



2 December 2021

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir or Madam

PROCEEDINGS COMMENCED BY FAIR WORK OMBUDSMAN

Please find attached for immediate release to the market.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Daniella Pereira".

Daniella Pereira
Company Secretary



ASX Release

2 December 2021

PROCEEDINGS COMMENCED BY FAIR WORK OMBUDSMAN

In February 2020, Coles Group Limited (**Coles**; ASX:COL) announced it was conducting a review into the pay arrangements for team members who receive a salary and are covered by the *General Retail Industry Award 2010 (GRIA)* (**Affected Salaried Team Members**).

Coles apologised to affected team members and conducted a remediation program. To date, Coles has incurred \$13 million of remediation costs (including interest and superannuation) relating to Affected Salaried Team Members, with a further \$12 million provisioned in its most recent accounts.

Following the announcement in February 2020, the Fair Work Ombudsman (**FWO**) commenced an investigation into Coles' pay arrangements for a group of Affected Salaried Team Members. Since that time Coles has been in communication with the FWO in relation to its investigation, including the interpretation of relevant provisions of the GRIA.

Coles notes that the FWO has filed proceedings in the Federal Court of Australia in relation to the pay arrangements for a group of Affected Salaried Team Members.

Coles is currently reviewing the proceedings, which include issues relating to the interpretation and application of various provisions of the GRIA and to the extent that further remediation may be required, we will update the market accordingly.

For more information:

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This announcement was authorised for release to ASX by the Board of Coles Group Limited.