



ASX Release

11 November 2025

ADDRESS BY CHAIRMAN PETER ALLEN

COLES GROUP LIMITED 2025 ANNUAL GENERAL MEETING – 11 NOVEMBER 2025

Please see attached the address to be delivered by the Chairman to shareholders at this morning's Annual General Meeting.

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This announcement was authorised for release by Daniella Pereira, Group Company Secretary.

Coles Group Limited Annual General Meeting 2025

Chairman's address to shareholders

This is my first AGM as your Chairman. I joined the Board as a Non-Executive Director in September 2024 and was honoured to become the Chair in May this year.

I acknowledge and thank my predecessor, James Graham, who has joined us here today. James was Chair of Coles through its demerger and ASX listing, the disruptions of COVID, and oversaw significant capital investment.

On behalf of the Board, our team and shareholders, thank you James.

I also thank Terry Bowen for his service as a Non-Executive Director from 2022 to 2025. Terry has recently retired from the Board to take up a full-time executive role, and we wish him well.

Over the past six months I have visited stores, distribution centres and support centres across Australia, and met suppliers and partners in our regions. I have been inspired by the passion of our team and partners, and their focus on delivering for our business and customers.

Coles has been part of Australian life for more than a century, creating local jobs, building and operating essential infrastructure in our national food system, supporting Australian producers and suppliers, and, most importantly, providing quality food and drinks at great value to families.

In the 2025 financial year, Coles contributed \$46 billion to the Australian economy. This reflects wages for our more than 115,000 team members, spend with 8,000 suppliers, taxes, community support, and dividends for 400,000 shareholders. We also have the privilege of serving millions of customers each week.

We're proud of that and determined to keep building on it and playing our part. This year, we delivered on our long-term investments in automation.

We ramped up our two Customer Fulfilment Centres in Sydney and Melbourne, transforming our home delivery proposition across a catchment of more than 10 million people. These facilities have significantly improved our online offer with an expanded range, improved freshness, and higher perfect order rates.

We now also have two Automated Distribution Centres fully operational in Queensland and NSW, with a third under construction in Victoria. These ADCs have transformed how product flows from our suppliers to our stores, leading to better product availability and more efficient operations.

Together, these four sites have step-changed our customer offer and the resilience of our supply chain.

For the 2025 financial year, Coles' Net Profit After Tax was \$1.07 billion, up 2.4 % on the prior year on a normalised basis.

This reflects the strength of our strategic investments.

We declared a fully franked total dividend of 69 cents per share, returning more than \$925 million to shareholders in FY25, and benefiting the many Australians who hold Coles shares indirectly through their super funds.

A strong, profitable business is what enables us to keep delivering for all our stakeholders.

Turning to sustainability. In the 2025 financial year we made significant progress.

We achieved our target of 100% renewable electricity for our operations, along with our target to reduce Scope 1 and 2 emissions by more than 75%, which was achieved 5 years ahead of plan.

We also met our waste diversion target. In FY25, 88% of the Group's solid waste was diverted from landfill and our aim is to maintain that above 85% through to FY30.

We also looked to the future, and set a science-based target, independently validated by the Science Based Targets Initiative, to cut forest, land and agriculture emissions by 30.3% by FY30. We will achieve this by working closely with our suppliers and partners to reduce emissions and nature-related impacts.

Regarding responsible sourcing, I'd like to make some brief remarks on the resolutions at item 6 which have been requisitioned by a group of shareholders holding approximately 0.0021% of Coles' issued capital. I note that since the release of our notice of meeting in September, item 6.2 has been withdrawn by the requisitioning shareholders.

Coles takes responsible sourcing seriously and we are committed to continuous improvement of our seafood sourcing due diligence practices, and monitoring and addressing environmental risks and the impacts of farmed seafood on endangered species. To this end, as reported in our 2025 Sustainability Report, we have already commenced a review of our due diligence processes as they relate to seafood sourcing, and we have committed to considering a range of appropriate guidelines and frameworks to build on our due diligence approach.

With regard to Macquarie Harbour specifically, we have taken a heightened approach to our due diligence practices in relation to salmon farming. Since 2019, we have engaged directly with a range of stakeholders to inform our understanding of the potential impacts of salmon farming in Tasmania and, in particular, Macquarie Harbour. This has included engagement with NGOs, scientists from the University of Tasmania's Institute of Marine and Antarctic Studies (IMAS) and the Tasmanian Environment Protection Authority. As part of this engagement, members of management team and our Board have regularly visited Tasmania. Most recently, Leah Weckert and I visited Macquarie Harbour in October, and we were encouraged by actions being taken by scientists and industry to address this complex issue. This includes initiatives such as Macquarie Harbour Oxygenation Project which is a joint collaboration between the Australian Government's Fisheries Research and Development Corporation (FRDC) and Salmon Tasmania.

We recognise that certain stakeholders may have a particular view on Coles' approach to sourcing salmon from Macquarie Harbour and the specific standards that Coles should adopt. However, we believe that these matters fall within the purview of the Company's Board and Management. While the conclusions formed by Coles as part of our ongoing due diligence with respect to salmon farming in Macquarie Harbour may not directly align with the views of those shareholders who have requisitioned resolution 6.3, this does not negate the fact that we have undertaken heightened due diligence and made an informed decision in relation to our salmon sourcing taking into account the current information available to us. We will continue to review our due diligence processes as they relate to seafood sourcing together with any scientific updates in relation to Macquarie Harbour specifically and will consider our position in light of any developments.

We believe our current and planned actions remain the most responsible and effective path to sustainable seafood sourcing and disclosure. Resolution 6.3 will duplicate work already underway in relation to our due diligence processes and assessments and potentially add cost without clear environmental benefit. For these reasons, the Coles Board recommends voting against the shareholder requisitioned resolutions

This time last year, we addressed the regulatory environment in which we were operating, and we have continued to engage constructively with government and regulators over the past 12 months.

In March, the ACCC published findings from its 12-month inquiry into supermarkets. We have already made changes in response to key recommendations and remain open to industry-led solutions, working closely with suppliers.

In the Fair Work Ombudsman proceedings, the court delivered an initial judgement in September. As disclosed to shareholders, our preliminary estimate, is \$150 - \$250 million in additional remediation, which includes interest and on-costs such as superannuation. The judgement is complex and several issues relating to the General Retail Industry Award remain outstanding and will require further court hearings to determine. Following the determination of outstanding issues by the Court, we will consider our appeal rights. Having regard to the complexities in this area, in conjunction with the Australian Retailers' Association and several other retailers we are engaged in a number of processes before the Fair Work Commission which we hope will result in clarity and simplicity being brought to the interpretation of the Award for all retailers in Australia.

Proceedings in relation to the ACCC's action on the 'Down Down' program are ongoing, and we continue to defend these.

In closing, Coles is well-positioned for the future.

We are focussed on continuing to deliver a differentiated and compelling customer proposition and sustainable returns for shareholders.

To enable this, we have a clear strategy and disciplined, long-term investment plans.

Thank you to my fellow Directors, the Executive Leadership Team, our Coles team members across Australia, our suppliers and partners, our customers and our shareholders for your trust and support.

I would now like to invite our CEO, Leah Weckert, to address the meeting.