advance via the ASX and on the Company's website. All presentation materials will be lodged with the ASX prior to the briefing and on the Company's website promptly after the briefing. The Company may webcast open briefings and if so, will keep an archive of all such webcasts for at least 6 months.

Any proposed speech or presentation by a director or executive that contains material price sensitive information (e.g. at a conference and forum) will be treated as an open briefing as set out above.

8.5 One-on-one briefings and analysts reports

From time to time the Company may hold one-on-one briefings with analysts and investors. No material price sensitive information can be disclosed at these briefings unless that information has been previously announced to the ASX.

If material information is inadvertently released during a briefing, it will immediately be released to the ASX. A record of all meetings and briefings with investors or analysts will be kept, including confirmation that no new material information was disclosed.

Any comment made by the Company to an analyst in relation to their report or financial forecasts must be limited to errors in factual information and underlying assumptions (provided such comment of itself does not involve a breach of the Company's continuous disclosure obligation or amount to a selective briefing).

8.6 Review of analyst reports and forecasts

The CFO will maintain a record of analysts' forecasts and provide a summary to the CEO on a regular basis. The CFO will monitor the general range of analysts' forecasts relative to the Company's own internal forecasts and any guidance previously published by the Company.

If the CFO becomes aware of a divergence between the consensus of analysts'

forecasts or guidance (as applicable) and management's own expectations, which may have a material effect on the price or value of the Company's securities, the CFO will immediately alert the Disclosure Committee or Board. The Disclosure Committee or Board (as applicable) will consider whether disclosure is required, in line with Coles continuous disclosure obligation.

If an analyst's forecast diverges from the Company's forecasts or expectations, the Company cannot use one-on-one briefings to manage the analyst's expectations. If necessary, the Company will make an ASX announcement.

8.7 Review briefings, meetings and presentations

Where the Company representative present at a briefing, meeting or presentation believes that material price sensitive information has been disclosed inadvertently, the representative must immediately report the matter to the Disclosure Committee for review and to consider whether an ASX announcement is necessary.

8.8 Monitoring media coverage

The General Manager, Corporate Affairs will monitor media coverage of the Group (including investor blogs, chat-sites and social media) and movements in the Company's share price.

If the General Manager, Corporate Affairs identifies unexpected media coverage (e.g. confidential or incorrect information) or unusual price movements, the General Manager, Corporate Affairs must report the matter to the Disclosure Committee, who will consider whether an ASX announcement is required.

8.9 Media and market speculation

The Company generally does not respond to market speculation or rumours unless required to do so by law, at the request of the ASX, or otherwise pursuant to this Policy. All Group personnel must abide by this principle.

The Company will not provide the media with exclusive interviews or information that potentially contains any material price sensitive information prior to disclosing that information to the ASX. It will also not provide such information 'off the record' or under an embargo arrangement prior to release to the ASX.

Team members who are approached by the media or any external parties for information should observe the 'no comments' policy and notify the Company Secretary as soon as possible.

8.10 Chat rooms, blogs and social networking sites

Team members must not participate in chat room discussions on the internet, or post information on a social networking or other internet site, unless that person is authorised by the Company Secretary or the Disclosure Committee. Material price sensitive information must not be disclosed on any such sites unless that information has been announced to the ASX.

8.11 Inadvertent disclosures

If a team member becomes aware that material price sensitive information may have been inadvertently disclosed prior to being disclosed to the ASX then he or she should immediately notify the Disclosure Committee.

9. Communication with stakeholders

The Company aims to communicate all important information relating to the Group to its shareholders. Additionally, the Company recognises that potential investors and other interested stakeholders may wish to obtain information about the Group from time to time.

To achieve this, the Company communicates information regularly to shareholders and other stakeholders through a range of forums and publications. The Company also has in place an investor relations program to facilitate communication with investors.

Measures for communicating important aspects of the Group's affairs include:

- (a) corporate website – www.colesgroup.com.au;
- (b) annual general meeting;
- (c) annual report;
- (d) ASX announcements;
- (e) presentations; and
- (f) share registry – Computershare Investor Services Pty Limited.

10. Policy amendment

This Policy has been approved by the Board and cannot be amended without approval from the Board.

Adopted by the Board 31 March 2021.