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COLES SIGNS LONG-TERM STRATEGIC PARTNERSHIP WITH ACCENTURE

Partnership with global digital leader to enable Smarter Selling and Inspire Customers strategies

- **Accenture's technology and digital experts to help drive supply chain transformation**
- **Partnering with Coles on key strategic automation programs including Witron and Ocado**
 - **Accelerate Coles' implementation of SAP for procurement, HR, and finance systems**
- **Accenture to invest in joint technology innovation fund and strategic technology roadmaps**
 - **Accenture to assist Coles with the migration to new Microsoft solutions**

Coles has signed a long-term agreement with global digital and technology services provider Accenture to support the rollout of new technology that will help Coles deliver cumulative cost savings of \$1 billion over four years.

The agreement follows Coles' recent announcement of a strategic partnership with global technology leader Microsoft to accelerate its digital transformation, using cloud-based innovation to transform the shopping experience for customers, make life easier for team members, and improve productivity across the business.

Accenture has delivered more than 35,000 Microsoft projects for more than 4,000 clients around the world and has a global strategic relationship with Microsoft that will be leveraged to help Coles deliver simpler, more efficient, and robust operations.

Accenture will also support key digital and technology development initiatives at Coles including the modernisation of Coles' supply chain with global automation experts Witron and Ocado as well as the implementation of SAP systems for procurement, human resources, and finance.

Coles last month revealed plans to accelerate its use of technology as part of its Smarter Selling initiative, which will deliver \$1 billion in cumulative cost savings by FY23.

"We have committed to being technology-led in our stores and throughout our supply chain to reduce costs while delivering an even better shopping experience for customers and making life easier for our team members," Coles Chief Executive Officer Steven Cain said.

Smarter Selling will include increased automation of manual tasks both in stores and in support functions, faster checkouts, using artificial intelligence for quicker and more accurate stock ordering as well as reducing energy use, and smarter planning in distribution centres to improve availability.

"The partnership with Accenture will enable us to deliver the efficiencies we need for long-term sustainability, and provide the agility to respond to rapidly-evolving consumer needs. This is a vital part of Coles winning in its second century," Mr Cain said.

The new agreement builds on Coles' long-standing relationship with Accenture which has seen the two companies work together on transformational technology projects as well as delivering ongoing development and support of core merchandise, supply chain, and in-store systems.

As part of the expanded relationship, Accenture will invest in a joint innovation fund focused on exploring new technology applications within Coles, including the creation of roadmaps that will ensure Coles' digital capabilities keep pace with the company's long-term strategy, underlining Coles' commitment to innovation and more agile ways of working.

"The evolution of the relationship with Accenture reflects the company's strategy to win together through genuine partnerships with suppliers," Coles Chief Information and Digital Officer Roger Sniezek said.

“Accenture is a global leader in the digital space and in working together over the past years across a wide range of areas of Coles Group, we have each come to understand each other’s businesses, strengths, and ways of working,” he said.

“By leveraging this enhanced relationship, we will work together to build Coles’ technological capability, so we have the tools we need to inspire our customers and make life easier for our team members.”

The deal will also give Coles access to Accenture’s leading technology experts across their global network, which spans more than 40 industries and all business functions, to lend their skills and insight to innovation projects at Coles.

Mr Sniezek said Accenture will also support the implementation of SAP solutions across procurement, human resources, and finance.

“Accenture has a strong track record of transformational technology within partner businesses around the globe, including some of the world’s biggest and most successful retailers. This will really assist us in executing at pace,” he said.

“Accenture is a leading business partner for SAP, and widely recognised for their expertise in implementing their solutions in large organisations. Coles will be able to work with Accenture’s leading global experts to ensure that our innovation and digitalisation strategy is informed and accelerated by a wealth of experience.”

Glenn Heppell, Managing Director of Accenture’s Products business in Australia and New Zealand, said he was delighted to be working with Coles on the next horizon of digital transformation.

“This represents a real strengthening of the relationship we have built with Coles, and our teams are looking forward to supporting Coles to take new ideas all the way from strategy to research and development, and finally execution,” he said.

BUILDING TECHNOLOGY AND DIGITAL CAPABILITY

The announcement is the latest in a series of global partnerships and developments through which Coles is building its technology and digital capability.

July 9, 2019: [Coles signs strategic partnership with Microsoft](#) to transform its operations and drive deeper business insight.

March 26, 2019: [Coles enters partnership with Ocado](#) to bring the world’s leading online grocery platform, automated fulfilment and home delivery solution to Australia.

March 1, 2019: [Coles partners with Optus](#) to roll out a high-speed network, driving store efficiencies and innovation.

February 12, 2019: [Coles implementing SAP systems](#) to transform store support functions in the areas of HR, indirect procurement and financial reporting.

October 5, 2018: [Two new ambient automated distribution centres](#) to be built by German automation specialist Witron as part of the modernisation of Coles’ supply chain.

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