

Resolution 1 - Amend the company's constitution

To insert into our company's constitution the following new clause 7.11:

Member resolutions at general meeting

"The shareholders in general meeting may by ordinary resolution express an opinion, ask for information, or make a request, about the way in which a power of the company partially or exclusively vested in the directors has been or should be exercised. However, such a resolution must relate to an issue of material relevance to the company or the company's business as identified by the company, and cannot either advocate action which would violate any law or relate to any personal claim or grievance. Such a resolution is advisory only and does not bind the directors or the company."

Supporting statement

Shareholder participation in the affairs of a company is a part of healthy corporate governance. Despite this practice being common in many countries, filing shareholder resolutions at listed Australian company Annual General Meetings is uncommon due to procedural and legal barriers.¹

Australian legislation and its interpretation in case law means that Australian shareholders are unable to directly propose an ordinary resolution. As a result, shareholders must propose multiple resolutions, the first being a 'special resolution' to amend the company's constitution to allow ordinary resolutions to be placed on the agenda at a company's annual meeting. This limits a key mechanism for investors to influence the direction of companies, particularly their management of ESG risks.² For comparison, 550 shareholder resolutions were filed in the first quarter of 2024 in the US, compared to a total of 6 in Australia through the entirety of 2023.³

Allowing ordinary resolutions from shareholders at annual meetings is in the long-term interests of the company, shareholders and stakeholders.

¹<https://acsi.org.au/wp-content/uploads/2020/02/Shareholder-resolutions-in-Australia.Oct17.pdf>

² <https://www.unpri.org/download?ac=18754>

³<https://www.kwm.com/au/en/insights/latest-thinking/publication/deep-dive-into-asx200-agms-in-2023.html>
<https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/shareholders-pushin-g-us-companies-on-climate-political-lobbying-in-2024-80857370>

Resolution 2 - Nature-related disclosure

Shareholders request that Coles identify and report on the real and potential impacts of farmed seafood it procures for its Own Brand products on endangered species under the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) List of Threatened Fauna in its 2026 Sustainability Report.

Supporting statement

Last year over 39% of Coles investors supported this resolution against management recommendation - one of the highest votes globally for an environmental resolution. By global standard, a vote of this magnitude would usually result in the company making a meaningful response to address shareholder concerns. To date, this has not happened.

Coles still risks its reputation through association with a likely extinction event, bacteria outbreaks and animal cruelty by selling salmon farmed in Macquarie Harbour, which threatens the endangered Maugean Skate. In 2023, the Australian Government identified degraded water quality from salmon aquaculture as the Skate's primary and potentially "catastrophic" threat, urging immediate reductions in farming. The skate remains highly vulnerable to extreme events and is likely to be uplisted to Critically Endangered in 2025. With Gondwanan origins and a habitat partly World Heritage listed, it is among the world's most endangered ray species. The IUCN recently designated Macquarie Harbour a Key Biodiversity Area due to the Skate's limited and threatened range.

Community and political support for salmon farming in the Harbour is falling.⁴ Recently the industry suffered its worst ever mass mortality due to a bacterial outbreak that killed 13% of annual production and highlighted animal welfare violations and uncontrolled pollution, including salmon fat washing up onshore.⁵

Last year our company said it would continue to sell this product to avoid prejudicing the Environment Minister's review into salmon farming in Macquarie Harbour.⁶ Since then, the Australian Prime Minister backed the industry by amending nature protection laws to limit the power of the Environment Minister to review such decisions – regardless of scientific evidence of negative impacts to a threatened species.⁷ This was heavily criticised by conservation groups and scientists.⁸

⁴ https://www.et.org.au/yougov_2025;
<https://www.theguardian.com/australia-news/2025/mar/04/jacqui-lambie-salmon-industry-macquarie-harbour-braddon-election>

⁵ <https://www.abc.net.au/news/2025-03-07/salmon-tasmania-apologises-for-mortality-event/105024028>

⁶ Reconsideration requests submitted by the Australian Institute, Environmental Defenders Office (on behalf of Australian Marine Conservation Society, Humane Society International) and Fitzgerald and Brown (on behalf of Bob Brown Foundation). See: <https://consult.dcceew.gov.au/epbc-macquarie-harbour>

⁷ <https://theconversation.com/protecting-salmon-farming-at-the-expense-of-the-environment-another-step-backwards-for-australias-nature-laws-252814>

⁸ <https://www.wwf.org.au/news/2025/nature-law-legislation-is-a-dangerous-backward-step/>

The responsibility now lies with Coles to do its own due diligence and review whether the risks posed by continuing to sell this product are warranted, and whether other farmed seafood products it sells carry any significant risks for investors. The OECD's Guidelines for Multinational Enterprises on Responsible Business Conduct expects companies to fulfil their own due diligence regardless of government action or inaction.⁹

Resolution 3 - Seafood sourcing policy

Shareholders request that Coles aligns its Responsibly Sourced Seafood Policy and Supplier Requirements with a global best practice standard, such as the Conservation Alliance for Seafood Solutions "Guidance for Companies", and report to shareholders on progress in meeting these best practice guidelines in its 2026 Sustainability Report.

Supporting statement

Coles' Policy falls short of global best practice and has proven unsuccessful in identifying serious threats to biodiversity evidenced in its farmed salmon supply chain.

Coles sells Macquarie Harbour salmon using certifications that claim responsible sourcing.¹⁰ The certifications Coles relies on, Best Aquaculture Practices (BAP) and GLOBALG.A.P. (GGN) are facing calls from more than 80 global conservation groups to decertify Macquarie Harbour salmon.¹¹ The Aquaculture Stewardship Council (ASC) states that none of the 11 salmon farming sites in Macquarie Harbour complies with their standards.¹²

This, along with other initiatives such as the mandatory EU Corporate Sustainability Due Diligence Directive and the OECD Due Diligence Guidance for Responsible Business Conduct highlight the failings of voluntary certifications to prevent environmental and social harm.¹³ There is a growing global expectation that companies take responsibility for finding and addressing real or potential adverse nature impacts in their supply chains.

The Conservation Alliance for Seafood Solutions is a global community of over 185 organisations across 30 countries. Members include civil society groups, certification schemes, academics, and businesses including major retailers and seafood suppliers.¹⁴ Nearly all North

⁹https://www.oecd.org/en/publications/oecd-guidelines-for-multinational-enterprises-on-responsible-business-conduct_81f92357-en.htmlhttps://www.oecd.org/en/publications/oecd-guidelines-for-multinational-enterprises-on-responsible-business-conduct_81f92357-en.html

¹⁰<https://www.edo.org.au/2023/12/05/extinction-greenwashing-supermarkets-target-of-accs-complaint-over-misleading-salmon-claims/>

¹¹<https://www.seafoodsource.com/news/environment-sustainability/ngos-push-bap-globalgap-to-drop-certification-of-fish-farms-in-tasmania-to-protect-endangered-skate>

¹²<https://au.asc-aqua.org/news/the-aquaculture-stewardship-council-responds-to-recent-wwf-australia-report-on-macquarie-harbour/>

¹³ <https://onlinelibrary.wiley.com/doi/full/10.1111/reel.12406>

¹⁴ <https://solutionsforseafood.org/about-us/>

American and European major retailers have sustainable seafood policies based on Alliance guidance.¹⁵

It recently updated its Guidance for Companies on Environmentally and Socially Responsible Seafood (“Guidance for Companies”) that outlines processes and principles to assist companies create and implement a due diligence-based sustainable seafood policy.¹⁶

The Guidance provides examples for large retailers who rely on certifications to meet their sustainability commitments.¹⁷ Should retailers find adverse negative impacts on nature they should work with the supplier to find alternative seafood sources. If that is not possible, the company can cease sourcing that species from the supplier. This suggested approach provides the flexibility to review cases of supplies causing harm while using certifications to support implementing sustainable sourcing policies.

The Guidance recommends embedding this into sourcing policies, which would help Coles become a leading sustainable retailer in Australia.

¹⁵https://oursharedseas.com/wp-content/uploads/2020/06/2020-Progress-Toward-Sustainable-Seafood-By-the-Numbers_July.pdf

¹⁶ <https://solutionsforseafood.org/our-resources/guidance-for-companies/>

¹⁷ https://solutionsforseafood.org/wp-content/uploads/2024/07/guidance_for_companies_july2024.pdf