

coles

THE MARKET

Australians love shopping – what’s more, we like our produce fresh and our groceries readily available. Independent research commissioned by Coles recently confirmed that when it comes to what we stock in our pantry and fridges, most Australians prefer it to be grown or made here. Coles is helping Australia grow through their commitment to providing fresh Australian food and supporting local growers, suppliers and the community. With its chain of supermarkets, Coles’ Express convenience stores and Liquor outlets, Coles employs more than 100,000 team members and has more than 18 million customer transactions across these stores each week.

ACHIEVEMENTS

Since 1914, Coles has been helping Australians make their money go further and value is as important today as it was almost 100 years ago. Rising household costs mean families are looking to save money wherever they can. In the last year alone Coles has saved customers \$800 million through lower prices and thanks to the ongoing Down Down price campaign these savings are on the things Australians buy most.

Coles is passionately committed to supporting Australian suppliers and helping them grow their businesses. The brand has close relationships with thousands of suppliers, many of them smaller family firms, and the supermarket’s contracts provide hundreds of millions of dollars of investment and support thousands of jobs across Australia. Coles works hand-in-hand with its farmers to help them deliver the consistent, quality produce that today’s Australian consumer demands.

Providing great service requires a great team and nothing is more important than the 100,000 team members Coles employs to ensure customers’ get what they want when they want it. Coles is one of the largest employers in Australia but the brand offers more than just a job. The supermarket’s Retail Leaders program has worked with more than 2500 team members in the last three years, providing the training and development they need to build a career in retail management.

Coles also believes in building a diverse team, which reflects the communities it serves. In 2009 fewer than 65 Coles team members identified themselves as Aboriginal or Torres Strait Islanders. The Coles Aboriginal and Torres Strait Islander Plan was developed to create a culture of understanding and respect where meaningful career opportunities were available to more indigenous Australians. Three years later and the



plans are delivering results, with more than 900 full-time and part-time Indigenous team members working throughout the business.

Since the start of the Coles turnaround in 2009 more than 250 new-format Coles stores have been launched, with more than \$1 billion invested last year in building new and bigger stores with an array of fresh new food departments including produce displayed on ice, more bakeries, open butchers’ counters and cheese shops.



HISTORY

Coles has been playing an important part in Australia’s retail history for almost a century. It all began when founder, George Coles, travelled to the United States in the early 1900s to look at how Americans were shopping. He returned to open the first Coles Variety store in Melbourne – in Smith Street, Collingwood – in 1914, and since then, Coles has been synonymous with great value.

Coles Variety quickly established itself as a

leader in providing great products at great prices to everyday Australian shoppers and became famous for its slogan “Nothing over 2/6”.

Coles Variety went from strength to strength with this great-value strategy. Then, in 1960, the company grabbed the opportunity to expand by opening its first supermarket in North Balwyn, Victoria. Offering a wider range of groceries and fresh produce, this supermarket concept was an instant success and by 1973, Coles had achieved its aim of establishing a major supermarket in every Australian capital city.

THE PRODUCT

This dedication to quality and supplier relationships has delivered another plus to Coles shoppers who value locally made products on their supermarket shelves: Coles Brand has more products with the Australian Made logo than any other brand.

The brand’s focus on Australian made and grown means:

- 96% of all Coles fresh fruit and vegetables are Australian grown;
- 100% of the fresh meat you’ll find in Coles meat department is Australian grown;
- 100% Australian flour is used in all bread that’s baked in store;
- 90% of Coles Brand food and drink products are Australian made (and more than 50 of these products have won awards);
- Coles Brand cheese is now produced in Australia using 70 million litres of fresh Australian milk.

coles HELPING AUSTRALIA GROW

Coles' new Helping Australia Grow website (helping-australia-grow.coles.com.au) helps customers know what's in season, how and where fresh products are produced and introduces some of our farmers and suppliers.

RECENT DEVELOPMENTS

Coles' shoppers not only want more Australian-made products, they want healthier choices. In February 2012 the supermarket announced that 100% of its Coles Brand food and drink products were free from added MSG and artificial colors.

Australians are also increasingly environmentally aware. Coles was the first supermarket to introduce bio-plastic meat trays made from 80% renewable resources – an important initiative that has helped save \$100 million by reducing waste.



PROMOTION

Adding more excitement and energy to the traditional Coles customer offer are the face, voice and food of Aussie celebrity chef, Curtis Stone. The Curtis Stone 'Feed Your Family' campaign has inspired millions of Australians to get back in the kitchen by providing simple and affordable recipes. And Curtis got back on the land in the 'There's No Freshness Like Coles Freshness' campaign to promote fresh produce and highlight the Australian farmers behind the brand's amazing quality fruit, vegetables and meat.

Equally popular, successful and unforgettable, the 'Down Down' campaign using rock legends Status Quo has ensured the 'Quality Food Costs Less' message is etched permanently into the



national consumer consciousness! Most importantly, it has delivered: price cuts offered as part of the Down Down campaign have saved customers more than \$800 million.

Coles is the official supermarket of both the AFL and NRL – relationships that connect and engage with hundreds of thousands of Australian families every week. Coles was also proud to be the official supermarket on the Australian side of the London 2012 Olympic Games.



In addition to these iconic sporting partnerships, the supermarket also sponsors both of Australia's top-rating food programs: Australian MasterChef and My Kitchen Rules. These totally integrated communications campaigns leverage the brand's quality food credentials on screen as well as in store. Using well-respected Coles ambassador Curtis Stone as a guest judge on both these shows has added extra strength to this link.

BRAND VALUES

Coles is a part of hundreds of communities around Australia and is very conscious of its responsibility to the people who live and work within them.

Corporately and through their customers and team members, the supermarket supports many charitable and community programs, and is on-hand to help whenever disaster strikes. In recent months Coles has supported the emergency services and Red Cross through donations to appeals in aid of floods and bushfires in Queensland and Tasmania.

CORPORATE SOCIAL RESPONSIBILITY

In 2013 Coles was delighted to announce its extensive partnership with RedKite – a national charity supporting children and young people with cancer and their families. Through a 5 cent donation on every loaf of Coles Brand and Coles SmartBuy packaged bread, plus other fundraising activities in stores, Coles hopes to raise at least \$5 million to provide practical support to families battling cancer.

In September 2011, Coles announced a national partnership with not-for-profit food rescue organisation SecondBite to redistribute surplus fresh produce and bread to community food programs for disadvantaged people. More than 350 stores have now joined Coles Community Food with SecondBite and in excess of 3 million meals have been provided.

Coles also donated 1.25 million kilograms of grocery items to the Foodbank charity and helped raise over \$1.7 million for the Cancer Council Helpline.

Through its Sports for Schools program, Coles has brought local communities together to support



their schools and help to provide much-needed sports equipment. Last year more than \$10.2 million of sports equipment was delivered to 7500 Australian schools, with more than 200,000 individual pieces of sports equipment supplied.

For a supermarket, fresh also means flowers and Coles has now raised over \$11 million for the Daffodil Day cause, making up over half of the \$21.9 million the brand contributed to community programs and charities across Australia in 2012.

THINGS YOU DIDN'T KNOW ABOUT COLES

- 96% of Coles fresh produce is Australian grown.
- 90% of Coles Brand food and drink products are Australian made.
- All the fresh meat in Coles meat departments is Australian grown.
- The Coles businesses make 18.6 million transactions with customers each week.
- Coles invested more than \$1 billion in new and bigger stores during 2012.
- Coles saved customers over \$800 million during 2012 with its low prices.
- Coles contributed \$21.9 million to community programs and charities in 2012.
- Coles Sports for Schools program allowed for \$10 million in sports equipment to be distributed to more than 7,500 schools.
- Over \$1.7 million was raised through Coles for the Cancer Council Helpline.
- Coles has saved more than \$100 million by reducing waste.
- Coles recycled 23.5 tonnes of soft plastic packaging to be made into furniture for schools.
- Re-launched with the largest mail out in Australian history, Coles' flybys program now has more than 7 million members.
- Mix apparel offers fresh designer style at supermarket prices.
- Coles Mastercard has been awarded 5 stars for Outstanding Value in both Rewards and Credit Cards by CANSTAR, Australia's premier financial services rating body.
- Coles Insurance is supported by Wesfarmers, which has been insuring Australians for 90 years.