

Company Name Coles Group
Industry Agricultural Products (Supply Chain only)
Overall Score 39.1 out of 100

Theme Score	Out of	For Theme
4.1	10	A. Governance and Policies
12.4	25	B. Embedding Respect and Human Rights Due Diligence
8.5	20	C. Remedies and Grievance Mechanisms
6.3	25	D. Performance: Company Human Rights Practices
7.8	20	E. Performance: Responses to Serious Allegations

Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2022 Methodology document for the sector concerned. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: General HRs commitment: The Company states in its 'Human Rights Commitment', within the 'Human Rights Strategy' document: 'we are committed to respecting human rights across everything we do' [Human Rights strategy, N/A: colesgroup.com.au] Score 2 <ul style="list-style-type: none"> Met: Commitment to the UNGPs: In its Ethical Sourcing Policy, it indicates: 'We commit to respecting the principles of [...], the UN Guiding Principles on Business and Human Rights'. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] & [Human Rights, N/A: colesgroup.com.au]
A.1.2.a	Commitment to respect the human rights of workers: ILO Declaration on Fundamental Principles and Rights at Work	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Company has a commitment to the ILO Core: In its Ethical Sourcing Policy, it indicates: 'We commit to respecting the principles of [...] the International Labour Organisation's (ILO) Declaration on Fundamental Principles'. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] Score 2 <ul style="list-style-type: none"> Met: Company has an explicit commitment to All four ILO Core: The Company's CoC states: 'We are committed to respecting and upholding the human rights that the International Labour Organization has declared to be fundamental rights at work. These include the rights of workers to freedom of association and collective bargaining, the right not to be subject to forced labour and the abolition of child labour. Coles is committed to respecting the rights of all workers, including vulnerable groups such as women and migrant workers, and ensuring our workplaces are free from discrimination.' [Code of Conduct, 05/2022: colesgroup.com.au] & [Human Rights strategy, N/A: colesgroup.com.au]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: Company expect suppliers to commit to ILO Core: The Company's Ethical sourcing policy' reads: 'Our Policy and Program Requirements are based on internationally recognised frameworks and instruments, including: [...], International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work'. Although based in is not considered a formal statement of commitment, see below description of specific commitment with each ILO core area. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] • Met: Company explicitly list All four ILO for suppliers: The Company's 'Ethical sourcing policy' contains explicit requirements in relation to discrimination, child labour, forced labour, freedom of association and collective bargaining. With respect freedom of association and collective bargaining, it indicates: 'Suppliers acknowledge that workers have a right to freedom of association and to bargain collectively. Workers have a right to join or form trade unions of heir choosing. [...]' 'Where the right to freedom of association and collective bargaining are restricted under local laws, suppliers will not hinder the development of alternative means of independent and free association and bargaining'. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au]
A.1.2.b	Commitment to respect the human rights of workers: Health and safety and working hours	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commitment to respect H&S of workers: The Company indicates that it is 'committed to providing a safe and healthy environment for our team, customers, suppliers, visitors and supply chain partners'. It has a system that 'helps to promote and provide a safe and healthy work environment as well as early and effective injury management assistance to team members injured as a result of work'. [Health, Safety and Wellbeing Policy: colesgroup.com.au] • Not Met: Respect ILO labour standards on working hours or Commits to 48 hours regular work week <p>Score 2</p> <ul style="list-style-type: none"> • Met: Expect suppliers to commit to H&S of their workers: The 'Ethical sourcing policy' contains different requirements regarding health and safety, including the following: 'suppliers will provide workers with a safe and clean working environment taking into consideration the prevailing knowledge of the industry and of any specific hazards'. The Company discloses addition safe working conditions requirements. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] • Not Met: Expect suppliers to commit to ILO labour standard or to 48 hours regular work week: According to its Ethical Sourcing Policy: 'Including any overtime, workers must not work above the maximum hours per week or per month as stipulated by local laws, or where local laws do not exist, a total of 60 hours per week. [...] Workers must have at least one day off in 7 days or two days off in every 14 days. Workers must be provided with legally required breaks during their working day. Overtime must be voluntary and compensated as prescribed by local laws, or where local laws do not exist, overtime should be compensated in line with ETI Base Code.' However, no evidence found of the Company explicitly committing to respect ILO conventions on working hours or that publicly states that workers are not required to work more than 48 hours as regular working week, and that overtime is consensual and paid at a premium rate.
A.1.3.a.AG	Commitment to respect human rights particularly relevant to the industry – land, natural resources and indigenous peoples' rights (AG)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Respect land ownership and natural resources as set out in VGGT • Not Met: Respect land ownership and natural resources as set out in The IFC Performance Standards • Not Met: Respecting indigenous peoples' rights or ILO Convention No.169 or UN Declaration: The Company states in its Aboriginal and Torres Strait Islander Engagement: 'Coles Group acknowledges the Traditional Custodians of Country throughout Australia. We recognise their strength and continuing culture and pay our respects to Elders past, present and emerging. Coles Group extends that respect to all Aboriginal and Torres Strait Islander peoples, and recognises their rich cultures and continuing connection to land and waters.' However, 'to acknowledge' or 'to recognise' cultures are not considered a formal statement of commitment for respecting their rights according to CHRB wording criteria. [Aboriginal and Torres Strait Islander Engagement, N/A: colesgroup.com.au] • Not Met: Expecting suppliers to make these commitments <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Respecting the right to water • Not Met: Company's policy commits to obtain FPIC: The Company indicates in its Ethical Sourcing Policy: 'Suppliers will ensure appropriate steps are taken to identify and respect legitimate tenure rights holders when acquiring, leasing or

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			<p>using land'. However, no requirement to respect indigenous peoples rights was found. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au]</p> <ul style="list-style-type: none"> • Not Met: Expecting suppliers to make these commitments <p>: According to its Ethical Sourcing Policy: 'Suppliers must manage their waste, wastewater, and pollutants responsibly and seek to improve their environmental performance. This includes ensuring that communities' access to water is not negatively impacted by the suppliers' operations'. However, no requirement for suppliers to respect the right to water was found, nor to obtain FPIC. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au]</p>
A.1.3.b.AG	Commitment to respect human rights particularly relevant to the industry – vulnerable groups (AG)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Women's rights: The Company states in its Code of Conduct: 'Coles is committed to respecting the rights of all workers, including vulnerable groups such as women and migrant workers'. [Code of Conduct, 05/2022: colesgroup.com.au] • Met: Migrant worker's rights: As indicated above, the Company states in its Code of Conduct: 'Coles is committed to respecting the rights of all workers, including vulnerable groups such as women and migrant workers'. [Code of Conduct, 05/2022: colesgroup.com.au] • Not Met: Expects suppliers to respect at least one of these rights: The Company indicates in its Ethical Sourcing Policy that it is 'Our Policy and Program Requirements are based on internationally recognised frameworks and instruments, including: Children's Rights and Business Principles (UNICEF, UN Global Compact and Save the Children), United Nations International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.' However, 'to be based on' is not considered a formal commitment statement according to CHRB wording criteria. In addition, the Company introduces a list of good and best practices were the aim is to achieve equality between women and men. However, CHRB could not find a statement were the Company expects its suppliers to respect women's rights. [Ethical Sourcing - Policy, Supplier Requirements and Tools, Feb 2019: colesgroup.com.au] & [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Met: CEDAW/Women's Empowerment Principles: The Company indicates in its Modern Slavery Statement 2021: 'In June 2020, Coles became a signatory to the United Nations Women's Empowerment Principles. The Principles will support Coles' work towards our gender-balance goals and empowering women in our workplace and communities.' [Modern Slavery Statement 2021, 2022: colesgroup.com.au] • Not Met: Child Rights Convention/Business Principles • Not Met: Convention on migrant workers • Not Met: Expecting suppliers to respect these rights
A.1.4	Commitment to remedy	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: The Company commits to remedy: The Company states in its 'ethical sourcing requirements' that 'Coles is committed to address, prevent and provide remedy to adverse human rights impacts that Coles has caused or contributed to'. It states that 'our Ethical Sourcing Program Requirements (requirements), together without Ethical Sourcing Policy (Policy) outline our commitment'. [Ethical Sourcing Remediation Framework, 05/2021: colesgroup.com.au] • Met: Company expect suppliers to make this commitment: The Company indicates in its Ethical Sourcing Remediation Framework: 'The Coles Remediation Framework sets out the core principles Coles adheres to, and expects its suppliers to adhere to, for providing effective remediation of human rights and ethical sourcing issues'. [Ethical Sourcing Remediation Framework, 05/2021: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Collaborating with other remedy initiatives: In addition, the Company indicates: 'In some cases, it is not possible for Coles to address the issue and provide remedy in isolation. Coles consults with the affected person/s, or alternatively, works together with the representative trade union/NGO/representative agent, to ensure that assistance meets the needs of each individual. Coles is open to collaborating with judicial and non-judicial grievance mechanisms, including the AUSNCP'. [Ethical Sourcing Remediation Framework, 05/2021: colesgroup.com.au] • Met: Work with suppliers to remedy impact: The Company states in its Ethical Sourcing Policy: 'Where are made aware of issues in our supply chain, we endeavour to work with our suppliers to ensure the issue is remediated for affected parties.' The Company has a specific document in the context of ethical

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			sourcing for remediation framework, including processes and channels in a supplier collaboration context. The Company has developed different Remediation Programs related with: Wages and Benefits, Child Labour and Forced and Bonded Labour. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] & [Ethical Sourcing Remediation Framework, 05/2021: colesgroup.com.au]
A.1.5	Commitment to respect the rights of human rights defenders	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Zero tolerance attacks on HRs Defenders (HRDs): The Company states in its Ethical Sourcing Policy: 'Coles respects the rights of human rights defenders, and does not tolerate threats, intimidation, or attacks against human rights defenders'. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] Met: Company expect suppliers to make this commitment: The Company indicates in its Ethical Sourcing Policy: 'All suppliers must comply with the Standards set out below: [...] Coles respects the rights of human rights defenders, and does not tolerate threats, intimidation, or attacks against human rights defenders'. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] Score 2 <ul style="list-style-type: none"> Not Met: Work with HRD to create safe and enabling environment: In addition, it reports in its Modern Slavery Statement as a future activity: 'Seek guidance from human rights defenders on the ground, providing channels for direct feedback and opportunities to seek support where our actions can effect positive change in the communities in which we operate.' However, it is not clear whether this is a work in progress or a future activity. [Modern Slavery Statement 2021, 2022: colesgroup.com.au]

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Board level responsibility for HRs: The Company indicates on its Human Rights website section: 'The Coles Board is responsible for the approval of Coles' Human Rights Strategy and Ethical Sourcing Policy. It receives and reviews regular reports on the status of the strategy including our program to address human rights in our supply chains. [...] The Audit and Risk Committee is a committee of the Board. As ethical sourcing had been identified as a material risk to Coles, it is responsible for evaluating Coles' ethical sourcing performance and the effectiveness of our ethical sourcing risk management systems and processes'. [Human Rights, N/A: colesgroup.com.au] Not Met: Describe HR expertise of Board member Score 2 <ul style="list-style-type: none"> Not Met: Speeches/letters by Board members or CEO: The Company stresses the presentation made by its Chairman to shareholders, where he states: 'Since our 2019 AGM, we have worked closely with our suppliers, unions and industry bodies to improve the transparency and effectiveness of all elements of ethical sourcing in our supply chain.' However, no further information discussing why human rights matter to the business or any challenges to respecting human rights encountered by the business in this presentation was found. On the other hand, it also highlight the Chairman letter included in the Modern Slavery Statement 2021, where he indicates: 'We recognise that our business and supply chain is extensive and complex, and the external challenges associated with safeguarding human rights are also significant and complex. We have continued to invest in our people, processes, and systems to further improve governance and controls and ensure we are effectively managing these risks'. However, no further information discussing why human rights matter to the business was found. This subindicator looks for evidence of speeches or communications where it is discussed why human rights matter to the business or challenges to respecting human rights encountered by the Company (current evidence seems to only indicate that challenges are significant and complex). [Chairman's address to shareholders, 11/2020: colesgroup.com.au] & [Modern Slavery Statement 2021, 2022: colesgroup.com.au]
A.2.2	Board responsibility	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Board/Committee review HRs strategy: The Company indicates on its Human Rights website section: 'The Coles Board is responsible for the approval of Coles' Human Rights Strategy and Ethical Sourcing Policy. It receives and reviews regular reports on the status of the strategy including our program to address human rights in our supply chains. Coles senior management who hold responsibility for the day-to-day execution of our Ethical Sourcing Program are

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			regularly invited to present to the Board on the content of the report and to answer questions. Ethical sourcing is a standing item on each Board meeting agenda. The Ethical Sourcing Board Report includes information on complaints and investigations received through our grievance channels, updates on social compliance audits and non-conformances, Program performance and activities relating to our Modern Slavery reporting and human rights strategy. [...] The Audit and Risk Committee is a committee of the Board. As ethical sourcing had been identified as a material risk to Coles, it is responsible for evaluating Coles' ethical sourcing performance and the effectiveness of our ethical sourcing risk management systems and processes.' [Human Rights, N/A: colesgroup.com.au] <ul style="list-style-type: none"> • Not Met: Examples/trends re HR discussion in the last reporting period Score 2 • Not Met: Meets both requirements under score 1 • Not Met: How affected stakeholders/HR experts informed discussions
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Incentives for at least one board member • Not Met: At least one key HR risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> • Not Met: Performance criteria made public • Not Met: Review of other board performance criteria
A.2.4	Business model strategy and risks	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Board process to review business model and strategy: The Coles Board is responsible for the approval of Coles' Human Rights Strategy and Ethical Sourcing Policy. It receives and reviews regular reports on the status of the strategy including our program to address human rights in our supply chains. Coles senior management who hold responsibility for the day-to-day execution of our Ethical Sourcing Program are regularly invited to present to the Board on the content of the report and to answer questions. Ethical sourcing is a standing item on each Board meeting agenda. The Ethical Sourcing Board Report includes information on complaints and investigations received through our grievance channels, updates on social compliance audits and non-conformances, Program performance and activities relating to our Modern Slavery reporting and human rights strategy'. However, it is not clear if there is a process by which these briefings and discussions inform discussions on the Company's business model and strategy. [Human Rights, N/A: colesgroup.com.au] • Not Met: Describe frequency and triggers for reviewing: The Company indicates on its website that 'Coles' Human Rights Strategy will be reviewed in FY23'. However, no further information was found with respect frequency or triggers for reviewing its human rights strategy. [Human Rights, N/A: colesgroup.com.au] Score 2 <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Example of actions decided

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Score of 1 on A.1.2.a: See indicator A.1.2.a • Met: Senior responsibility for HR implementation and decision making: The Company indicates on its Human Rights website section: 'Our Human Rights Steering Committee is a cross-functional management committee chaired by the Chief Legal & Safety Officer. The Committee guides our approach and management of human rights issues and assessment of risk within our own operations and supply chain. The role of the Committee extends to reviewing the application of relevant legislative and regulatory requirements concerning human rights, such as the reporting requirement under the Modern Slavery Act. The role of the committee encompasses risk management assessments'. [Human Rights, N/A: colesgroup.com.au]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: How it assigns Day-to-day responsibility: It also indicates: 'The Ethical Sourcing team is responsible for administration of the Ethical Sourcing Program and works in partnership with functional business units to execute actions. [...] Functional teams are regularly updated on the status of the Ethical Sourcing Program and human rights commitments. Performance information is also included in training aimed at ensuring team members understand their ethical sourcing and human rights responsibilities and the impact of their actions. The People and Culture team is responsible for ensuring systems and controls exist to protect human rights in our own operations'. [Human Rights, N/A: colesgroup.com.au] • Not Met: Day-to-day resources and expertise allocation in own ops: With respect own operations, the Company indicates: 'The People and Culture team is responsible for ensuring systems and controls exist to protect human rights in our own operations'. However, no further details found, including, for example, expertise of people, size of teams, its allocation, etc (how this is linked to human rights). [Human Rights, N/A: colesgroup.com.au] • Met: Resources and expertise allocation in the supply chain: Following the description above: 'The Ethical Sourcing team is responsible for administration of the Ethical Sourcing Program and works in partnership with functional business units to execute actions. Administration and compliance include: assessing supplier risk, engaging businesses based on risk, assessing performance through self-assessment questionnaires and third-party ethical audits to identify potential human rights risks, investigating allegations of human rights abuses and working to ensure that action and remediation of risks/ issues are in line with global best practice standards. The team includes an in-house certified auditor (as certified by the Association of Professional Social Compliance Auditors) to manage the ethical audit program. While everyone at Coles shares the responsibility of ensuring that our goods and services are procured ethically, our category teams, procurement teams, contract owners and contract managers and product technologists have the direct relationship with our suppliers and are responsible for the day-to-day execution of the Ethical Sourcing Program. Functional teams are regularly updated on the status of the Ethical Sourcing Program and human rights commitments. Performance information is also included in training aimed at ensuring team members understand their ethical sourcing and human rights responsibilities and the impact of their actions'. In addition, the Company stresses its Indigenous Affairs Team, responsible for managing Indigenous Rights at Coles and implementing our Aboriginal and Torres Strait Islander engagement plan. [Human Rights, N/A: colesgroup.com.au] & [Aboriginal and Torres Strait Islander Engagement, N/A: colesgroup.com.au]
B.1.2	Incentives and performance management	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Senior manager incentives for human rights: According its Annual Report 2021, senior management remuneration and incentives are derived from a combination of financial measures and strategic non-financial measures. Strategic and non-financial measures include: Strategy – Smarter Selling, Safety – TRIFR, [...] [Total Recordable Injury Frequency Rate]. [Annual Report 2021, 2022: colesgroup.com.au] • Not Met: At least one key HR risk, beyond employee H&S: See above. However, is not clear whether Safety indicator includes the health and safety of local communities, or workers in the supply chain. The Company has provided additional comments to CHRB regarding this indicator. However, that information has not been found in publicly available sources. <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Performance criteria made public • Not Met: Review of other senior management performance
B.1.3	Integration with enterprise risk management	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: HR risks is integrated as part of enterprise risk system: According its Corporate Governance Statement: 'Coles has in place a Risk Management Framework which articulates Coles' Risk Policy and sets out Coles' organisational arrangements and requirements for managing risk. The design of the Risk Management Framework is based on ISO 31000:2018 Risk management – Guidelines ('ISO 31000') [...] The main components of the Risk Management Framework are: Risk Policy [...]; Risk Accountability [...]; Risk Management Process [...]; Risk Culture'. In addition, the Company indicates on its Human Rights website section: '[...] ethical sourcing had been identified as a material risk to Coles, [The Audit and Risk Committee] is responsible for evaluating Coles' ethical sourcing performance and the effectiveness of our ethical sourcing risk management

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>systems and processes'. [Corporate Governance Statement 2021, 2022: colesgroup.com.au] & [Human Rights, N/A: colesgroup.com.au]</p> <ul style="list-style-type: none"> • Met: Provides an example: The Company discloses information about its principal risks in its Annual Report 2021, including: 'Ethical Sourcing. Failure to source product or conduct our business in a manner that complies with our Coles Ethical Sourcing Policy and relevant legal requirements across Australia and the countries we source from, can result in impact to worker safety, wellbeing or living conditions, material reputational damage, loss in consumer confidence and market share, regulator fines and penalties, and adverse financial performance. [Mitigation actions] [...] We also introduced new resources dedicated to the execution of the Human Rights Strategy and Ethical Sourcing Program, increased supplier and working education including through our partnership with the Ethical Retail Supply Chain Accord, embedded a program to follow-up on the closure of supplier critical and major non-conformances, and conducted 'risk deep dives' in key areas such as security, uniforms and floor care.' [Annual Report 2021, 2022: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Audit Ctte or independent risk assessment: According its Corporate Governance Statement 2021 the Audit and Risk Committee is responsible for 'Evaluating the adequacy and effectiveness of the Group's identification and management of environmental and social sustainability risks and its disclosure of any material exposures to those risks (financial and non-financial)'. In relation to last reporting year, the Modern Slavery Statement 2021: 'We also seek independent review of our Ethical Sourcing Program [as indicated above, the mechanism to deal with ethical sourcing risk] to provide further guidance on the effectiveness of our actions. In 2016, 2019 and 2021, Coles' Program was independently reviewed across the core areas of executive support and governance, program implementation, and supplier monitoring. During FY21, we have also engaged external expertise to critically evaluate the appropriateness of our Ethical Sourcing Key Risk Indicators'. [Corporate Governance Statement 2021, 2022: colesgroup.com.au] & [Modern Slavery Statement 2021, 2022: colesgroup.com.au]
B.1.4.a	Communication /dissemination of policy commitment(s) to workers and external stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Score of 1 on A.1.2.a: See A.1.2.a • Met: Communicates its policy to all workers in own operations: The Company indicates on its Human Rights website section: 'We are committed to fostering a culture that respects human rights and we want all team members to be able to recognise and escalate potential human rights issues. Our commitment is reinforced in our Code of Conduct and our Better Together diversity and inclusion program which highlight the importance of providing an inclusive environment reflective of the diverse communities in which we live and work. Training is provided to all team members on our obligations to conduct business ethically and in compliance with fair-trading laws. We also provide targeted training programs'. [Human Rights, N/A: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Communication of policy commitments to stakeholder • Not Met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Meets ILO requirement for suppliers on A.1.2.a: See indicator A.1.2.a • Met: Steps to communicate policy commitments to supply chain: The Company states in its Ethical Sourcing Policy: 'Suppliers must ensure the all its sub-contractors comply with the Policy and Program Requirements. Suppliers must document all sub-contracting relationships, seek the prior approval of Coles where required by the supply agreement prior to entering any sub-contracting arrangement, and have available for review by Coles or an independent auditor, including but not limited to records of subcontractors' names and locations.' In addition, the Company states on its website: 'Our Ethical Sourcing Program Requirements contain more comprehensive information in areas such as labour rights, safe working conditions, environment and business integrity. Suppliers are notified of changes to our Policy and Program Requirements through our supplier portals. [...] Coles' Ethical Sourcing team regularly provides one-on-one coaching and guidance to suppliers on the requirements of the Ethical Sourcing Program. We recognise that access to training is an important tool to increase supplier capability. Therefore, during 2018, 2019, 2020 and 2021, we held a number of training sessions in Australian rural and regional areas, and via webinars, to help our suppliers understand their ethical sourcing obligations.' [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] & [Human Rights, N/A: colesgroup.com.au]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: How HR commitments made binding/contractual: The Human Rights website section indicates: 'Suppliers agree to adhere to our Ethical Sourcing Policy as part of their supply contract with us.' [Human Rights, N/A: colesgroup.com.au] • Met: Company requires suppliers to cascade down to their suppliers: The Company states in its Ethical Sourcing Policy: 'Suppliers must ensure the all its sub-contractors comply with the Policy and Program Requirements. Suppliers must document all sub-contracting relationships, seek the prior approval of Coles where required by the supply agreement prior to entering any sub-contracting arrangement, and have available for review by Coles or an independent auditor, including but not limited to records of subcontractors' names and locations.' [Ethical Sourcing Policy, 03/2021: colesgroup.com.au]
B.1.5	Training on Human Rights	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Scores at least 1 on A.1.2.a: See indicator A.1.2.a • Met: How workers are trained on HR policy commitments: The Company indicates on its Human Rights website section: 'We are committed to fostering a culture that respects human rights and we want all team members to be able to recognise and escalate potential human rights issues. Our commitment is reinforced in our Code of Conduct and our Better Together diversity and inclusion program which highlight the importance of providing an inclusive environment reflective of the diverse communities in which we live and work. Training is provided to all team members on our obligations to conduct business ethically and in compliance with fair-trading laws. We also provide targeted training programs to team members in key roles including disability confidence, workplace behaviour (including bullying, discrimination, harassment, sexual harassment and victimisation), mental health and wellbeing, and anti-bribery and corruption.' In addition, in its MSA 2021, it reports: Our assessment is that the risk of modern slavery or human rights breaches in our own operations is low. Ongoing management to ensure continued minimisation of these risks includes, [...] training for team members covering fundamental governance principles, including our Code of Conduct, grievance mechanisms, workplace behaviours and our values; [...] [Human Rights, N/A: colesgroup.com.au] & [Modern Slavery Statement 2020, 2021: colesgroup.com.au] • Met: Trains relevant managers including procurement: The Company indicates in its Ethical Sourcing Policy: 'Functional Teams: While everyone at Coles shares the responsibility of ensuring that our goods and services are procured ethically, our category teams, procurement teams, contract owners and contract managers and product technologists have the direct relationship with our suppliers and are responsible for the day-to-day execution of the Ethical Sourcing Program. Functional teams are regularly updated on the status of the Ethical Sourcing Program and human rights commitments. Performance information is also included in training aimed at ensuring team members understand their ethical sourcing and human rights responsibilities and the impact of their actions.' [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Score of 2 on A.1.2.a: See indicator A.1.2.a • Met: Meets both requirements under score 1 • Met: Trains suppliers to meet company's HR commitment: The Company reports in its Modern Slavery Statement 2021: 'Throughout the year we have undertaken a number of activities to increase knowledge and understanding amongst suppliers and workers in our supply chain, including: [...] Introduction of a revised online contractor induction module. [...] Introduction to Ethical Sourcing Program compliance requirements.[...] Online webinar for strategic suppliers in the Health and Home/General Needs business Unit.[...] Online webinar discussing common Fire Safety non-conformances in Australia.' [Modern Slavery Statement 2021, 2022: colesgroup.com.au] • Not Met: Disclose % trained
B.1.6	Monitoring and corrective actions	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Scores at least 1 on A.1.2.a: See indicator A.1.2.a • Not Met: Monitoring implementation of HR policy commitments across global ops and supply chain: The Company indicates in its Sustainability report that 'Coles assesses the human rights risks of all sites that directly supply Own Brand products, meat and fresh produce'. The Company Sedex: 'In FY19, 97% of all our direct suppliers and 93% of their sites (factories, processing plants, pack houses and direct supplier farms providing Own Brand products, fresh produce and meat) were registered on Sedex. This has resulted in increased visibility of our supplier

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>employment practices and enables us to proactively monitor compliance with the Coles Ethical Sourcing Policy, identify ethical sourcing risks, drive the resolution of identified non-conformances and target areas of supplier capacity development'. It also indicates that 'high and medium risk suppliers must provide independent ethical audits for compliance with our Ethical Sourcing Policy and Ethical Sourcing Supplier Requirements. We require audits to be conducted during peak season times for each industry, such as harvest season for fresh produce, when workers are on site'. In FY19 there were 'more than 550 third-party audits in line with Coles Ethical Sourcing Supplier Requirements'. With respect own operations, it indicates on its website: 'Monitoring human rights risks and accountability: The activities that sit behind the focus areas are mapped and assigned to team members within Coles. Our progress against activities is monitored to ensure that our actions to mitigate and manage risk are implemented according to our commitments. Coles' Human Rights Strategy will be reviewed in FY23.' However, no further evidence was found describing how the Company monitors human rights policy commitments in its own operations, more than the monitoring of specific activities related to human rights (process monitoring). [2019 Sustainability Report, 2019: colesgroup.com.au] & [Human Rights, N/A: colesgroup.com.au]</p> <ul style="list-style-type: none"> • Met: Proportion of supply chain monitored: The Company indicates in its MSA 2021: 'Through monitoring of suppliers participating in the Ethical Sourcing Program, we can effectively track, assess and evaluate our risks on an ongoing basis. At the end of the Reporting Period, there were 2,143 Coles Supermarkets, Coles Express and Coles Liquor suppliers participating in our Ethical Sourcing Program. This represents 98% of all suppliers in-scope of the Coles Ethical Sourcing Program. Coles continues to work on ensuring all suppliers meet our participation requirements in a timely manner. During the Reporting Period, 764 ethical audits were conducted on in scope Supermarkets, Coles Express and Coles Liquor suppliers.' [Modern Slavery Statement 2020, 2021: colesgroup.com.au] • Not Met: Describe how workers are involved in monitoring <p>Score 2</p> <ul style="list-style-type: none"> • Met: Score of 2 on A.1.2.a: See A.1.2.a • Met: Describes corrective action process: The Company describes its corrective action process in its MSA 2021: 'Where a supplier has not demonstrated compliance with a requirement of the Ethical Sourcing Program, Coles follows documented processes to inform the supplier of the serious concerns these issues raise and the actions and time frames required to address them. Coles will work with the supplier during each stage of the escalation to ensure the supplier understands the issues, and to offer support. However, if the supplier does not address the issue to comply with the Coles Ethical Sourcing Policy, Coles will take action to terminate or suspend the supply arrangement. In exceptional instances, and where a supplier is unable to comply with a program requirement within the specified time for reasons outside of their control, Coles may provide an extension to the due date or make an exception. This is known as a 'derogation'. A derogation will only be considered where sufficient evidence exists for Coles to be satisfied that appropriate controls/corrective actions or an action plan are in place to address any risk arising from the non-compliance to program requirements. Where suppliers with findings related to business-critical human rights risks such as forced, bonded or child labour are identified, immediate remediation of the affected population would be required and will be addressed through the escalation process rather than through a derogation. During the Reporting Period, Coles suspended supply from eleven suppliers for non-compliance with requirements of our Ethical Sourcing Program. Four suppliers were reinstated after demonstrating the issues had been addressed.' [Modern Slavery Statement 2020, 2021: colesgroup.com.au] • Met: Disclose findings and number of corrective action: The Company indicates that 'During the Reporting Period, 2,376 non-conformances uploaded by auditors into Sedex were classified as major or higher by the auditor. As part of the Fair Farms program, all non-conformances are required to be resolved to achieve certification. Non-conformances from 22 audits conducted under the FairFarms program are directly managed by FairFarms and are not included in the non-conformance numbers referenced in this report. Audit reports are routinely reviewed to understand the nature of the non-conformances in more detail. This includes assessing for issues that could indicate instances of modern slavery. At the end of the Reporting Period, 1804 of the 2376 Critical or Major non-conformances identified from FY21 audits have been remediated by the supplier and closed by the auditor on Sedex. Coles continues to work with suppliers to ensure the closure or management of non-conformances which were open at the end of the Reporting Period. 356 (15%) of the non-conformances raised, relate to findings categorised

Indicator Code	Indicator name	Score (out of 2)	Explanation
			under the topic of working hours'. [Modern Slavery Statement 2020, 2021: colesgroup.com.au]
B.1.7	Engaging and terminating business relationships	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: HR affects selection of suppliers: The Company states in its Ethical Sourcing Policy: 'Compliance with this Policy is a condition of trade for all direct suppliers of Coles'. In addition, on its Human Rights website section, it indicates: 'Suppliers agree to adhere to our Ethical Sourcing Policy as part of their supply contract with us'. In addition, in its Ethical Sourcing Program Requirements, it indicates: 'Supply to Coles can only commence once the supplier is compliant with the Ethical Sourcing Program'. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] & [Ethical sourcing supplier requirements, 05/2021: colesgroup.com.au] Met: HR affects on-going supplier relationships: It also indicates: 'If a supplier is unwilling to work with Coles to address compliance issues under our Policy and Requirements, or refuses to participate in the program, we reserve the right to exercise any termination rights available and/or otherwise cease engagement with that supplier'. [Ethical sourcing supplier requirements, 05/2021: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> Not Met: Describe positive incentives offered to respect human rights: In its Ethical Sourcing documents, the Company discloses some benefits of being a Supplier 'B' Membership, which means that the supplier is a member of Sedex and adhere with the approval processes outlined in the document: ' Lower admin burden and reduce the loss of production time. Reduce reputational risk. Helps reduce the number of ethical audits as members can share information with multiple customers.[...] Efficient and cost effective way of sharing ethical information with multiple customers.' However, the benefits are incentives to register in SEDEX and not necessarily in relation to Positive incentives from the company for respecting human rights. No further evidence found in latest revision. [Ethical Sourcing - Policy, Supplier Requirements and Tools, Feb 2019: colesgroup.com.au] Met: Working with suppliers to meet HR requirements: On its Human Rights website section, it reports: 'Investing in suppliers' capacity building and training is key to driving continuous improvement across our supply chain. We are committed to working with our suppliers to help them understand and meet their obligations under our Policy and Requirements. Coles' Ethical Sourcing team regularly provides one-on-one coaching and guidance to suppliers on the requirements of the Ethical Sourcing Program. We recognise that access to training is an important tool to increase supplier capability. Therefore, during 2018, 2019, 2020 and 2021, we held a number of training sessions in Australian rural and regional areas, and via webinars, to help our suppliers understand their ethical sourcing obligations. These sessions included: Farmer Worker Education Session: In 2020, we worked with the United Workers Union to host a farm worker education session in a key Australian produce growing region. It involved direct engagement with workers and covered worker rights and freedom of association. [among others...]' [Human Rights, N/A: colesgroup.com.au]
B.1.8	Approach to engagement with affected stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Stakeholder process or systems to identify and engage with workers/communities in the last two years: The Company presents an overview of its key stakeholder groups, how it engages with them and the outcomes of those engagements in its Sustainability Report 2021. Its stakeholders include team members, supply partners, communities, NGOs, Unions, among others. In addition, on its website, it indicates: 'A key strategic pillar of Coles' strategy is to win together with our team members, suppliers and communities. These three stakeholder groups are our rights-holders. They are the people whose rights Coles has a responsibility to respect. [...] We regularly engage with our team members, customers, suppliers, government and non-government organisations to effectively address current and emerging human rights issues and collectively identify any improvement opportunities. In 2020, we completed an ethical sourcing stakeholder mapping exercise using the International Association for Public Participation (IAP2) framework which groups stakeholders according to their need to be informed, consulted, involved, collaborated or empowered. Key stakeholders identified included suppliers, customers, non-government organisations, investors, unions and government agencies.' [Sustainability Report 2021, 2021: colesgroup.com.au] & [Human Rights, N/A: colesgroup.com.au] Not Met: Discloses stakeholders that HRs may be affected

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Provides two examples of engagement with stakeholders: The Company indicates in its MSA 2021: [Example 1] 'In partnership with the Ethical Retail Supply Chain Accord (ERSCA) we continue to develop worker education programs aimed at reducing worker vulnerability. This approach was recommended by the Joint Committee on Law Enforcement in its Inquiry into Human Trafficking presented to the Australian Federal Government in 2017. Worker exploitation can manifest when workers are not educated on their rights, where there is a lack of information or where language barriers are present. The ERSCA identified an opportunity for more education to be provided through a worker education event in Coffs Harbour, in New South Wales, focused on pickers from the surrounding berry farms. Topics presented at the event included worker rights, stories from affected workers and access to resources and channels to raise grievances'. [Example 2] 'In March 2021, Coles conducted its annual review of our Ethical Sourcing Policy and associated documents. During our review we sought feedback on our Policy from a wide range of stakeholders including our union partners, suppliers and a human rights consultancy company. We also sought specific advice on some elements of our policy from an external legal expert.' [Modern Slavery Statement 2021, 2022: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Analysis of stakeholder views on company's HR issues • Not Met: Describe how views influenced company's HR approach

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying human rights risks and impacts	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Identifying risks in own operations: The Company indicates that it has developed a strategy 'with the support from independent human rights experts. It followed a review of business and stakeholder needs, a review of existing policies as well as team member interviews and group workshops'. As part of strategy development it identified six categories of human rights risks [...] These risks will be reviewed and updated periodically in consultation with stakeholders, including team members, suppliers, supply chain workers, customers, community and key stakeholders'. In addition, it indicates on its Human Rights website: 'In March 2020, the Coles Group Board endorsed an updated company-wide Human Rights Strategy . The strategy was produced following a comprehensive human rights issues identification and review process conducted by a specialist consultancy. Developing our Human Rights Strategy and our risk identification process: The purpose of the review by independent specialists was to identify human rights issues and map them to Coles' operations. The review looked at all key aspects of Coles' business including Coles Supermarkets, Coles Liquor, Coles Express and Goods Not for Resale (GNFR), which includes services. The approach involved a document review, including a review of international human rights law frameworks. Stakeholder interviews were also conducted to help identify and validate human rights issues relevant to Coles. Human rights experts then analysed common and trending themes across the data to develop insights and a mapping of issues to Coles' business areas to help determine risk saliency'. [Human Rights, N/A: colesgroup.com.au] & [Human Rights strategy, N/A: colesgroup.com.au] • Met: Identifying risks through relevant business relationships: See above. Strategy and risks identified refer significantly to supply chain operations. In addition, the Company indicates in its Modern Slavery Statement 2021: 'For those suppliers defined as 'in-scope', we use third-party systems and databases to guide and streamline the supplier risk assessment process. In-scope suppliers complete a risk assessment questionnaire (sometimes referred to as a self/site assessment questionnaire or SAQ) to provide information about their operation. The information from the assessment questionnaire is combined with the inherent risk evaluation to produce an overall evaluation of the suppliers'/sites' risk. This risk evaluation drives the level of monitoring/oversight over the supplier, such as frequency and application of the audit program.' [Human Rights, N/A: colesgroup.com.au] & [Modern Slavery Statement 2021, 2022: colesgroup.com.au]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: Describe ongoing global risk identification in consultation with stakeholder/HR experts: The Company states that, following the strategy development, that was published in 2020 and included a risk identification, 'These risks will be reviewed and updated periodically in consultation with stakeholders including team members, suppliers, supply chain workers, customers, community and key stakeholders. Following this review, a series of risk prioritisation workshops were undertaken with internal stakeholders to develop the following key focus areas for the management of human rights risks for Coles'. It also indicates that as part of its Human Rights Strategy review and risk identification process: 'Human rights experts then analysed common and trending themes across the data to develop insights and a mapping of issues to Coles' business areas to help determine risk saliency'. Although the Company does not identify experts, it indicates that they are 'independent specialists'/'specialist consultancy'. [Human Rights, N/A: colesgroup.com.au] • Not Met: Triggered by new circumstances • Not Met: Describes risks identified
B.2.2	Assessing human rights risks and impacts	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describe process for assessment of HR risks and discloses salient HR issues: It indicates on its Human Rights website: 'In March 2020, the Coles Group Board endorsed an updated company-wide Human Rights Strategy. The strategy was produced following a comprehensive human rights issues identification and review process conducted by a specialist consultancy. Developing our Human Rights Strategy and our risk identification process: The purpose of the review by independent specialists was to identify human rights issues and map them to Coles' operations. The review looked at all key aspects of Coles' business including Coles Supermarkets, Coles Liquor, Coles Express and Goods Not for Resale (GNFR), which includes services. The approach involved a document review, including a review of international human rights law frameworks. Stakeholder interviews were also conducted to help identify and validate human rights issues relevant to Coles. Human rights experts then analysed common and trending themes across the data to develop insights and a mapping of issues to Coles' business areas to help determine risk saliency.' However, it is not clear how relevant factors were taken into account, such as social, geographical, economic, or others. [Human Rights, N/A: colesgroup.com.au] • Not Met: How process applies to supply chain: See above [Human Rights, N/A: colesgroup.com.au] • Met: Public disclosure of the results of HR assessment: The Company, in regards to their Human Rights Strategy, states: 'Based on this process, the below were determined to be Coles' salient human rights risks: Labour rights, Right to health and safety, Right to equality and freedom from discrimination, Indigenous rights, Cultural rights, Right to dignity and justice. These risks will be reviewed and updated periodically in consultation with stakeholders including team members, suppliers, supply chain workers, customers, community and key stakeholders.' [Human Rights, N/A: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: How it involved affected stakeholders in the assessment: As indicated above, the Company indicates that: 'These risks will be reviewed and updated periodically in consultation with stakeholders including team members, suppliers, supply chain workers, customers, community and key stakeholders.' Although the Company indicates that 'stakeholder interviews were also conducted to help [...] validate human rights issues relevant to Coles', no further details found on the actual work conducted. [Human Rights, N/A: colesgroup.com.au]
B.2.3	Integrating and acting on human rights risks and impact assessments	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Action Plans to mitigate risks: The Company discloses in its human rights strategy document a figure indicating what is the 'path to achieving our human rights commitments', which includes a set of actions within different areas. On its Human Rights website, it indicates: 'Following this review [see previous indicators], a series of risk prioritisation workshops were undertaken with internal stakeholders to develop the following key focus areas for the management of human rights risks for Coles: [...] Beyond compliance [...] Work culture [...] People and technology [...] Governance [...] Remediation [...] Stakeholder Engagement[...]' Each key focus area has specific items associated with it that are designed to outlay a path to achieving our human rights commitments. For example, a key item sitting under the work culture focus area is to engage in collaborative pilots with unions to

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>improve worker education. Coles in partnership with a number of Unions, have hosted worker education events around Australia to educate workers on their labour rights'. However, although this roadmap collects a set of actions, it is not clear which are being implemented or how, to mitigate the different human rights and impacts it faces. [Human Rights strategy, N/A: colesgroup.com.au] & [Human Rights, N/A: colesgroup.com.au]</p> <ul style="list-style-type: none"> • Not Met: Description of how global system applies to supply chain: The Company describes its remediation framework, and also how its ethical sourcing programme is operated, following the risk assessment of individual suppliers. It includes questionnaires, audits and remediation. However this seems to refer to compliance monitoring and remediation following non-compliances. This indicator looks for a risk-mitigation perspective. Following the assessment of the salient risks that the company faces in different areas (regions, products, groups of suppliers, etc), which proactive actions carries out to mitigate the different risks. Although supplier monitoring is part of risk management, it is not clear how the system targeting risks operates (i.e. capacity building in specific topics considered salient, or systematic work like the example described below). No further evidence found in latest revision. [Human Rights, N/A: colesgroup.com.au] • Met: Example of actions decided on at least 1 salient HR issues: On its website, the Company indicates: 'third-party labour hire organisations provide an essential service to Coles' suppliers, however they can also introduce human rights and workplace compliance risks into these supply chains. In Australia, state-based labour hire licensing schemes, as well as independent programs such as Staffsure, can assist suppliers to minimise their recruitment and staffing industry risk. StaffSure is an independent industry-led certification program that assesses labour hire providers against six key risk elements: 1. Fit and proper persons own and run the labour hire business; 2. Fair remuneration to ensure workers receive legal employment entitlements; 3. Financial assurance to operate the labour hire business sustainably; 4. Safe work for all workers; 5. Immigration and visa laws are complied with; and 6. Accommodation supplied by employers or clients is suitable and rent is fair. Suppliers can find StaffSure certified labour providers through an online registry. In addition to supporting the development of the StaffSure program, Coles has developed a Third-party Labour Provider Guidance for our suppliers. This tool is available for all Coles' suppliers and outlines practical advice for managing labour hire, including detailing what good and best practice looks like to support suppliers on their continuous improvement journey'. [Human Rights, N/A: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Involve stakeholders in decisions about actions
B.2.4	Tracking the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: System for tracking or monitor if actions taken are effective: The Company describes its governance structure for managing human rights strategy. In addition, in its Modern Slavery Statement 2021, it reports: 'We also seek independent review of our Ethical Sourcing Program to provide further guidance on the effectiveness of our actions. In 2016, 2019 and 2021, Coles' Program was independently reviewed across the core areas of executive support and governance, program implementation, and supplier monitoring. During FY21, we have also engaged external expertise to critically evaluate the appropriateness of our Ethical Sourcing Key Risk Indicators.' However, this indicator looks for a system to track from a risk perspective, whether specific actions carried out to mitigate different salient issues (see B.2.2) are being effective or are not achieving the desired results. Current evidence seems to refer to an external review of the effectiveness of the whole system. [Modern Slavery Statement 2021, 2022: colesgroup.com.au] & [Human Rights strategy, N/A: colesgroup.com.au] • Not Met: Lessons learnt from checking system effectiveness: The Company states 'Prior to insourcing the majority of our trolley collection, we contracted external providers to undertake this work. An investigation by the Fair Work Ombudsman in 2011 found that some sub-contractors had underpaid workers performing trolley collection for Coles. As a result of the investigation we agreed to establish a hotline for subcontractors to speak with us directly about their concerns, to establish a fund to correctly pay subcontractors and to directly employ trolley collectors in future. We continue to incorporate the learnings from this undertaking and work with suppliers to adapt our purchasing practices and enable us to better identify labour risks within our supply chain'. However, this indicator looks for specific lessons learnt after this action plan was implemented. Current evidence found only indicates that it incorporates them (and seems to refer to issues that took place

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>more than three years ago). The Company has provided additional comment/source to CHRB regarding this indicator. However, evidence was not material, as it was not referring to lessons learnt, but an example of how the Company checks the effectiveness of its grievance mechanism. [Human Rights, N/A: colesgroup.com.au]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Involve stakeholders in evaluation of actions taken
B.2.5	Communicating on human rights impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Provides two examples of comms with stakeholders: Although the Company discloses information of its grievance process flow, including how and when it updates stakeholders who have raised human rights impacts, no examples of communication with stakeholders was found. [Grievance process flowchart, N/A: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describe challenges to effective comms and how it is working to address them

C. Remedies and Grievance Mechanisms (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Channel accessible to all workers: The Whistleblower Policy indicates: 'Coles has both informal and formal ways in which concerns can be raised [...] You may report a matter directly to any of the following Coles Protected Disclosure Officers: [...] You can report a matter to Stopline by calling or emailing. Stopline is an independent and confidential reporting line that is run by an independent company. Team members, suppliers, contractors, suppliers, employees of contractors and anyone covered by this Policy may use Stopline to report Potential Misconduct and reports may be made in a number of languages'. [Whistleblowing Policy, 08/2021: colesgroup.com.au] & [STOPline FAQ website: coles.stoplinereport.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Channel is available in all appropriate languages and workers aware: The Company has provided comments to CHRB regarding this indicator. 'Coles is an Australian based company where all of our stores and offices are in Australia - except for our recently opened Shanghai office. We therefore do not consider we need to make our complaints channel for our own operations available in languages other than English'. The Company instead refers to Stopline, 'a confidential telephone service run by an independent third party that all stakeholders can use to raise concerns or make complaints. It can be accessed overseas and in multiple languages, with translation available on request through an Australian Government translation service and language setting within the Mobile App'. In addition, in its MSA 2021, it reports: 'Our assessment is that the risk of modern slavery or human rights breaches in our own operations is low. Ongoing management to ensure continued minimisation of these risks includes, [...] training for team members covering fundamental governance principles, including our Code of Conduct, grievance mechanisms, workplace behaviours and our values; [...]' [Modern Slavery Statement 2020, 2021: colesgroup.com.au] & [STOPline FAQ website: coles.stoplinereport.com] • Met: Describe how workers in the supply chain have access to grievance mechanism: The Company states in its Whistleblower Policy: 'Anyone else who has reasonable grounds to suspect that Potential Misconduct has occurred or is occurring within or against Coles Group is encouraged to make a report. This includes Coles' past team members, directors, other officers, contractors, suppliers (including employees of suppliers), and associates, as well as dependents (or their spouse's dependents) and relatives of the above'. [Whistleblowing Policy, 08/2021: colesgroup.com.au] • Met: Expect Suppliers to convey expectation to their own suppliers: The Company states on its website: 'It is important to Coles that our suppliers share this same commitment in ensuring that workers in their supply chains have effective and confidential mechanisms to raise grievances. For this reason, we require suppliers to provide workers with an accessible mechanism or channel to raise grievances'. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] & [Human Rights, N/A: colesgroup.com.au]

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Grievance mechanism for community: The Whistleblower Policy indicates: 'Coles has both informal and formal ways in which concerns can be raised [...] You may report a matter directly to any of the following Coles Protected Disclosure Officers: [...] You can report a matter to Stopline by calling or emailing. Stopline is an independent and confidential reporting line that is run by an independent company. Team members, suppliers, contractors, suppliers, employees of contractors and anyone covered by this Policy may use Stopline to report Potential Misconduct and reports may be made in a number of languages. [...] Who does this policy apply to? [...] Anyone else who has reasonable grounds to suspect that Potential Misconduct has occurred or is occurring within or against Coles Group is encouraged to make a report. This includes Coles' past team members, directors, other officers, contractors, suppliers (including employees of suppliers), and associates, as well as dependents (or their spouse's dependents) and relatives of the above' In addition, it indicates on its website: 'Coles STOPLine is a confidential telephone service run by an independent third party that all stakeholders within Coles' own operations and supply chain including team members, suppliers, workers, contractors and other affected stakeholders including community members can use to raise concerns or make complaints.' [Whistleblowing Policy, 08/2021: colesgroup.com.au] & [Human Rights, N/A: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes accessibility and local languages and stakeholder awareness: The Company states on its website: 'We provide a number of channels for people, both within our own operations and supply chain to make complaints or raise concerns including the Coles Wages and Conditions Hotline and Coles STOPLine as well as access to Coles' Protected Disclosure Officers. Beyond our own operations and supply chain, these channels are available to any affected stakeholders including those external to Coles and community members where adverse impacts have been caused by, contributed to or directly linked to Coles.' In addition, the Company reports in its Modern Slavery Statement 2021: 'Throughout the year we have undertaken a number of activities to increase knowledge and understanding amongst suppliers and workers in our supply chain, including: [...] Introduction of a revised online contractor induction module. This year we introduced additional information on worker rights and inclusion of the Coles Wages and Conditions Hotline. Over 35,000 completions of the module during the year'. It is not clear, however, how local communities are made aware of grievance mechanisms. [Human Rights, N/A: colesgroup.com.au] & [Modern Slavery Statement 2021, 2022: colesgroup.com.au] • Met: Communities access mechanism direct or through suppliers: The Company indicates in its Ethical Sourcing Policy: 'Suppliers are to provide appropriate channels for worker and community grievances, and these channels are to be effectively communicated (for example, in spoken languages, in physical and electronic forms). These channels will be communicated in addition to building capacity and awareness around social and labour practices. The effectiveness of these channels will be assessed using stakeholder feedback.' [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] • Not Met: Expect supplier to convey expectation to their own suppliers: The Company states on its website: 'It is important to Coles that our suppliers share this same commitment in ensuring that workers in their supply chains have effective and confidential mechanisms to raise grievances. For this reason, we require suppliers to provide workers with an accessible mechanism or channel to raise grievances'. No evidence found, however, of this requirement being extensive to indirect suppliers' external stakeholders. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au]
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Engages users to create or assess system: The Company indicates on its website: 'We understand the challenges associated with providing effective and accessible grievance mechanisms, particularly due to socio-cultural and language barriers. To ensure we are assessing the effectiveness of our own grievance mechanisms as well as our extended supply chains, we are committed to ongoing partnerships with key suppliers to perform reviews of current processes, to share learnings and achieve best practice. We understand the importance of ensuring our grievance mechanism are effective. In line with the expectations set out in the UNGPs, we understand effective grievance mechanisms to be: trusted, accessible and communicated, predictable, equitable, transparent, rights compatible, a source of continuous learning and based on engagement. In our 2021 Modern Slavery

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Statement and Human Rights Strategy, we committed to review the effectiveness of our grievance mechanisms. As part of this effectiveness assessment, we are focusing on three guiding questions: Are affected stakeholders aware of our grievance mechanisms?; Are complaints received through these channels being appropriately identified and directed to the right areas of our business?; Are received complaints being handled correctly and in line with best practice (and the expectations in the UNGPs)? Key actions we are taking as part of this review include testing our own processes by submitting test complaints through our grievance mechanisms to check that complaints are identified and directed appropriately. We are also reviewing past complaints to assess how they were actioned, their outcomes and any inconsistencies. As part of this review, we also developed a flow chart to help demonstrate how complaints are received and handled by Coles.' However, no further information describing how it engages potential or actual users on the design and performance of the mechanism was found. [Human Rights, N/A: colesgroup.com.au]</p> <ul style="list-style-type: none"> • Not Met: Examples (at least two) of how they do this <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Engages with potential or actual users on the improvement of the mechanism • Not Met: Provides user engagement example (at least two) on improvement
C.4	Procedures related to the mechanism(s)/channel(s) are equitable, publicly available and explained	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Response timescales and how complainants will be informed: The Company indicates on its StopLine website FAQ: 'You will be kept advised about the status of the report, decisions made regarding how the matter is to be handled, timeframes that apply and the result of any investigation and action taken. If you choose to remain anonymous, you will be issued with a confidential reference and password and must initiate contact through one of the methods above to receive feedback.' In addition, on its Human Rights website, it indicates: 'All concerns raised through any of these mechanisms are assessed to determine if and how they should be investigated. Where possible, we complete our preliminary review of the grievance within 14 days and notify the grievance raiser of the outcome within 90 days. We will always seek to resolve concerns as quickly as possible, however concerns vary in complexity and timeframes for resolution will vary.[...] we also developed a flow chart to help demonstrate how complaints are received and handled by Coles.' [STOPline FAQ website: coles.stoplinereport.com] & [Human Rights, N/A: colesgroup.com.au] • Not Met: Describe support (technical, financial,etc) available for equal access by complainants <p>Score 2</p> <ul style="list-style-type: none"> • Met: Describe types of outcome to complainant through use of mechanism: The Company discloses information about complaints received against its suppliers, included information about the Outcome per case. Also, as indicated above, the complainant will be informed through the mechanism on how the matter is to be handled, the result of any investigation and action taken. [Coles Supplier Complaints Table, 05/22: colesgroup.com.au] & [STOPline FAQ website: coles.stoplinereport.com] • Not Met: Escalation to senior/independent level: The Company indicates on its website: 'All complaints received are investigated and, if required, may be escalated for further investigation by an independent third-party.' However, it is not clear whether complainants can activate the escalation process. [Human Rights, N/A: colesgroup.com.au]
C.5	Prohibition of retaliation for raising complaints or concerns	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public statement prohibiting retaliation: The Company states on its website: 'Coles respects the rights of individuals and human rights defenders to confidentially and/or anonymously raise complaints or concerns without fear of retaliation. Coles will not tolerate anyone from being discouraged from speaking up and will take action against any persons, organisations or their representatives who engage in any manner of retaliation. Retaliation may encompass threats, intimidation, harassment, discrimination, victimisation or any attack against an individual or human rights defenders. Coles is committed to safeguarding the rights and wellbeing of any person who has raised a grievance through a Coles mechanism.' In addition, it states: 'Coles is committed to the protection of genuine Whistleblowers against action taken in reprisal for the making of protected disclosures. Maintaining confidentiality is a crucial component of this protection. All disclosures will be treated with a high level of confidentiality. Coles has appointed StopLine to enhance confidentiality and anonymity within Coles with

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>respect to Whistleblower procedures'. Company's grievance mechanism is opened to external stakeholders. [Human Rights, N/A: colesgroup.com.au] & [STOPLine FAQ website: coles.stoplinereport.com]</p> <ul style="list-style-type: none"> • Met: Practical measures to prevent retaliation: The Company indicates on its StopLine FAQ website: 'Coles is committed to the protection of genuine Whistleblowers against action taken in reprisal for the making of protected disclosures. Maintaining confidentiality is a crucial component of this protection. All disclosures will be treated with a high level of confidentiality. Coles has appointed StopLine to enhance confidentiality and anonymity within Coles with respect to Whistleblower procedures'. [STOPLine FAQ website: coles.stoplinereport.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Company indicate it will not retaliate against workers/stakeholders • Met: Expects suppliers to prohibit retaliation against workers/stakeholders: The Company indicates in its Ethical Sourcing Policy: 'Channels must be provided through which adversely affected people or communities, including workers, can raise complaints or concerns without fear of retaliation, intimidation, harassment, discrimination, or victimisation. [...] An anonymous, confidential method for all workers to raise concerns to the supplier without fear of retaliation shall be provided. Coles respects the rights of human rights defenders, and does not tolerate threats, intimidation, or attacks against human rights defenders'. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au]
C.6	Company involvement with state-based judicial and non-judicial grievance mechanisms	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Complainants not asked to waive rights • Not Met: Company does not require confidentiality provisions <p>Score 2</p> <ul style="list-style-type: none"> • Met: Will work with state based non judicial mechanisms: The Company indicates in its Human Rights website: 'We commit to not obstructing access to other remedies, including judicial or non-judicial remedies. We also support the work of and are open to working with the Australian National Contact Point (AusNCP)'. [Human Rights, N/A: colesgroup.com.au]
C.7	Remedying adverse impacts	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Says how it would provide remedy for victims if no adverse impact identified: The Company has developed different Remediation Programs related with: Wages and Benefits, Child Labour and Forced and Bonded Labour. In its Ethical Sourcing - Supplier Requirements it describes the Remediation Steps that the supplier must take to remedy their non-compliance in order to keep working with the Company. For instance, the Remediation Steps related with Wages and Benefits include the following: '[...] The employer should communicate to the workers that the underpayment has taken place and workers will receive appropriate back-payment. This document should be made available for auditor review. 5.4. The employer should pay the owed amount to the affected workers within a reasonable time period, to be agreed with Coles. [...] 5.7. If in Coles' view the supplier does not take the appropriate steps to remedy the underpayment of wages and benefits within a reasonable time, supply to Coles will be immediately suspended, and Coles may terminate the supply agreement and notify the Fair Work Ombudsman.' [Ethical Sourcing - Policy, Supplier Requirements and Tools, Feb 2019: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Changes to systems, processes and practices to stop similar impact: The Company indicates on its Human Rights website: 'Prior to insourcing the majority of our trolley collection, we contracted external providers to undertake this work. An investigation by the Fair Work Ombudsman in 2011 found that some sub-contractors had underpaid workers performing trolley collection for Coles. As a result of the investigation we agreed to establish a hotline for subcontractors to speak with us directly about their concerns, to establish a fund to correctly pay subcontractors and to directly employ trolley collectors in future'. However, this piece of evidence refers to a case that triggered in 2011. No more recent case found. [Human Rights, N/A: colesgroup.com.au] • Not Met: Describe approach to monitoring implementation of agreed remedy • Not Met: Approach to learning from incident to prevent future impacts
C.8	Communication on the effectiveness of grievance	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Number grievances filed, addressed or resolved and outcome achieved: The Company indicates in its Sustainability Report 2021: 'During FY21, nine ethical sourcing-related complaints regarding suppliers in our supply chain were received

Indicator Code	Indicator name	Score (out of 2)	Explanation
	mechanism(s) and incorporating lessons learned		<p>by Coles through these various channels. Allegations raised were investigated and, for those complaints substantiated, we have worked with the supplier to remediate issues or are actively working with our suppliers to develop and implement corrective action plans to close the findings.' In addition, the Company discloses a Table with information of human rights complaints received since September 2019 including information about the status and the Outcome achieved. However, no information about complaints in relation to its own operations, from workers. [Sustainability Report 2021, 2021: colesgroup.com.au] & [Coles Supplier Complaints Table, 05/22: colesgroup.com.au]</p> <ul style="list-style-type: none"> • Not Met: How lessons from mechanism improve management system <p>Score 2</p> <ul style="list-style-type: none"> • Met: Evaluation of the channel/mechanism and changes made as result: The Company states 'In our 2021 Modern Slavery Statement and Human Rights Strategy, we committed to review the effectiveness of our grievance mechanisms. As part of this effectiveness assessment, we are focusing on three guiding questions: Are affected stakeholders aware of our grievance mechanisms?; Are complaints received through these channels being appropriately identified and directed to the right areas of our business?; Are received complaints being handled correctly and in line with best practice (and the expectations in the UNGPs)? Key actions we are taking as part of this review include testing our own processes by submitting test complaints through our grievance mechanisms to check that complaints are identified and directed appropriately. We are also reviewing past complaints to assess how they were actioned, their outcomes and any inconsistencies. As part of this review, we also developed a flow chart to help demonstrate how complaints are received and handled by Coles.' However, no further information was found describing changes made responding evaluation findings. [Human Rights, N/A: colesgroup.com.au] • Not Met: Describes procedures to address delays of outcomes agreed with stakeholders

D. Performance: Company Human Rights Practices (25% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.1.b	Living wage (in the supply chain)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Discloses timebound target for suppliers to pay living wage or include in code or contracts: The 'Ethical sourcing policy' states Wages and benefits paid for a standard working week must, as a minimum meet national or industry standards, whichever is the higher. In any event, wages should always be enough to meet basic needs and to provide some discretionary income for workers and their families and/or dependents'. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] • Not Met: Improving living wage practices of suppliers: The Company highlight its Cost Price Adjustment Policy as a practice to support living wages in supplier workers. It indicates: 'Labour cost increases will be considered to the extent that they have been implemented by the supplier to meet the requirements of the Coles Ethical Sourcing Policy and any applicable laws.' However, no further information was found describing how the Company proactively works with suppliers to improve living wage practices. Current evidence seems to refer to Company's practices. [Supplier Portal - Proprietary Supplier Cost Alterations Process, N/A: supplierportal.coles.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of number affected by payment below living wage • Not Met: Provides analysis of trends demonstrating progress
D.1.2	Aligning purchasing decisions with human rights	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Avoids business model pressure on HRs (purchasing practices): According its Supplier Portal, the Company has a Cost alteration procedure, that allows suppliers to ask for an increase of costs, indicating: 'Labour cost increases will be considered to the extent that they have been implemented by the supplier to meet the requirements of the Coles Ethical Sourcing Policy and any applicable laws.' <p>[Supplier Portal - Proprietary Supplier Cost Alterations Process, N/A: supplierportal.coles.com.au]</p>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Met: Practices adopted to pay suppliers in line with agreed timeframes: The Company details in its Supplier Portal its Payment Policy and Procedure: 'The payment terms agreed with suppliers are set out in the Trading Terms agreement. Coles has an obligation to pay its suppliers within the timeframe set out in the Trading Terms agreement. Payment terms are as set out in a Trading Terms agreement between Coles and the supplier. The agreement will specify both the payment days and the 'payment frequency' (see table below) that a supplier will be paid. Coles has an obligation to pay its suppliers within the timeframe set out in the supplier agreement.' [Supplier Portal - Payments Policy and Procedure, N/A: supplierportal.coles.com.au] • Not Met: Review own operations to mitigate negative impact <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Examples of how it assessed, addressed and change purchasing practices
D.1.3	Mapping and disclosing the supply chain	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Identifies direct and indirect suppliers back to manufacturing sites (factories or fields): The Company indicates in its Ethical Sourcing - Supplier Program Requirement: 'To be deemed compliant, suppliers must meet four key program requirements: 1. Membership: Supplier and associated sites are registered on SEDEX or Fair Farms, membership is current, and the supplier's account is linked to Coles to allow visibility.' With respect indirect suppliers, in its Ethical Sourcing Policy, the Company indicates: 'Suppliers must ensure the all its sub-contractors comply with the Policy and Program Requirements. Suppliers must document all sub-contracting relationships, seek the prior approval of Coles where required by the supply agreement prior to entering any sub-contracting arrangement, and have available for review by Coles or an independent auditor, including but not limited to records of subcontractors' names and locations.' [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] & [Ethical Sourcing - Policy, Supplier Requirements and Tools, Feb 2019: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Discloses names and locations of significant parts of SP and why: The Company discloses its apparel supplier list. However, CHRB could not find a supplier list of agricultural products. [Human Rights, N/A: colesgroup.com.au] • Not Met: Discloses which direct or indirect suppliers is involved in higher-risk activities
D.1.4.b	Prohibition of child labour: Age verification and corrective actions (in the supply chain)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Child Labour rules in codes or contracts: The Company states in its Ethical Sourcing Policy: 'Suppliers must not use child labour. [...] Suppliers must be able to verify the age of all employees to ensure no child labour is used. [...] In the event that child labour is identified, suppliers shall prioritise the welfare of the child, and ensure that a remediation plan placing the child's welfare as paramount will be put in place with plans to prevent re-occurrence'. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] • Not Met: How working with suppliers on child labour <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessement of number affected by child labour in supply chain • Not Met: Analysis of trends in progress made: The Company reports on Audit non-conformances by category including 'Children and young workers' in its Modern Slavery Statement 2021. However, no analysis of trends demonstrating progress on child labour was found (i.e year-on-year data). [Modern Slavery Statement 2021, 2022: colesgroup.com.au]

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.5.b	Prohibition of forced labour: Recruitment fees and costs (in the supply chain)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Debt and fees rules in codes or contracts: The Company indicates in its Ethical Sourcing Policy: 'Workers must not be required to lodge deposits or identity papers with suppliers. [...] Suppliers must take steps to recruit responsibly. This includes not engaging in deceptive recruiting practices, including the charging of fees or recruitment charges (or repaying any such fees charged), by providing migrant workers an understandable and accurate employment contract in their spoken language, and by holding agents and recruiters to the same standards. [...] Deductions from wages may only occur with the express written permission of the worker concerned and where permitted by law. Deductions from wages for disciplinary measures are not permitted.' In addition, the Company has a 'Forced/Bonded Labour Remediation Requirements' document, which indicates: 'Under this Policy, Coles considers Forced / Bonded labour as a critical Supplier issue. This Supplier Requirement outlines Coles' expectations in regard to remediating any identified instances of Forced / Bonded labour.' As an example of remediation requirements: 'The supplier is responsible for taking preventative measures to remove the risk of bonded labour. This may include not using recruitment agents who charge workers fees, directly undertaking or paying an agent directly the cost for recruitment of workers and the direct employment of workers.' [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] • Met: How working with suppliers on debt & fees: In the context of human rights and workplace risk related to the use of recruitment agencies by suppliers, the Company indicates that has supported the development of the 'StaffSure labour hire certification program'. StaffSure is a certification programme that assesses labour hire providers. The Company indicates that 'Coles has developed a Third-party Labour Provider Guidance for our suppliers. This tool is available for all Coles' suppliers and outlines practical advice for managing labour hire, including detailing what good and best practice looks like to support suppliers on their continuous improvement journey'. [Human Rights, N/A: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by payment of recruitment fees • Not Met: Analysis of trends in progress made: The Company reports on Audit non-conformances by category including 'Employment is freely chosen' in its Modern Slavery Statement 2021. However, no analysis of trends demonstrating progress on debts and fees was found (i.e year-on-year data) [Modern Slavery Statement 2021, 2022: colesgroup.com.au]
D.1.5.d	Prohibition of forced labour: Wage practices (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Suppliers to pay workers in full and on time in codes or contracts: The Company's Ethical Sourcing Policy indicates: 'All workers must be provided with written, accessible, and understandable information about their employment conditions in respect to wages, before they enter employment, and about the particulars of their wages for the pay period concerned each time they are paid'. However, no provision requiring supplier to pay workers in full and on time was found. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] • Not Met: How working with supply chain to pay workers regularly and on time <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by failure to pay directly • Not Met: Provides analysis of trends demonstrating progress
D.1.5.f	Prohibition of forced labour: Restrictions on workers (in the supply chain)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Free movement rules in codes or contracts: The Company indicates in its Ethical Sourcing Policy: 'Suppliers must not use any form of servitude, forced, bonded, involuntary prison, indentured, trafficked, or involuntary labour. [...] Workers must be given freedom of movement. Workers must not be required to lodge deposits or identity papers with suppliers. Workers must be free to leave their employment after reasonable notice has been given.' In addition, the Company has a 'Forced/Bonded Labour Remediation Requirements' document, which indicates: 'Under this Policy, Coles considers Forced / Bonded labour as a critical Supplier issue. This Supplier Requirement outlines Coles' expectations in regard to remediating any identified instances of Forced / Bonded labour.' As an example of remediation requirements: 'The supplier should communicate to the workers that they are responsible for their own passports and any other identification documents and visa documents.' [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] & [Forced/Bonded Labour Remediation Requirements - Ethical Sourcing, 05/2021: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: How working with suppliers on free movement

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by retaining docs or restricting movement • Not Met: Provides analysis of trends demonstrating progress: The Company reports on Audit non-conformances by category including 'Employment is freely chosen' in its Modern Slavery Statement 2021. However, no analysis of trends demonstrating progress on freedom of movement was found (i.e year-on-year data). [Modern Slavery Statement 2021, 2022: colesgroup.com.au]
D.1.6.b	Freedom of association and collective bargaining (in the supply chain)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: FoA & CB rules in codes or contracts: The Company indicates in its Ethical Sourcing Policy: 'Suppliers acknowledge that workers have a right to freedom of association and to bargain collectively. Workers have a right to join or form trade unions of their choosing. Suppliers must not prevent or disrupt the activities of trade unions and their organisation activities. No workers shall be subjected to harassment, intimidation, or retaliation for exercising their right to freedom of association and collective bargaining. Workers' representatives should have access to carry out their representative functions in the workplace. Where the right to freedom of association and collective bargaining are restricted under local laws, suppliers will not hinder the development of alternative means of independent and free association and bargaining.' [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] • Not Met: How working with suppliers on FoA and CB: In 2019, Coles Group committed to work co-operatively with the Transport Workers' Union, the Australian Workers' Union and the Shop, Distributive and Allied Employees Association to protect the rights of workers in its local fresh produce and meat supply chains. Its aim is to work with these three unions who represent workers from across transport, farm and retail to uphold freedom of association, improve health and safety standards and promote better transparency and end-to-end compliance within our supply chains. No evidence found, however, on how suppliers are directly involved in the process, working with the Company to improve their practices in relation to freedom of association and collective bargaining. The Company indicates in its Modern Slavery Statement that it works with suppliers to remediate issues found and improve practices at their sites. However, this seems to be related with corrective action processes following non-compliances. This subindicator looks for evidence of proactive work conducted to improve performance of suppliers (even if conducted in collaboration with stakeholders, as long as suppliers are involved in the process) [Unions, Coles unite to address exploitation in the industry, May 2019] & [Modern Slavery Statement 2021, 2022: colesgroup.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by restrictions to FoA and CB in the SP • Not Met: Provides analysis of trends demonstrating progress: The Company reports on Audit non-conformances by category including 'Employment is freely chosen' in its Modern Slavery Statement 2021. However, no analysis of trends demonstrating progress on collective bargaining and freedom of association was found (i.e year-on-year data). [Modern Slavery Statement 2021, 2022: colesgroup.com.au]
D.1.7.b	Health and safety: Fatalities, lost days, injury, occupational disease rates (in the supply chain)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Sets out clear Health and Safety requirements: The Company includes nine different requirements regarding safety working conditions in its Ethical Sourcing Policy. In addition, the 'Ethical Sourcing Policy, Supplier Requirements and Tools binder' includes a supplier guidance on health and safety. [Ethical Sourcing - Policy, Supplier Requirements and Tools, Feb 2019: colesgroup.com.au] & [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] • Not Met: Injury Rate or Lost days or Near miss disclosures for last reporting period • Not Met: Fatalities rate for lasting reporting period • Not Met: Occupation disease rate for last reporting period

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Met: How working with suppliers on H&S: The Company reports on its website section 'Human Rights': 'In December 2020 and February 2021, in partnership with Woolworths, we held a supplier education webinar in the Sunraysia region and Goulburn Valley region respectively. Speakers at the webinar included representatives from Labour Hire Authority (Victoria), Worksafe (Victoria), United Workers' Union. The purpose of this session was to provide education regarding safety of workers and compliance in the horticultural industry to ensure they have a safe and compliant harvest season in those regions.' [Human Rights, N/A: colesgroup.com.au] • Not Met: Assessment of the number affected by H&S issues in the SP • Not Met: Provides analysis of trends demonstrating progress
D.1.8.b	Land rights: Land acquisition (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Rules on land & owners in codes or contracts: The Company requires in its Ethical Sourcing Policy: 'Suppliers will ensure appropriate steps are taken to identify and respect legitimate tenure rights holders when acquiring, leasing or using land'. No further details found. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] • Not Met: How working with suppliers on land issues <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Includes resettlement requirements that the supplier provides financial compensation • Not Met: Assessment of the number affected by land rights issues in its SP • Not Met: Provides analysis of trends demonstrating progress
D.1.9.b	Water and sanitation (in the supply chain)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Rules on water stewardship in codes or contracts: The Company requires in its Ethical Sourcing Policy: 'Suppliers must manage their waste, wastewater, and pollutants responsibly and seek to improve their environmental performance. This includes ensuring that communities' access to water is not negatively impacted by the suppliers' operations.' [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] • Met: How working with suppliers on water stewardship issues: On its website, the Company reported on helping suppliers through grants: 'In 2021, Coles awarded grants to 14 small and medium sized businesses, which are implementing plans to improve sustainability" This program includes actions related to water stewardship, such as: 'Newton Orchards has been awarded \$250,000 to install large scale netting over its apple trees to reduce waste, improve pome fruit quality, increase water use efficiency and minimise damage from endangered bird species. [...] Spring Gully Foods has been awarded a \$380,000 grant to acquire a new pasteuriser to reduce water usage and improve efficiency for the manufacture of condiments and preserved vegetable products. [...] The Ieraci family will use a \$30,000 grant to store and re-use dairy effluent in a way that minimises the impact to groundwater and the environment, and benefits crops and pastures.' [Nurture Fund: Round 9 recipients, 02/2021: coles.com.au] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment on the number affected by lack of access to water and sanitation • Not Met: Provides analysis of trends demonstrating progress
D.1.10.b	Women's rights (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Women's rights in codes or contracts: Its Ethical Sourcing Policy states: 'Responsibility should be allocated to ensure women's health and rights are considered and appropriate actions are taken by management to address concerns or issues when they arise.' However, there is no specific mention to equal pay for equal work provision or to measures to ensure equal opportunities throughout all levels of employment. [Ethical Sourcing Policy, 03/2021: colesgroup.com.au] • Not Met: How working with suppliers on women's rights <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment on the number affected by discrimination or unsafe working conditions • Not Met: Provides analysis of trends demonstrating progress

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found, and so the score of 31.26 out of 80 points scored in themes A-D has been applied to produce a score of 7.81 out of 20 points for theme E.

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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As WBA, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.

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