



25 August 2021

The Manager
Company Announcements Office
Australian Securities Exchange

Dear Sir or Madam

**COLES REFINANCES \$1.3 BILLION OF COMMITTED FACILITIES ESTABLISHING A
LINK TO SUSTAINABILITY TARGETS**

Please find attached for release to the market.

Yours faithfully,

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

Daniella Pereira
Company Secretary



ASX Release

25 August 2021

COLES REFINANCES \$1.3 BILLION OF COMMITTED FACILITIES ESTABLISHING A LINK TO SUSTAINABILITY TARGETS

Coles Group Limited (Coles; ASX: COL) today announced that it has established a total of \$1.3 billion, four year Sustainability Linked Loans (SLL) under its bilateral debt facilities, replacing existing commitments.

Following the release of Coles' full Sustainability Strategy in June 2021, the \$1.3 billion SLL draws a direct line between our sustainability performance and our cost of capital, providing transparency and accountability as we work to fulfil our ambition to be Australia's most sustainable supermarket.

Coles is incentivised through margin adjustments to achieve and accelerate our sustainability targets linked to the following metrics:

- Reduce Scope 1 and Scope 2 CO₂e emissions (Together to zero emissions)
- Increase total waste diverted from landfill (Together to zero waste)
- Increase % of women in leadership roles (A team that is better together).

Coles has a long-standing commitment to sustainability and has set ambitious and meaningful sustainability targets. Establishing the SLL further incentivises progress in these sustainability areas that are important to Coles and its stakeholders.

Coles Chief Financial Officer, Leah Weckert, said, "Coles believes that sustainable businesses are better businesses, and our Sustainability Linked Loans reflect our commitment to working with all our stakeholders to make positive changes. The SLL incentive structure is linked to our progress against company-wide sustainability goals with delivery of those goals delivering improved cost of capital, and is therefore an effective tool for driving sustainability throughout our business."

Sustainability Co-ordinators for the transaction were ANZ, BNP Paribas and Rabobank.

For more information:

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This announcement is authorised by the Board.