

11 November 2019

## **COLES AND SAINSBURY'S IN STRATEGIC PARTNERSHIP** ***Deal to accelerate innovation in Coles Own Brand range***

Coles has formed a strategic sourcing partnership with leading international retailer Sainsbury's that will bring new and innovative products to Coles' shelves to inspire Australian shoppers.

Under the partnership, Coles has access to Sainsbury's world-class supply chain, providing a source of new and exciting products to expand Coles' exclusive Own Brand range.

"We want to accelerate the introduction of innovative products to Coles Own Brand, and this partnership allows us to do that with a range of food and groceries that are already proven in the international market but not yet available in Australia," said Greg Davis, Coles Chief Executive – Commercial and Express.

Own Brand is central to Coles' customer offer and the company's commitment to delivering great value every day. Own Brand products now account for 30 per cent of sales in Coles Supermarkets, making Coles one of the most popular brands in Australia, with 90 Coles Own Brand products winning awards for their quality in the past financial year.

Coles added more than 1,200 products to its Own Brand range in FY19, including innovations such as the I'm Free From range of products aimed at customers with food intolerances, vegan and vegetarian ranges under the Nature's Kitchen, Herb & Sons and Wellness Road brands, and category-leading products such as Coles Special Burger Sauce.

The vast majority of Coles' Own Brand range is grown and made in Australia, and that will not change as we work with suppliers to add further Australian-made products to our Own Brand range.

"This deal will free up resources for our own product development team so that they can drive further innovation and help us fulfil our strategy to make Coles an Own Brand Powerhouse," Mr Davis said.

The first products to be sourced through the partnership will be added to Coles' Own Brand range in the second half of the financial year.

Michael Luck, Director of Business Development at Sainsbury's said the company was delighted to work with Coles through this new partnership to bring more choice and innovation to Australian customers.

"Great quality food has been at the heart of our business for 150 years and we're excited to bring Sainsbury's fantastic products to Australia, offering Coles customers a range of high quality, innovative products that they won't be able to find anywhere else," he said.

Coles will also work with our Australian food and liquor suppliers to explore opportunities to sell their products to Sainsbury's through the partnership.

"Coles has been exporting Australian food for 20 years, selling Australian-grown meat, wine and other products across the Asian market – this partnership with Sainsbury's has the potential for us to take even more Aussie food to international customers," Mr Davis said.

**For further information, please contact Coles Media Line (03) 9829 5250 or [media.relations@coles.com.au](mailto:media.relations@coles.com.au)**

#### **About Coles Group**

Coles is a leading ASX-listed Australian retailer committed to sustainably feeding all Australians to help them lead happier, healthier lives. Our store portfolio comprises more than 2,400 retail outlets nationally across our Coles Supermarkets, Coles Express convenience, and retail liquor chains Liquorland, First Choice, First Choice Liquor Market and Vintage Cellars. Founded in Melbourne in 1914, Coles now employs more than 113,000 team members to deliver great quality, value and service to the 21 million customers who shop with us each week.

#### **About Sainsbury's**

Sainsbury's is one of the UK's leading retailers, dedicated to offering great quality and service at fair prices across food, clothing, general merchandise and financial services. Founded in 1869, Sainsbury's is listed on the London Stock Exchange and employs 178,000 colleagues. The company operates a store network of 600 Sainsbury's supermarkets, over 800 convenience stores and almost 900 Argos stores in both stand-alone and supermarket locations. Its Habitat furniture and home furnishings brand is available online and from 16 locations across the UK.