25 August 2026

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Manager

2026 Corporate Governance Statement

Attached is the Coles Group Limited 2026 Corporate Governance Statement.

This announcement is authorised by the Board.

Yours faithfully,

Daniella Pereira
Group Company Secretary

For more information:

Investors
Anita Healy
Mobile: +61 411 109 108

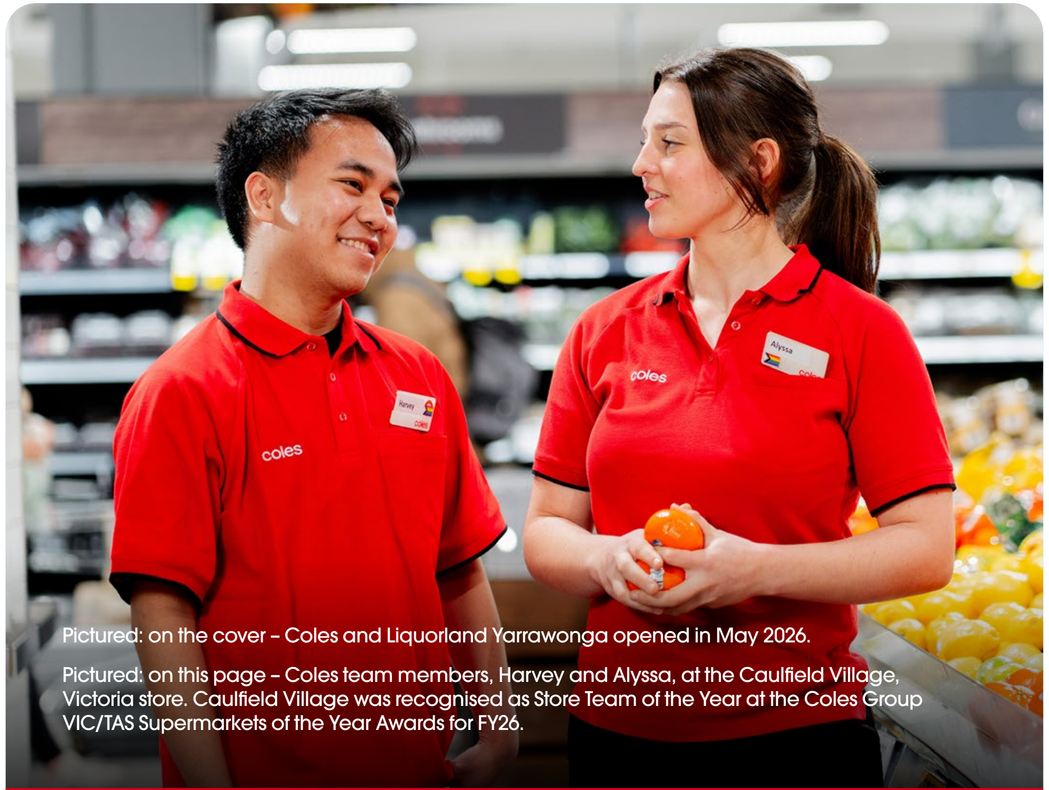
Lisa Zimmet
Mobile: +61 428 857 242
E-mail: investor.relations@coles.com.au

Media
Jace Armstrong
Mobile: +61 431 987 599

Mike Bennett
Mobile: +61 412 901 229
E-mail: media.relations@coles.com.au

Coles Group Limited ABN 11 004 089 936
800 Toorak Road Hawthorn East Victoria 3123 Australia
PO Box 2000 Glen Iris Victoria 3146 Australia
Telephone +61 3 9829 5111
www.colesgroup.com.au

2026
Corporate Governance Statement



Pictured: on the cover – Coles and Liquorland Yarrawonga opened in May 2026.

Pictured: on this page – Coles team members, Harvey and Alyssa, at the Caulfield Village, Victoria store. Caulfield Village was recognised as Store Team of the Year at the Coles Group VIC/TAS Supermarkets of the Year Awards for FY26.

colesgroup

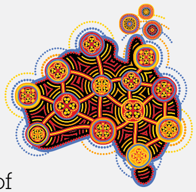
Coles is committed to high standards of corporate governance and considers a robust corporate governance framework to be central to the success of our business.

Our framework promotes effective decision-making, accountability and oversight, and plays an important role in supporting our business operations and helping us to deliver on our purpose and strategy.

Contents

colesgroup.com.au/corporategovernance

Acknowledgement of Country



Coles Group acknowledges the Traditional Owners of Country throughout Australia.

We recognise their strength and resilience and pay our respects to Elders past and present.

We recognise their ongoing connection to the lands, waters and skies.

Our 2026 reporting suite

Our corporate reporting suite contains detailed information on Coles' strategy, financial and non-financial performance, risk management and governance frameworks.

The suite also includes our progress against our sustainability and human rights commitments. We continually evolve our reporting suite in response to shareholder and stakeholder feedback, and to align with legislation, disclosure frameworks and leading practices.

To view these reports visit **colesgroup.com.au**.

2026 Annual Report
2026 Corporate Governance Statement
2026 Sustainability Supplement
2026 Modern Slavery Statement
2026 Economic Contribution Report

This report is interactive

Click on the contents list and use the navigation bar (repeated on every page after contents page) to jump to relevant sections.

Contents
Previous page
Next page

Coles' governance framework

The Board and the management team of Coles Group Limited ('the Company') and the entities it controls (together, 'Coles', or 'the Group') are committed to high standards of corporate governance and consider a robust corporate governance framework to be central to the success of our business.

Our governance framework underpins and supports the delivery of our strategy as well as our decision-making and risk management processes in our day-to-day operations.

This Corporate Governance Statement sets out Coles' corporate governance framework for the financial year ended 28 June 2026 ('FY26' or 'reporting period'), including the key policies and practices. The Company complies with the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Recommendations).

This Corporate Governance Statement is current as at 25 August 2026 and has been approved by the Board.

COLES GROUP SHAREHOLDERS

COLES GROUP BOARD

The Board's role is set out in the Board Charter. The Board leads and oversees the Group; approves the strategic direction of the Group; sets risk appetite; and exercises reserved powers.

Board committees are delegated duties to assist the Board exercise its role.

Refer to page 6

Nomination Committee

Reviews Board and committee composition; renewal; succession planning.

Refer to page 13

People and Culture Committee

Oversees remuneration framework; people and culture strategies and policies.

Refer to page 13

Audit and Risk Committee

Oversees financial and sustainability reporting; audit process; effectiveness of controls; risk management framework.

Refer to page 12

Independent advice and assurance

Includes internal and external audit

Managing Director and Chief Executive Officer

Accountable for day-to-day management of Coles and execution of strategy consistent with values.

Refer to page 7

Executive Leadership Team

Coles Team Members

Further information about Coles' corporate governance framework and practices, including a copy of the Board and Committee Charters, can be found on the Company's website at **colesgroup.com.au/corporategovernance**.

Our purpose, strategy and values

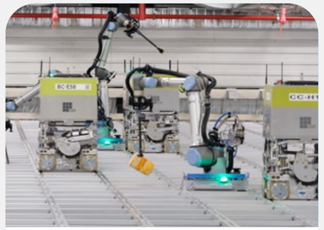
Delivering our strategy

Our strategy is centred around our purpose of 'Helping Australians eat and live better every day'. It is comprised of three strategic pillars and underpinned by our enablers, 'Win Together' and 'Foundations'.

Our strategic pillars

Destination for food, drink and everyday essentials

is how we tailor our product range, quality and value to meet and surpass our customers' needs



Accelerated by digital

is how we create a more seamless, personalised and enjoyable omnichannel experience

Delivered consistently for the future

is our focus on making our operations more efficient and investing in our network for the future

Win Together

is recognition that we only succeed together with our team, community and suppliers

Foundations

of financial discipline, technology, and AI help us deliver on our strategic pillars and enable us to drive value for our stakeholders

Our values

Core to Coles' purpose is maintaining and building relationships with stakeholders: shareholders, customers, suppliers, team members and the community. Our values drive how our more than 115,000 team members work together and show up every day, and they shape the culture that we aspire to create. They guide our decisions, how we serve our customers and the communities that we work in every day.

Our values – Care, Courage, Customer and Create – known as the 4Cs, are unique to us. They represent the best of us today and inspire us to be better tomorrow. Our 4Cs are what makes us proudly Coles.

Our Board of Directors

Peter Allen
Chairman and
Non-executive Director

B A P N

Leah Weckert
Managing Director and
Chief Executive Officer

B

Jacqueline Chow
Non-executive Director

B A N

Abi Cleland
Non-executive Director

B P N

Richard Freudenstein
Non-executive Director

B P N

Andrew Penn AO
Non-executive Director

B A N

Scott Price
Non-executive Director

B P N

Wendy Stops
Non-executive Director

B A N

Key

- ● Chair
- ○ Member
- B Board
- A Audit and Risk Committee
- P People and Culture Committee
- N Nomination Committee

The Board of Directors' biographical details can be found on pages 83 to 86 of **Coles' 2026 Annual Report**.

Roles and responsibilities

Board role and responsibilities

The Board provides leadership and approves the strategic direction and objectives of the Group in the long-term interests of, and to maximise value to, shareholders.

The Board Charter outlines its responsibilities, including powers that are expressly reserved to the Board, and powers that are specifically delegated to the Managing Director and Chief Executive Officer (CEO) and management. In particular, the responsibilities of the Board include:

- approving and monitoring the implementation of the Group's core values, Code of Conduct, strategic direction, business plans and policies in order to uphold corporate reputation and maximise shareholder value;
- setting the risk appetite within which the Board expects management to operate;
- reviewing, approving and monitoring the Group Risk Policy and risk management systems (for both financial and non-financial risks), including internal compliance and control mechanisms;
- approving and monitoring the progress of major capital expenditure, capital management, capital raising initiatives and major acquisitions and divestments;
- overseeing the Group's financial, accounting, sustainability and corporate reporting systems;
- monitoring and guiding the culture, reputation and standards of conduct of the Group to promote ethical and socially responsible behaviour, in accordance with the core values of the Group;
- approving the overall remuneration policy and the remuneration of the non-executive directors, the CEO, the direct reports to the CEO and any such incentive and/or equity plans;
- overseeing that the remuneration policy is aligned with the vision, values, strategic objectives and risk appetite of Coles;
- receiving information regarding material breaches of the Code of Conduct and Anti-bribery and Corruption Policy and reports of material incidents under the Whistleblower Policy;
- overseeing the Group's approach to sustainability, including the management of sustainability within the Group's overall business strategy and risk appetite, the process for the identification and management of sustainability-related risks and opportunities, and the effectiveness of the Group's sustainability and governance policies and practices;
- approving the Group's material external commitments and targets relating to sustainability, overseeing progress and monitoring performance of the Group against those commitments and targets;
- determining the size, composition and structure of the Board, and the process for evaluating its performance;
- appointing and removing the CEO and the Company Secretary, and approving and reviewing succession plans for the non-executive directors, executive directors, CEO, and the direct reports to the CEO; and
- satisfying itself that the Board reporting framework is appropriate and, where required, providing constructive feedback to challenge the CEO and the Executive Leadership Team.

The Board Charter was reviewed and updated in FY26. This included updates in relation to the Australian Sustainability Reporting Standard S2 Climate-related Disclosures (AASB S2).

As part of its annual program, recurring items before the Board include strategy, safety, operations and performance, financial management and external reporting, people and culture, risk and sustainability. Directors also receive in-depth briefings from management and subject matter experts on material issues as well as deep dives into particular focus areas.

In FY26, this included presentations on the global and domestic economy and financial markets, cyber security and the cyber threat environment, and artificial intelligence.

As part of the implementation of AASB S2 in FY26, the Directors received presentations in relation to the mandatory reporting requirements and climate transition, including decarbonisation and transition planning.

During the year, Directors also participated in store, site and supplier visits.

The Board comprises the following eight Directors:

CURRENT DIRECTORS	APPOINTED	LENGTH OF SERVICE
Peter Allen	1 September 2024	2 years
Leah Weckert	1 May 2023	3 years 4 months
Jacqueline Chow	19 November 2018	7 years 9 months
Abi Cleland	19 November 2018	7 years 9 months
Richard Freudenstein	19 November 2018	7 years 9 months
Andrew Penn	1 December 2023	2 years 9 months
Scott Price	1 October 2022	3 years 11 months
Wendy Stops	19 November 2018	7 years 9 months

Details of the Directors, including their qualifications and experience, can be found on pages 83 to 86 of **Coles' 2026 Annual Report**.

Roles and responsibilities continued

Management role and responsibilities

The CEO, with the support of their direct reports, is responsible for the day-to-day management of the Group and its businesses. Under the Board Charter, the Board delegates all powers to manage the day-to-day business of the Group to the CEO, apart from the powers reserved specifically to the Board and any specific delegations of authority approved by the Board.

The key responsibilities of the CEO are set out in the Board Charter and include:

- managing and administering the day-to-day operations of the Group and its businesses to grow long-term shareholder value in accordance with the core values, strategy, business plans and policies approved by the Board;
- developing strategies for the Group, its businesses and management, and making recommendations to the Board on such strategies, having regard to the Group's core values, reputation and key stakeholders;
- supporting a culture within the Group that promotes ethical and socially responsible behaviour in accordance with the Group's core values;
- developing the Group's annual budget and conducting the Group's activities within the approved annual budget;
- developing and maintaining the Group's risk management framework and systems, including internal compliance and control mechanisms; and
- reporting regularly to the Board with accurate, timely and clear information, such that the Board is fully informed to discharge its responsibilities effectively.

While management is responsible for providing the Board with accurate, timely and clear information, the Board is responsible for satisfying itself that the framework for management reporting to the Board is sufficient. Where appropriate, the Board will provide constructive feedback to challenge the CEO and the Executive Leadership Team.

Members of the Executive Leadership Team have written employment contracts setting out the key terms of their employment, and appropriate background checks are conducted before a senior executive is appointed. These executives receive a mix of fixed annual remuneration and 'at-risk' remuneration, which comprises short-term incentives and long-term incentives.

Further information about Coles' remuneration framework and the review of performance outcomes can be found in the Remuneration Report, on pages 94 to 114 of **Coles' 2026 Annual Report**.

Role of the Chair

The Chairman of the Board is Peter Allen, who is an independent, Non-executive Director.

The Board Charter sets out the role of the Chair, which includes to:

- maintain effective communication and promote constructive and respectful relationships between the Board and management;
- lead the Board;
- ensure the efficient organisation and conduct of the Board's function;
- brief all directors in relation to issues arising at Board meetings;
- chair general meetings of the Company;
- exercise such specific and express powers as are delegated to the Chair by the Board from time to time; and
- represent the Board in communications with shareholders and other stakeholders.

Company Secretary

The Group Company Secretary is Daniella Pereira. The Group Company Secretary reports directly to the Board through the Chairman, and all Directors have access to the Group Company Secretary.

The Company Secretary's role is outlined in the Board Charter and includes coordinating the timely completion and dispatch of Board and committee papers, ensuring that the business at Board and committee meetings is accurately recorded in the minutes and assisting the Board and its committees on governance matters.

Director independence

The Board Charter states that the Board shall consist of a majority of non-executive directors who are considered by the Board to be independent.

The Board annually assesses the independence of each Director, having regard to:

- any disclosures made by directors regarding their independence;
- the definition of independence set out in the ASX Recommendations;
- the relationships affecting the independent status of a director as described in the ASX Recommendations; and
- any other matters the Board considers relevant.

In addition, under the Charter, directors must immediately disclose to the Company Secretary and the Chair any information, facts or circumstances of which they become aware, that may affect their independence.

The Board has reviewed the position and relationships relevant to each of the Directors in office as at the date of this Corporate Governance Statement and considers that all Non-executive Directors are independent.

Roles and responsibilities continued

Conflicts of interest

Coles has a Director Conflicts of Interest Policy, which states that directors:

- have a duty not to place themselves in a position that gives rise to a real or substantial possibility of conflict of interest or duty, in relation to any matter that is, or is likely to be, brought before the Board;
- have an ongoing obligation to disclose to the Board immediately any real or substantial possibility of conflict of interest or duty;
- are required to declare material personal interests or other conflicts requiring disclosure by formal standing notices; and
- are to follow the obligations and procedures set out in the policy in the event of a conflict or potential conflict of interest or duty.

Independent advice

The Board Charter states that the Board collectively, and each director individually, may obtain independent professional advice at the Company's expense, as considered necessary to assist in fulfilling their relevant duties and responsibilities.

Pictured: Coles Varsity Lakes, Queensland, opened in December 2025.

Board composition and succession

Board composition

The Constitution provides that the number of directors shall be not less than three directors and not more than 10 directors. Other than the Managing Director and CEO, directors may not retain office without re-election for more than three years or past the third annual general meeting following their last election or re-election. Any newly appointed directors are required to seek election at the first annual general meeting after their appointment.

The Board will review periodically its composition upon recommendation from the Nomination Committee, including the duration of terms served by directors and their skills and experience.

Pictured: Coles Group Chairman, Peter Allen, and Coles Group CEO, Leah Weckert.

Director nomination and succession

The Nomination Committee is responsible under its charter for developing and reviewing Board succession plans, with the aim of maintaining an appropriate mix of skills, experience, expertise and diversity over time.

The Committee also oversees the process for recruiting new directors. Potential candidates for the Board as well as directors standing for re-election are assessed having regard to a number of factors including, but not limited to:

- skills, experience, expertise, personal qualities and attributes that will best complement the skill set and characteristics of existing directors and enhance Board effectiveness;
- diversity of Board composition;
- their capacity to devote the necessary time and commitment to the role; and
- potential conflicts of interest and independence.

Appropriate background checks are performed before any potential candidate is appointed by the Board or recommended to shareholders as a candidate for election.

Prior to directors seeking election or re-election at an annual general meeting, the Company provides shareholders with all material information known to the Board and relevant to a decision on whether or not to elect or re-elect that director in the notice of annual general meeting. Each director is provided with a letter setting out the terms of their appointment.

Induction and professional development

All newly appointed directors participate in an induction program, which includes information relevant to their new role, introductions to key staff and attendances at key sites. The induction includes briefings on the Group's business, strategy, financial, operational and risk management matters, and factors relevant to the sectors and environments in which Coles operates.

Where appropriate, the Company also provides training as part of the induction program on the following matters:

- the key duties and responsibilities of directors under the *Corporations Act 2001* (Cth) (Corporations Act) and the ASX Listing Rules (including the ASX's continuous disclosure and periodic reporting requirements); and
- accounting and financial matters.

The induction program is coordinated by the CEO, the Chief Financial Officer (CFO) and the Group Company Secretary.

Ongoing education programs are provided to Directors throughout the year. The Board (in consultation with the Nomination Committee) regularly assesses, including by reference to the Board Skills Matrix, whether there are areas in which Board members would benefit from further education. Based on this assessment, updates and information are provided to the Board from both management and external experts on various topics relevant to the Group's circumstances. This includes new and emerging business and governance issues relevant to Coles and material developments in laws and regulations.

Performance reviews and evaluation

The Board undertakes a performance evaluation to review its performance and that of its committees and each Director annually (including the performance of the Chairman). The Chairman reports to the Board regarding the performance evaluation process and the findings of these reviews.

In FY26, an external Board performance review was conducted to assess the performance of the Board as a whole, including the Board's impact and effectiveness. The review included interviews with each of the Directors , and the outcomes were presented to the Board. The review found that Coles has a strong, committed and collegiate Board with strengths including stewardship, risk discipline and robust oversight.

Executives are also subject to an annual performance review in which performance is measured against agreed outcomes and performance indicators and having regard to the Coles values outlined on page 4. In FY26, the CEO conducted this assessment of members of the Executive Leadership Team in consultation with the Board. The CEO's performance was assessed by the Chairman, in consultation with the Board, against key financial, strategic and non-financial measures relevant in the financial year to the Group's strategy.

Board composition and succession continued

Board Skills Matrix

The Board recognises the importance of having directors who possess a broad range of skills, background, expertise, diversity and experience in order to facilitate constructive decision-making and good governance.

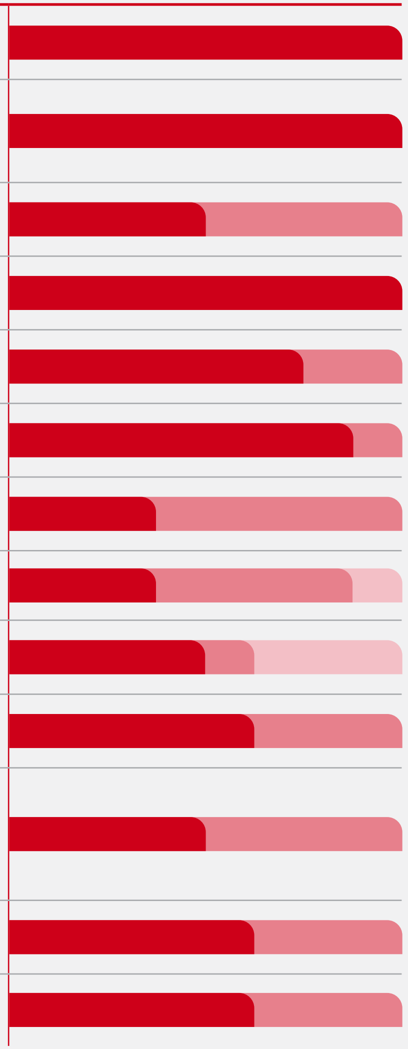
The Board, on the recommendation of the Nomination Committee, determines the composition, size and structure requirements for the Board and regularly reviews its mix of skills to ensure it covers the skills needed to address existing and emerging business and governance issues relevant to the Company.

In FY26, the Board Skills Matrix was updated to reflect changes to the Board's composition. The current mix of skills and experience represented on the Board as at 25 August 2026 is set out in the following matrix. The Board considers that collectively they have the necessary skills and experience to deliver on Coles' purpose and strategy.

Pictured: The Coles Group Board at the 2025 Annual General Meeting.

Board composition and succession continued

Board skills and experience	Description of skills and experience	Number of directors
Corporate Governance	Expertise in corporate governance, including in implementing high standards of governance in a large organisation, in particular a publicly listed entity, and assessing the effectiveness of senior management.	
Leadership and Commercial Acumen	Expertise and demonstrated success in senior executive roles in large, complex organisations and/or publicly listed companies. Expertise in successfully leading organisational transformation and delivering sustained business success.	
Financial Acumen	Expertise in financial accounting and reporting, internal financial and risk controls, corporate finance and/or restructuring and corporate transactions.	
Strategic Thinking	Expertise in critically identifying and assessing strategic opportunities and threats; setting and executing strategic objectives and monitoring implementation of strategy, including bringing global perspectives and insights.	
People, Culture and Remuneration	Expertise in assessing and overseeing a company's culture, remuneration and people management framework, including talent and succession planning.	
Risk Management	Expertise in identifying and monitoring key risks to an organisation and overseeing the implementation of appropriate risk management frameworks, procedures and controls.	
Retail and FMCG Expertise	Expertise in the retail and/or fast-moving consumer goods (FMCG) industry, particularly in food and liquor, including merchandising, marketing, product development, exporting, logistics and consumer strategy.	
Supply Chains	Expertise in managing or overseeing the operation of complex supply chains and distribution models.	
Property Development and Asset Management	Experience in property development and asset management.	
Digital Technology and Innovation	Expertise in the implementation of new technologies, and experience responding to digital disruption through the use of digital technologies, data, analytics and innovation, particularly in the retail industry.	
Sustainability and Environment	Expertise in managing and driving environmental management and social responsibility initiatives and reporting (including in relation to sustainability, climate change and human rights), as well as experience in overseeing sustainability-related risks, opportunities and trends (including emerging regulations and global sustainability reporting standards).	
Health and Safety	Expertise in workplace health and safety issues, including management of workplace safety, and mental and physical health.	
Regulatory and Public Policy	Expertise in regulatory and public policy, particularly in relation to the retail and FMCG industry.	



High level of skill/extensive experience · Practised/relevant experience · Aware

Board committees

The Board has established three standing committees and has delegated to each committee a number of duties to assist the Board in exercising its responsibilities and discharging its duties. Together, they play an important role in assisting the Board's oversight and governance of the Group's operations.

Each committee has a separate charter that sets out the roles and responsibilities of that committee, as well as the membership and any other requirements for the running of the committee. The committee charters were reviewed in FY26 and the Audit and Risk Committee Charter was updated, including in relation to AASB S2.

All committees are chaired by, and comprise a majority of, independent Non-executive Directors. Each committee keeps the Board informed of its activities by providing the minutes of each meeting, and the Chair of each committee formally advises the Chairman of the Board of any matters or recommendations requiring the Board's attention.

The members, composition and responsibilities of each committee are set out in the following tables.

Directors' attendance at Board and committee meetings can be found on page 91 of **Coles' 2026 Annual Report**.

Audit and Risk Committee

Members: Andrew Penn (Chairman), Peter Allen, Jacqueline Chow, Wendy Stops

Composition	Responsibilities include
+ At least three members + Only non-executive directors, a majority of whom must be independent + An independent non-executive director as Committee Chair, who is not Chair of the Board + Members of the Committee between them should have the accounting and financial expertise, and sufficient understanding of the industry in which the Group operates, to be able to effectively discharge the Committee's responsibilities + The Committee Chair should have significant and relevant accounting experience	• Meeting at least four times annually and holding additional meetings as necessary • Overseeing the effectiveness of the systems of internal controls and the enterprise risk management framework, including monitoring risk parameters of the Group (for both financial and non-financial risks) having regard to the Group's core values • Reviewing and assessing the Group's processes which ensure the integrity of financial statements and sustainability reporting required by the Corporations Act, and compliance with legal and regulatory requirements (including applicable accounting standards and AASB S2), and reviewing the process to verify the integrity of periodic corporate reports that are not audited or reviewed by the external auditor • Reviewing, assessing and monitoring management's responsiveness to internal audit findings and progress in implementing open actions from completed internal audits • Assessing and monitoring the performance and effectiveness of the external auditor, including reviewing their independence and assessing against any other relevant criteria • Overseeing and reporting to the Board on the Group's management of tax risks and governance and the Group's policies and practices for managing compliance with tax laws • Reviewing and recommending to the Board the Group's Treasury policy and monitoring the ongoing effectiveness of the Group's Treasury function • Receiving reports from management on new and emerging sources of risks and the risk controls and mitigation measures that management has put in place to deal with those risks • Evaluating the adequacy and effectiveness of the Group's identification, assessment, prioritisation, assurance, monitoring and management of environmental, social and sustainability risks and its disclosure of any material exposures to those risks (financial and non-financial) • Reviewing the Group's risk management framework at least annually for recommendation to the Board, including satisfying itself that the risk management framework continues to be sound and that the Group is operating with due regard to the risk appetite set by the Board • Assessing management's oversight of the risk management framework and operations including consideration of emerging and evolving risks and appropriate management of such risks and the Group's performance against key risk indicators • Reviewing any material incident involving fraud or a break-down of the risk controls and 'lessons learned'

Board committees continued

Nomination Committee

Members: Peter Allen (Chairman), Jacqueline Chow, Abi Cleland, Richard Freudenstein, Andrew Penn, Scott Price, Wendy Stops

Composition

+ All non-executive directors
+ An independent non-executive director as Committee Chair, who may be Chairman of the Board

Responsibilities include

- Meeting at least annually and holding additional meetings as necessary
- Reviewing and making recommendations to the Board on Board composition, competencies and diversity, including assisting the Board to develop and review the Board Skills Matrix
- Developing and reviewing Board succession plans, director induction and continuing development programs and making recommendations to the Board
- Ensuring there is a robust and effective process for evaluating the performance of the Board, committees and individual directors
- Overseeing and making recommendations to the Board on the annual assessment of each director's independence and overseeing the disclosures made in relation to director independence

People and Culture Committee

Members: Richard Freudenstein (Chairman), Peter Allen, Abi Cleland, Scott Price

Composition

+ At least three members
+ Only non-executive directors, a majority of whom must be independent
+ An independent non-executive director as Committee Chair

Responsibilities include

- Meeting at least four times annually and holding additional meetings as necessary
- Reviewing and overseeing the key people and organisational culture strategies and their alignment with the Group's overall strategy and consistency with the Group's values
- Approving the appointment of direct reports to the CEO and the general terms of their employment contracts, including termination payments
- Overseeing the succession planning process for the CEO, direct reports to the CEO and other key leadership roles, and reviewing talent management within the Group generally
- Assisting the Chairman of the Board in the annual performance review of the CEO and overseeing the annual performance review of the CEO's direct reports
- Reviewing the Company's policies in respect of diversity and inclusion
- Reviewing and assessing the measurable objectives for achieving diversity and inclusion set by the Board and the Group's progress on achieving them on an annual basis, and recommending any changes to the Board
- Overseeing the remuneration framework and the establishment and implementation of the remuneration policies, and making recommendations to the Board on whether the framework and policies support Coles' strategic objectives, encourage and sustain a culture aligned with Coles' values, and are aligned with the Group's risk management framework and risk appetite
- Reviewing and making recommendations to the Board on non-executive director remuneration
- Reviewing and making recommendations to the Board on the CEO's remuneration arrangements and performance and, in consultation with the CEO, the CEO's direct reports, including consulting with the Audit and Risk Committee and making recommendations as to whether the Board should exercise any discretion
- Overseeing management's preparation of the annual Remuneration Report and making recommendations to the Board as appropriate

Shareholder engagement and disclosure

Market disclosure

The Company is committed to complying with its obligations relating to the disclosure of market sensitive information in a timely manner, and providing shareholders and the market with up-to-date information about the Group's activities. The Board receives copies of all material market announcements promptly after they have been released. The Company's Market Disclosure Policy establishes procedures aimed at ensuring the Company complies with the legal and regulatory requirements under the Corporations Act and the ASX Listing Rules. These procedures include the establishment of a Disclosure Committee, which monitors the continuous disclosure framework and is responsible for ensuring the Company complies with its obligations.

The Company's Market Disclosure Policy can be found at **colesgroup.com.au/corporategovernance**.

Communication with shareholders

The Company aims to communicate all important information relating to Coles to its shareholders and implements processes to facilitate effective two-way communication with shareholders and other stakeholders. The Company recognises that potential investors and other interested stakeholders may wish to obtain information about Coles from time to time.

To achieve this, the Company communicates information to its shareholders and other stakeholders regularly through a range of different forums and publications, including:

- The Company encourages its shareholders to participate in its annual general meeting by attending, exercising their voting rights and asking questions of the Board. This year, the Company intends to hold its annual general meeting as a hybrid meeting, providing shareholders with the opportunity to attend in person or online.
- The Company will conduct voting on all substantive resolutions at the annual general meeting on a poll, ensuring that voting outcomes reflect the proportionate holdings of all shareholders who vote (whether through direct voting, by proxy, in person, online, or by mail).
- The Company's external auditor will attend the annual general meeting and be available to answer questions from shareholders on the conduct of the audit.

Pictured: Coles Group Chairman, Peter Allen, at the 2025 Annual General Meeting.

- The Board will seek approval of shareholder matters as required by the Company's Constitution, the Corporations Act and the ASX Listing Rules, or where otherwise considered appropriate by Directors.
- The Company has an investor relations program in place, which includes scheduled and ad hoc briefings with analysts, investors and other stakeholders, including some briefings on a one-on-one basis. All new and substantive investor and analyst presentation materials are lodged with the ASX and published on the Company's website prior to a briefing.
- Regular releases of information are made through the ASX market announcements platform, including the release of the annual report and full and half-year results.
- The Company's website provides up-to-date information about Coles and its operations, the corporate governance framework, the Board and management, ASX announcements, the share price, dividend distributions and other relevant information.
- The Company gives shareholders the option to receive communications from, and to send communications to, the Company and its share registry electronically.

Risk management

Coles' organisational arrangements and requirements for managing risk are set out in Coles' Risk Policy and Coles' Risk Standard. In FY26, the Risk Policy and the Risk Standard were reviewed, with the Board approving updates to the Risk Standard.

The design of both the Risk Policy and Risk Standard are based on ISO 31000 Risk Management – Guidelines, which provides a consistent and internationally recognised set of principles and guidelines for managing risks in organisations.

The main components of Coles' risk management framework are provided for in Coles' Risk Policy and Coles' Risk Standard and are as follows:

+ **Risk Policy**
  Details Coles' commitment and expectations for risk management.

+ **Risk Accountability**
  Defines roles and accountabilities for managing, communicating and reporting risks.

+ **Key Activities and Requirements**
  Defines key activities for risk management, responsibilities and frequency.

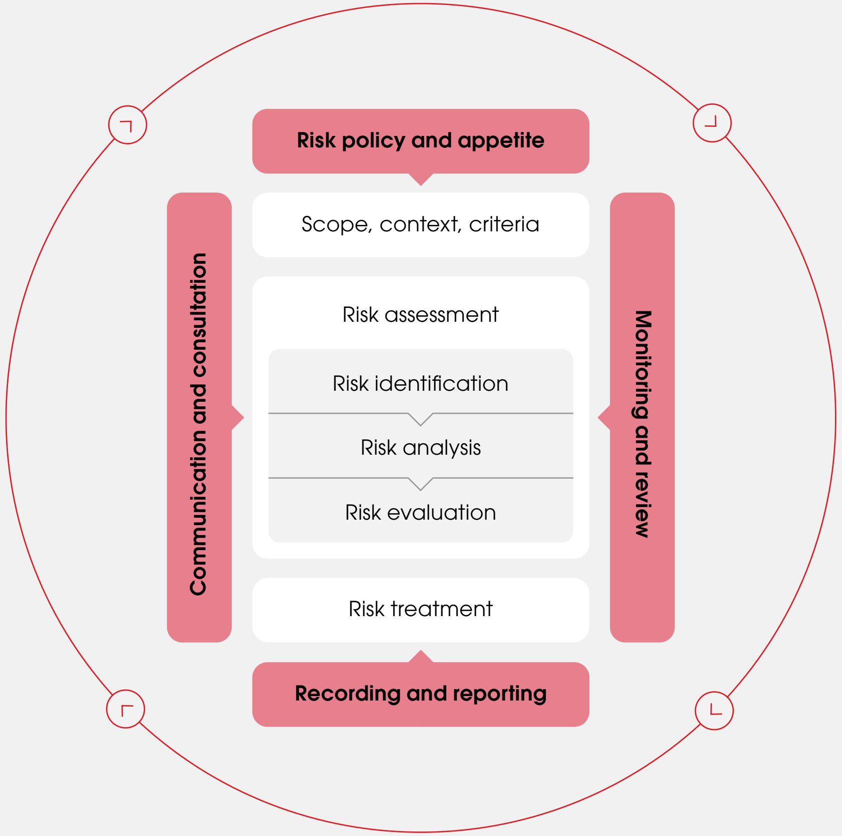
+ **Risk Appetite**
  Defines Coles' risk appetite and articulates how it is applied and reported when managing risks.

+ **Risk Management Process**
  The risk management process that is applied within Coles' business, supported by common definitions and tools.

+ **Risk Behaviours and Attitudes**
  Defines Coles' desired risk behaviours, attitudes and learning requirements.

+ **Tools and Technology**
  Defines the supporting tools and technology for risk management.

Coles Risk Management Process



Supported by three lines of accountability

First line	Second line	Third line
Team members and management responsible for managing risks	Group Risk and Compliance team responsible for defining the Risk Policy and Standard	Group Internal Audit responsible for independent assurance

Risk management continued

The objective of Coles' risk management framework is to embed risk management within our business operations and accountabilities to:

- support the pursuit of our strategic and operational objectives while managing risks within a pre-defined level of appetite;
- inform decision-making and establish appropriate risk management responses; and
- provide the Board and Executive Leadership Team with transparent and timely information to enable appropriate oversight of Coles' risks and mitigations.

Responsibility for overseeing Coles' risk management framework rests with the Board. The Audit and Risk Committee assists the Board in fulfilling its responsibilities by:

- reviewing the Group's risk management framework, including Coles' Risk Policy and Coles' Risk Standard, (at least annually) to satisfy itself that the framework continues to be sound;
- assessing whether the Group is operating with due regard to the risk appetite set by the Board;
- reviewing the effectiveness of the Group's systems of internal control for both financial and non-financial risks; and
- reviewing and recommending to the Board relevant Group risk management and governance policies that require Board approval.

The CEO and Executive Leadership Team are responsible for maintaining and implementing Coles' risk management framework. This includes the identification, measurement and mitigation of risks across the Group in accordance with the risk appetite set by the Board, and leading and supporting the development of a risk-aware culture.

One of the core components of our risk management framework is the risk management process, which sets out the requirements and criteria for assessing and reporting risks to which Coles has a material exposure (i.e. material risks) including environmental and social risks.

A summary of these risks and their mitigations is set out at pages 30 to 37 of **Coles' 2026 Annual Report**.

Material risks, their controls and treatment plans, are monitored for adherence to risk appetite and changes in exposure, and are reported to the Audit and Risk Committee during the course of the year, along with information on emerging risks.

Members of the Executive Leadership Team are assigned as Risk Owners to each material risk, and are responsible for the management of that risk and presenting any additional risk reports to the Board and committees. These additional reports provide further information on the management of risk in areas that are key to the success of the business including adherence to risk appetite.

In FY26, Coles continued to drive an uplift in risk management maturity, by embedding the Risk Standard across key operational areas through the ongoing development and implementation of our technology platform to facilitate the management of risks and controls.

We continued to track and report on key risk indicators, risk mitigation and audit actions, and implement and evolve major risk and compliance programs. This included ongoing review, embedding and management of our Critical Infrastructure Risk Management Program, to ensure we manage material risks associated with the continued distribution and supply of essential food or groceries to the Australian community and to meet our obligations under the *Security of Critical Infrastructure Act 2018* (Cth).

We facilitated the annual assessment of climate-related risks and opportunities across the business to allow Coles to identify, assess and manage these risks and opportunities in line with the AASB S2 requirements effective from FY26.

Our climate-related risks and opportunities are included at pages 42 to 52 of our 2026 Sustainability Report, which forms part of **Coles' 2026 Annual Report**.

We continued to develop risk management capability across subsidiary businesses and supported risk identification and assessment for key project investment cases submitted to our internal capital approval forum.

Key internal stakeholders were surveyed to better understand current attitudes and behaviours related to risk management, and a Risk Culture review was undertaken by Internal Audit, both of which have helped to identify current strengths and improvement opportunities.

We conducted face-to-face risk management training and co-ordinated regular internal forums with team members whose roles involve supporting and engaging the broader business in management of risk, in addition to online risk training.

We completed our annual review of our risk management framework with the purpose of enhancing its design and identifying opportunities to further embed risk management within our operations. These opportunities inform our risk management priorities and Group Risk Plan for future years.

In respect of FY26, the Audit and Risk Committee has undertaken a review of the risk management framework in relation to the reporting period and is satisfied that it continues to be sound, and that the Group is operating with due regard to the risk appetite set by the Board.

Risk management continued

Internal audit

Coles' Group Internal Audit function is led and overseen by management and supported by an independent third party. Group Internal Audit is responsible for independent assurance over Coles' governance, risk management and internal control processes. Under Coles' risk management framework, Group Internal Audit is responsible for:

- providing independent assessment and assurance to the Board and Executive Leadership Team regarding the effectiveness of controls in place to manage particular risks; and
- providing feedback to enhance the risk management framework and supporting processes and activities, with the aim of strengthening the control environment.

The Audit and Risk Committee is responsible under its charter for overseeing the performance and function of Group Internal Audit. This includes:

- reviewing with management the terms, including the scope, of the internal auditor's engagement in order to make recommendations to the Board concerning the appointment, re-appointment, rotation and removal of internal auditors;
- reviewing, assessing and approving the appointment, replacement or termination of the Head of Internal Audit and Assurance;
- approving the Internal Audit Charter and annual Internal Audit Plan and ensuring its alignment with the risk profile of the Group;
- receiving reports from Group Internal Audit and reviewing the scope and adequacy of the work plan; and
- reviewing, assessing and monitoring management's responsiveness to findings of Group Internal Audit.

Pictured: Coles Local Milton Village, Queensland, opened in November 2025.

External audit

Coles' external auditor is Ernst & Young. The Audit and Risk Committee is responsible for reviewing and approving the terms and scope of the external auditor's engagement and making recommendations to the Board regarding the appointment, re-appointment, rotation and removal of the external auditor.

The Committee provides an annual report to the Board with respect to whether the non-audit services provided by the external auditor during the year were compatible with the general standards of independence for auditors in accordance with the Corporations Act.

Management assurances and certification

Prior to approval of the financial statements for each full year and half year relevant to a reporting period, the Board receives written certifications from the CEO and the CFO in relation to the Company's financial reporting processes.

In respect of the financial statements for the half year ended 4 January 2026 and the full year ended 28 June 2026, the CEO and the CFO declared that:

- in their opinion, the 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 the Group's financial position and performance; and
- their opinion has been formed based on a sound system of risk management and internal control which is operating effectively.

Integrity in reporting

The Audit and Risk Committee assists the Board to fulfil its responsibilities in overseeing the Group's processes which ensure the integrity of financial statements and sustainability reporting required by the Corporations Act, compliance with legal and regulatory requirements, review of material changes in accounting or reporting requirements and assessment of subsequent effects on the Group's policies and practices.

Coles' external auditor is responsible for auditing Coles' Financial Report, consolidated entity disclosure statement and the Remuneration Report included in the annual Directors' Report. Coles' half year Financial Report is also reviewed by the external auditor. Coles' external auditor is also responsible for assuring certain information disclosed in the Sustainability Report included in the Annual Report.

For periodic corporate reports released to the market that are not audited or reviewed by Coles' external auditor, management has developed practices and guidance material that are intended to ensure the integrity of the information disclosed to the market. As part of the Company's processes, the reports are prepared by, or under the supervision of, subject matter experts. Material statements in the reports are reviewed for accuracy and are subject to internal verification and sign-off processes. Confirmation of the verification processes are then provided to the Audit and Risk Committee and/or the Board or relevant Board Sub-Committee.

Diversity and inclusion

Coles aims to build a workforce that reflects the diversity of the communities we serve and seeks to provide an inclusive environment where all team members feel respected, supported and able to progress. At Coles we believe that no matter who you are, how you identify or where you come from, Everyone is Welcome at our Table.

Diversity and Inclusion Policy and framework

The Board is responsible for the review and oversight of Coles' Diversity and Inclusion Policy. The Policy requires the Board to set measurable objectives for achieving gender equity and other key diversity targets and to assess annually both the objectives and the Group's progress in achieving them.

During the year we completed a review of our FY24–27 Diversity and Inclusion Strategy. As part of this review, we strengthened our focus on inclusion and continuing to build a culture where team members feel respected, valued, and a strong sense of belonging.

Our strategy continues to focus on accessibility, cultural diversity, gender equity, pride and Indigenous engagement, supported by 10 commitments.

These commitments aim to:

- increase the diversity across our workforce and leadership;
- create more inclusive workplaces and stores; and
- amplify our impact through best practice external benchmarking, partnerships, community and supplier engagement.

The Board continues to provide strong leadership, supporting management to achieve our ambition for a diverse workforce and inclusive culture.

Set out on the following page are the commitments related to gender equity and our progress against them. Periodically, we review our commitments to ensure they remain aligned with our aspirations and strategy.

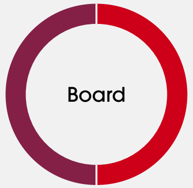
Further information on our strategy and commitments can be found in our 2026 Sustainability Supplement.

The Company's Diversity and Inclusion Policy can be found at **colesgroup.com.au/corporategovernance**.

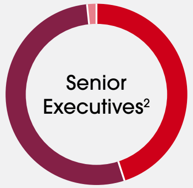
Pictured: Cate Harris, General Manager Sustainabilty, and Leanne White, General Manager Commercial – Non Food.

Workforce profile[1]

For FY26, the proportion of females and males on the Board, in senior executive positions (being members of the Executive Leadership Team and team members who are in the position of General Manager) and across the workforce, are illustrated in the following graphics:



50% Female
50% Male



45.2% Female
53.4% Male
1.4% Gender X[3]

48.2% Female
51.0% Male
0.8% Gender X[3]

1. For FY26, all population categories and metrics are reported as at 28 June 2026, the final day of the financial year. All categories are reported on the same basis as Coles' 2025 Corporate Governance Statement.
2. Senior Executives comprises the Executive Leadership Team and General Managers.
3. Gender X indicates a team member who either answered gender diverse or preferred not to respond.

Diversity and inclusion continued

FY26 gender equity objectives

During FY26, Coles continued to focus on gender equity and achieving other key diversity targets. Our FY26 gender equity objectives and progress against them is set out in this section. Our progress against the remaining focus areas can be found in our 2026 Sustainability Supplement.

FY26 gender equity objectives and progress[1]

1. Sustain 40/40/20[2] on the Board	FY25 female representation	FY26 female representation
	44.4%	50%[3]

2. Sustain 40/40/20[2] in our leadership population	FY25 female representation	FY26 female representation
Executive Leadership Team[4]	58.3%	50%
Senior Executives[5]	42.7%	45.2%
All leadership roles[6]	42.7%	42.4%

3. Maintain pay parity and reduce the gender pay gap

In FY26, we maintained our pay parity gap at less than 1%.

Coles is committed to maintaining pay parity by having the right policies, practices and governance in place to achieve balance and offer the same opportunities to all team members to build great careers at Coles.

As at 28 June 2026, our median gender pay gap is 4.3%, while our mean gender pay gap is 5.7%.

In addition to the populations reported above, looking more broadly at women in management[7], the percentage increased from 46.1% in FY25 to 46.3% in FY26[1].

1. For FY26, all population categories and metrics are reported as at 28 June 2026, the final day of the financial year. All categories are reported on the same basis as Coles' 2025 Corporate Governance Statement.
2. 40/40/20 refers to 40% men, 40% women and 20% of any gender.
3. While the FY26 female representation increased to 50%, this reflects an overall decrease in number of Directors from the prior year.
4. Includes CEO.
5. Senior Executives comprises the Executive Leadership Team and General Managers.
6. All leadership roles comprises the Executive Leadership Team, General Managers, team members pay grade eight and above and Supermarket store managers. Pay grade eight and above includes middle managers and specialist roles.
7. Women in management includes key leadership roles such as Coles Liquor store managers, Coles Supermarkets department managers, Coles Services area managers as well as team leaders and people leaders in the distribution centres and Customer Fulfilment Centres.

A culture of acting lawfully, ethically and responsibly

The Company has several policies that outline expected standards of behaviour and promote a culture of acting lawfully, ethically and responsibly. These policies include the following:

Code of Conduct

The Company has a Code of Conduct that sets out the standards of behaviour expected of its directors, team members and contractors in their interactions with customers, suppliers, the community and each other. The Code of Conduct includes legal and ethical guidelines. It is underpinned by our values, and Group policies in key areas. The Code of Conduct was updated in FY26 to align with legislative and internal policy changes.

The Company's Code of Conduct can be found at **colesgroup.com.au/corporategovernance**.

Appropriate Workplace Behaviour Policy and Sexual Harassment Policy

The Company is committed to creating a workplace that is safe, respectful and inclusive, and that aligns to our values of having Care for each other and the Courage to make the right choices. Two Company policies that are important in achieving this are the Sexual Harassment Policy and the Appropriate Workplace Behaviour Policy, both of which were updated in FY26.

The Sexual Harassment Policy outlines how Coles manages sex-based misconduct and reiterates Coles' commitment to a safe workplace aligned to our values. The Appropriate Workplace Behaviour Policy sets out the standards of behaviour expected of Coles team members and addresses how Coles manages inappropriate workplace behaviour. Both policies apply to all Coles team members. They also apply to third parties including contractors, business partners (such as suppliers), consultants, participants and customers, as they relate to our team.

A guide to the Coles Sexual Harassment Policy and Appropriate Workplace Behaviour Policy can be found at **colesgroup.com.au/corporategovernance**.

Whistleblower Policy

As part of the Company's commitment to the highest standards of conduct and ethical behaviour in all its business activities, the Company has a Whistleblower Policy that encourages anyone to come forward with concerns. The Policy requires Coles team members, directors and officers who have reasonable grounds to suspect that 'Potential Misconduct' has occurred or is occurring within or against Coles to make a report. The Policy also encourages anyone else who has reasonable grounds to suspect that 'Potential Misconduct' has occurred or is occurring within or against Coles to make a report. 'Potential Misconduct' is any suspected or actual misconduct or an improper state of affairs or circumstances in relation to Coles. It includes any unethical, illegal, corrupt, fraudulent or undesirable conduct or any breach of the Company's policies such as its Code of Conduct by a Coles director, team member, contractor, supplier, tenderer or any other person who has business dealings with Coles.

Coles team members may raise any concerns internally. Additionally, anyone (including Coles team members, suppliers and contractors) may make anonymous reports by telephone or email to the Stopline Hotline, an independent and confidential reporting line.

The Policy emphasises that Coles will not tolerate anyone being discouraged from speaking up or being adversely affected because they have reported misconduct in accordance with the Policy.

The Company's Whistleblower Policy can be found at **colesgroup.com.au/corporategovernance**.

Anti-bribery and Corruption Policy

The Company has an Anti-bribery and Corruption Policy. The Policy stipulates that Coles has zero tolerance for bribery and corruption in any form. It prohibits directors and team members from engaging in activity that constitutes bribery or corruption, and sets out a number of guidelines to assist team members to determine what constitutes bribery or corruption. It covers any activity or behaviour undertaken in connection with Coles, regardless of the geographical location in which that activity or behaviour occurs.

The Company's Anti-bribery and Corruption Policy can be found at **colesgroup.com.au/corporategovernance**.

A culture of acting lawfully, ethically and responsibly continued

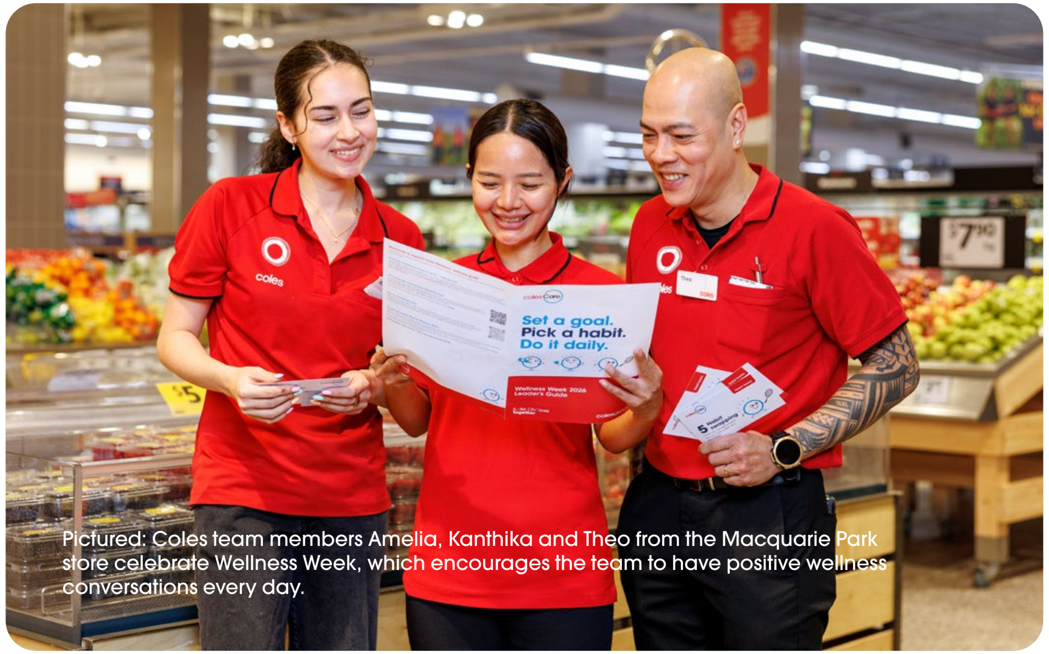
Sustainability, Health, Safety and Wellbeing

Coles is committed to providing a safe and healthy environment for team members, customers, suppliers, contractors, visitors and supply chain partners. The Health, Safety and Wellbeing Policy describes the systems and processes in place to manage the risks and hazards that come with operating Coles' business and ensure Coles' actions are appropriate to our risk profile.

The Company's Health, Safety and Wellbeing Policy can be found at **colesgroup.com.au/corporategovernance**.

The Audit and Risk Committee is responsible for overseeing the effectiveness of systems of internal controls and the risk management framework, including Coles' exposure to environmental risks.

Details of Coles' material exposure to environmental and social risks, as well as details of how Coles manages these risks are referred to in the *Risk management* section of our 2026 Annual Report (which can be found on pages 30 to 37 of the 2026 Annual Report) and in the *Climate-related risks and opportunities* section and *Risk management* section of our 2026 Sustainability Report (which can be found on pages 42 to 52 and page 57 respectively of the 2026 Annual Report).



Pictured: Coles team members Amelia, Kanthika and Theo from the Macquarie Park store celebrate Wellness Week, which encourages the team to have positive wellness conversations every day.

Securities Dealing Policy

The Company has a Securities Dealing Policy. The Policy seeks to ensure compliance with insider trading laws; protect the reputation of the Group, its directors and team members; maintain confidence in the trading of the Company's securities; and prohibit specific types of transactions.

In general, directors, members of the Executive Leadership Team and other executives at the general manager level and above (Restricted Persons) may not deal in the Company's securities during specified periods (known as 'blackout periods') that cover the period leading up to and immediately following the release of the quarterly retail sales results, half-yearly results and full-year results. Outside of these blackout periods, Restricted Persons must seek prior approval to deal in the Company's securities from the Company Secretary (or their delegate).

In all cases, Restricted Persons and team members more broadly (and their Connected Persons) are prohibited from dealing in securities when they are in possession of 'inside information'.

The Securities Dealing Policy also prohibits directors and members of the Executive Leadership Team from hedging their exposure to the Company's securities.

The Company's Securities Dealing Policy can be found at **colesgroup.com.au/corporategovernance**.

Other policies

The Company has a number of other policies that outline expected standards of behaviour of directors, team members and contractors, including:

- Confidentiality Policy
- Conflict of Interest Policy
- Cyber Security Policy
- Delegation of Authority Policy
- Environment Policy
- Ethical Sourcing Policy
- Gifts, Events and Entertainment Policy
- Political Donations Policy
- Privacy Policy
- Responsible AI Policy
- Sanctions Policy

These policies can be accessed by team members on the Company's intranet.

The Company continually assesses and upgrades its policies and procedures to ensure compliance with corporate governance requirements.

Coles Group Limited

ABN 11 004 089 936

800–838 Toorak Road
Hawthorn East
VIC 3123 Australia