

Hanover Consumer Cooperative Society

GLOBAL ENDS



2024

*“The Hanover Consumer Cooperative Society
is central to a well-nourished community”*



Hanover Consumer Cooperative Society

A NOTE FROM THE GENERAL MANAGER

The Hanover Consumer Cooperative Society exists so that there are accessible, trustworthy, high-quality, cost-effective goods and services that meet the needs of our diverse and inclusive community.

Each year, assembling the Ends Report is a moment of reflection and inspiration. This report captures what makes our cooperative distinct—our deep sense of purpose and the meaningful impact we create. We are not just another grocery store, nor are we just another auto service center. As a cooperative, we are fundamentally different because our purpose extends far beyond profit. Our owners seek more than a transactional business; they choose to support an enterprise that prioritizes people and the planet. As a community-owned cooperative, we provide a broad set of benefits to our membership—remaining financially stable while also being people-centric and environmentally responsible. The Ends, shaped by our members, outline the outcomes the Board expects, and it is my responsibility as General Manager to lead our cooperative toward these goals.

Reflecting on 2024, this has been a year of resilience and momentum. After a period of significant transformation, our cooperative has emerged stronger and more focused. Our team has continued to navigate economic uncertainty, inflationary pressures, and shifting consumer behaviors, all while upholding our values and strengthening our business. We reinforced our commitment to local producers, expanded efforts to uplift underrepresented ownership in our product selection, and introduced more cost-saving opportunities for our community. Additionally, we enhanced employee benefits, deepened our commitment to inclusivity, supported new community initiatives, and expanded our impact programs.

It's an exciting time to be part of our cooperative, and I am incredibly proud of what our teams and community have accomplished together. As I say each year, while I have the privilege of sharing this report, the achievements within it belong to our dedicated employees and engaged members. This work is the result of cooperation in action—of individuals coming together to build something greater than themselves, all in pursuit of our shared vision: a well-nourished community cultivated through cooperation.

As we look back on 2024—a year of resilience and forward progress—I hope our employees, members, vendors, and business partners take pride in how extraordinary our cooperative is. We are not just another business. We are a cooperative driven by purpose, unique to the Upper Valley, and strengthened by the remarkable network of people who make it all possible. For decades, our business has been a force for good, shaping our community in ways that few others can claim. That legacy continues, thanks to the collective efforts of so many.

I'm pleased to present the 2024 Ends Report for the Hanover Consumer Cooperative Society.

With Appreciation,

Amanda Charland, GM



As a cooperative, we are fundamentally different because our purpose extends far beyond profit.

E1 1. SHOPPERS HAVE ACCESS TO A RANGE OF GOODS AND SERVICES INCLUDING, BUT NOT LIMITED TO:

1.1. FAIR TRADE GOODS

1.2. LOCALLY PRODUCED GOODS

1.3. ORGANIC GOODS

1.4. CONVENTIONAL FOODS

1.5. AFFORDABLE GOODS AND SERVICES

INTERPRETATION:

I interpret this to mean that our co-op exists to provide a balanced selection of products and services in our various business divisions. These products will at a minimum include foods that are:

- **Fair Trade:** products that strive to create more equitable trade relationships that benefit farmers. We measure fair trade by recognizing products that have received third-party certification.
- **Locally Produced:** Local is one of the most important values of our cooperative. Due to the erosion of this term by large box-stores trying to dilute the meaning and intention of the term 'local' in order to gain market share, the Co-op has chosen to define local on our own. Our definition not only meets the definition of both the states of VT and NH but is more rigorous. The goal of the Co-op is to continue to use the term local in a way that helps Co-op shoppers have a trustworthy way to identify products that they can invest their dollars in and know that the money truly stays with our local farms and businesses.
- **Organic Goods:** Organic products are recognized as products that attain the USDA's Organic Certification. The USDA defines their standards as: "USDA certified organic foods are grown and processed according to federal guidelines addressing, among many factors, soil quality, animal raising practices, pest and weed control, and use of additives. Organic producers rely on natural substances and physical, mechanical, or biologically based farming methods to the fullest extent possible."
- **Conventional Foods:** Conventional foods are defined by the Co-op as general products that do not carry any of the above-mentioned distinctions. Based on industry standards, conventional foods are known to have lower retail prices, making them an important part of the Co-op's strategy to ensuring customers have access to a wide range of food at various price points.
- **Affordable Goods and Services:** In addition to maintaining a variety of price points in our product selection through a mixture of natural and conventional groceries, the Co-op offers programs centered around providing better pricing for consumers. The key program we use to provide the most affordable product line is our Co-op Basics program, an every-day-low-price (EDLP) program that we strive to keep low margins on and offer the most competitive price possible for the consumer.

Additionally, I interpret access to food to also mean that the Co-op has a variety of programs helping to provide food for our community. We do this through programs that discount the price of food in our food stores or through partnerships with local organizations where food is donated to the community.

We offered several other programs to make our food more accessible. In 2024, the Co-op continued to:

- Offered a member rewards program
- Maintained our ability to accept EBT and WIC
- Ran our Food for All program, providing a 10% discount to qualifying participants
- Participated in the Double-Up-Bucks program, offering up to 50% off produce for qualifying participants

Our co-op also maintained the following food donation programs in 2024:

- Willing Hands Donations
- Pennies for Change Food Access Partners Program
- Food Drive Events

In our auto service centers, our co-op offers a program called Car Connects where we provide no-cost or greatly subsidized auto services to people in need in our community.

COMPLIANCE

Range of products compliance will be demonstrated when the Co-op continues to offer a variety of products based on consumer demand in the categories above.

Affordability compliance will be demonstrated when margins are at or below industry standards. This indicates that the Co-op is diligently working to maintain margins in such a way to operate a fiscally sound business in a responsible way that doesn't pass exorbitant costs to our consumers.

RANGE OF GOODS

At the Co-op in 2024:

34 Fair Trade Brands

497 Fair Trade Products (SKUs)

**1.57%
of Sales**

420 Local Brands

4,533 Local Products (SKUs)

**18.89%
of Sales**

544 Organic Brands

4,198 Organic Products (SKUs)

**18.39%
of Sales**

AFFORDABLE GOODS & SERVICES

Product Margins

| | Aggregate Co-op Average | Industry Average | Variance |
|----------|-------------------------|------------------|----------|
| Grocery | 29.3% | 37% | -7.7% |
| Beverage | 30.8% | | |
| HABA | 39.2% | 46% | -6.8% |
| Bulk | 36% | 41.3% | -5.3% |
| Beer | 24.3% | 27.1% | -2.8% |
| Wine | 29.4% | 27.1% | 2.3% |
| Cheese | 34.3% | 41% | -6.7% |
| Deli | 35.7% | 51.4% | -15.7% |
| Bakery | 26.3% | 56.5% | -30.2% |
| Catering | 61.2% | | |
| PFD | 51.6% | 47.6% | 4% |
| Sushi | 24.2% | | |
| Frozen | 30.9% | 35.1% | -4.2% |
| Dairy | 28.9% | 31.2% | -2.3% |
| Meat | 21.4% | 30.5% | -9.1% |
| Seafood | 30.5% | 30.3% | .02% |
| Produce | 36.4% | 35.1% | 1.3% |
| Floral | 38.1% | | |
| Blended | 33.8% | 38.4% | -5.9% |

Service Center Margins

| | Aggregate Co-op Average | Industry Average | Variance |
|-------|-------------------------|------------------|----------|
| Parts | 33.9% | 45% | -11.1% |
| Tires | 7.4% | 9% | -1.6% |
| Gas | 13.2% | 11% | 2.2% |

ACCESS PROGRAMS

FOOD FOR ALL

317 Food for All Participants Equaling:

\$60,657.26

36,322 lbs. of food

30,268 meals

DOUBLE UP BUCKS

261 Double Up Participants Equaling:

\$64,132.36

38,403 lbs. of food

32,003 meals

EBT / WIC

| | Sales | Transactions |
|------------------------|------------------|---------------------|
| EBT Cash | \$98,191 | 2,713 |
| EBT SNAP | \$516,706 | 13,493 |
| EBT TOTAL | \$614,896 | 16,206 |
| | | |
| WIC | \$29,079 | 1,067 |
| | | |
| Combined Totals | \$643,975 | 17,273 |

ACCESS PROGRAMS CONT.

PENNIES FOR CHANGE



\$93,386.31

A \$10,751 Increase From 2023!

\$74,709 to Food Access Partners

\$18,677.25 to Willing Hands

\$18,677.25 to Listen

\$18,677.25 to The Haven

\$18,677.25 to Friends of Mascoma

SMALL DONATIONS

\$14,053 (Donations to schools, fundraisers, etc.)

CAR CONNECTS

\$3,000 in vouchers redeemed

\$2,536 in donations to Car Connects program

E2 SHOPPERS EXPERIENCE A POSITIVE, PERSONALIZED EXPERIENCE.

2.1. SHOPPERS HAVE ACCESS TO GOODS AND SERVICES AT TIMES, PLACES, AND MODES THAT MEET THEIR NEEDS.

INTERPRETATION:

I interpret this to mean that our locations, both food stores and automotive service centers, offer a variety of options for goods and services that meet customer needs to the greatest extent possible. Additionally, our locations should be open to the community during business hours that meet community needs and should be easy to access.

Our locations are situated in population dense areas in the community that are accessible both by public transit and personal vehicles. Our goods and services are comparable to other businesses in the area while also offering unique products that can't be found elsewhere and service that is

Consistently, in all of our previous customer surveys, customers tell us the number one reason they shop our food stores is that they can find products and services they can't find elsewhere. Customers continue to make the conversion to members, indicating that we are continuing to serve the community's needs.

The most important key to maintaining stores that are open to the community and provide the kind of service and selection our members are looking for, are our employees. In 2024, the Co-op continued to improve the quantity and quality of employee appreciation efforts, engaged actively in Diversity, Equity and Inclusivity work to continue improving workplace culture, and expanded our training programs. In 2024, we launched an employee survey to continue building an understanding of how to improve our workplace culture.

COMPLIANCE

Compliance that the Co-op continues to offer services and goods that meet customer needs will be shown through stable trends in transactions from year to year and continued net growth in membership.

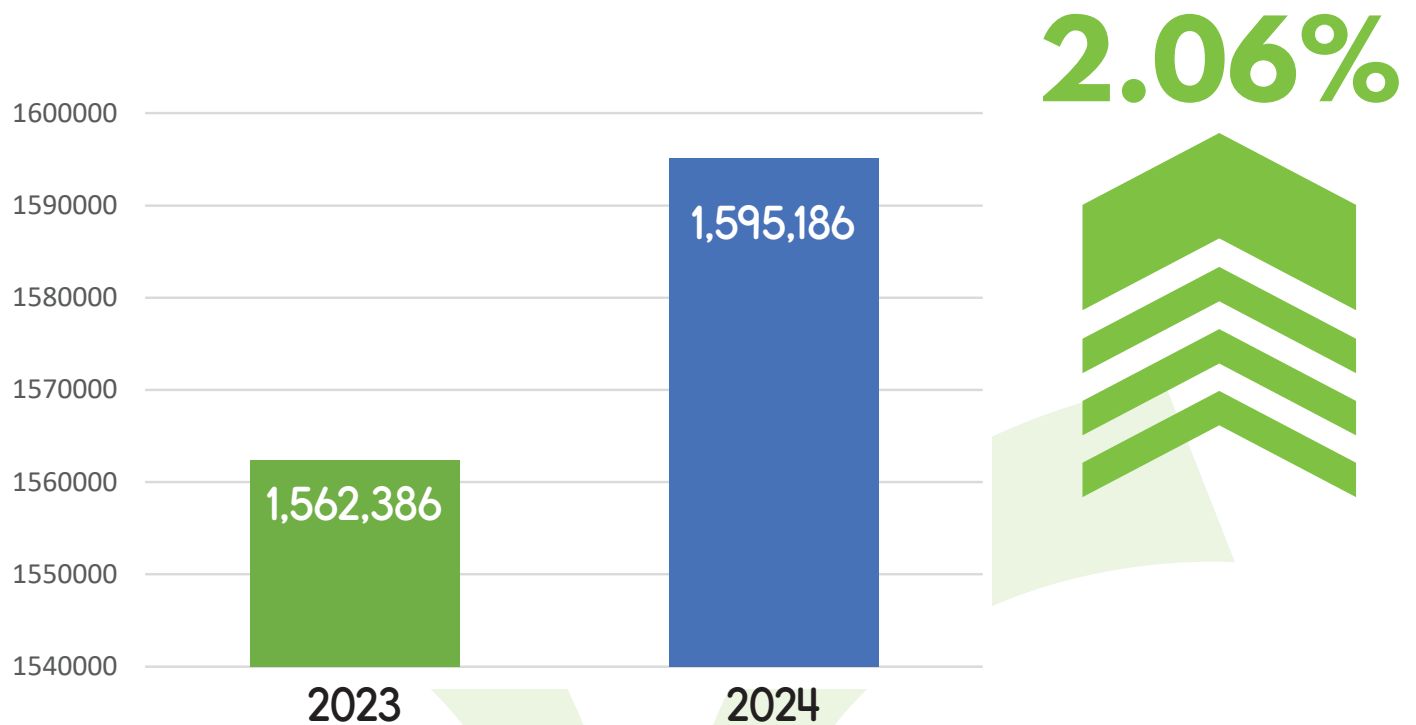
Compliance will be demonstrated when the Co-op makes significant investment in employees and maintains competitive benefits, which indicates that the Co-op continues to invest in being a better workplace.

TOTAL SALES IN 2024

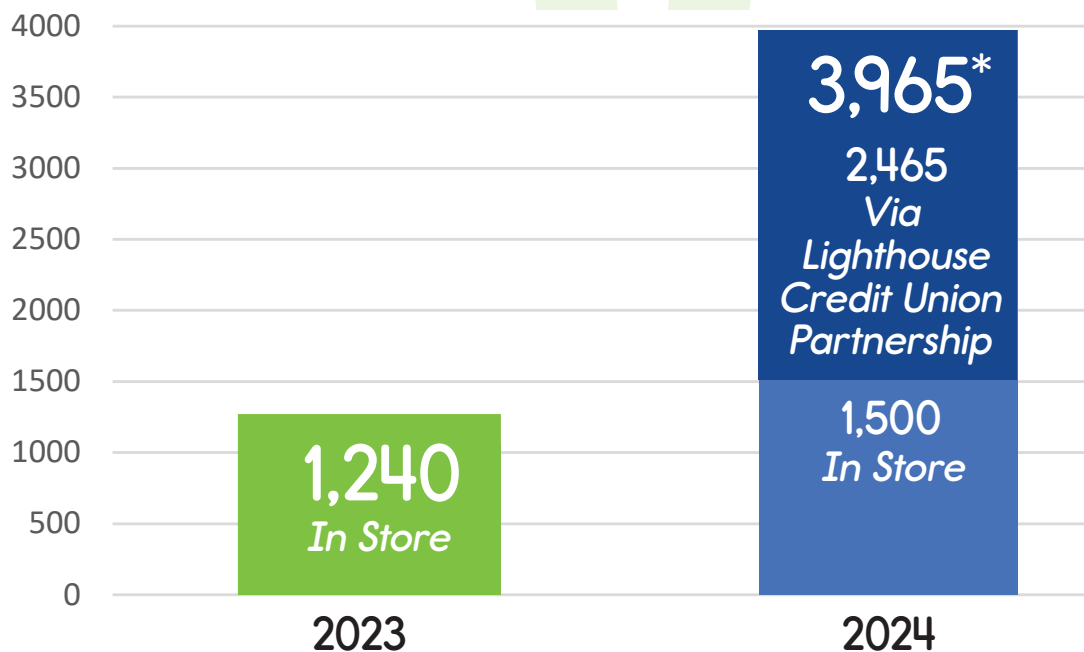
\$89,965,274

E2 DATA

TRANSACTION COUNT FOOD STORES



MEMBERSHIP



***We partnered with Lighthouse Credit Union to offer Co-op Memberships to their new members via a subsidy paid by Lighthouse Credit Union (formerly Northeast Credit Union) which accounts for the substantial burst in membership numbers.**

E2 DATA CONTINUED

COMBINED WAGES & BENEFITS IN 2024:

\$18,765,163

COMBINED WAGES & BENEFITS AS A % OF SALES IN 2024:

20.9%

COMBINED WAGES & BENEFITS IN 2023:

\$18,426,016

COMBINED WAGES & BENEFITS AS A % OF SALES IN 2023:

20.9%

Employee Benefits for 2024:

- Health Plans with a range of coverage and deductibles (3 options).
- Addition of the HealthJoy app which provides a range of free health and wellness coaching from either a live person or recorded videos
- Dental Plan (2 options)
- Vision
- Paid Sick/Personal Time Off
- Paid Vacation
- Paid Holidays
- Extended Illness Bank
- Bereavement Time – expanded to 5 days to be taken within the first year of loss, expanded to include an employee’s chosen family
- Paid volunteer time – increased to 16hours of reimbursed time from 8 hours
- Employee Discount – 20% off groceries and auto services
- 401K – no matching required
- Life Insurance
- Supplemental Life Insurance
- AD&D Coverage
- Short Term Disability
- Employee Assistance Program
- Addition of the TalkSpace Go app which provides a range of free webinars and videos to support mental health and wellness and can assess your health insurance coverage to find an in-person therapist within the network
- Work United Support Program
- Educational Scholarships
- Tuition Reimbursement
- Discounts at other local business



COMPLIANCE DETERMINATION: IN COMPLIANCE

E3 *VALUES A VIBRANT COOPERATIVE ECOSYSTEM.*

INTERPRETATION:

I interpret a vibrant cooperative ecosystem to be the effects of our cooperative principles in action in our communities. An ecosystem is defined as a complex network of interconnected systems. To have a healthy ecosystem, each individual component of the system needs to be healthy since all are connected and rely upon the greater health of the network. As a cooperative, our relationship to our various communities is defined by the cooperative principles. Therefore, to have a vibrant cooperative ecosystem, we must have each of the cooperative principles thriving in our community to the greatest extent possible.

The cooperative principles as defined by the International Cooperative Alliance are:

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, training, and information
6. Cooperation Among Cooperatives
7. Concern for the community

In our cooperative, we are guided by the cooperative principles in all of our operations. Our co-op actively supports each of these in a number of ways. Please note that since this is a relatively new End, the list this year is not exhaustive but gives a sufficient overview of the ways in which these are achieved.

COMPLIANCE

During the 2024 reporting period, the cooperative principles were strong throughout our operations in a number of ways. Compliance will be demonstrated when data for each cooperative principles shows that there is work being done in each area, indicating that there is care being given to each principle in order to ensure health of the entire cooperative ecosystem.

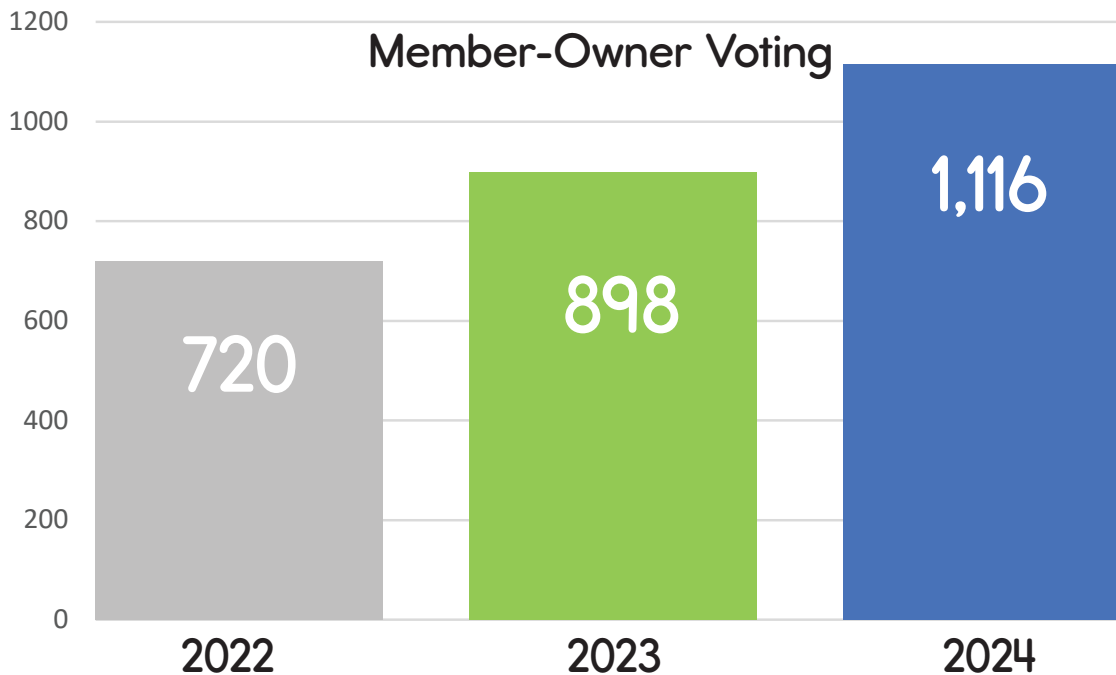
Voluntary and Open Membership:



***We partnered with Lighthouse Credit Union to offer Co-op Memberships to their new members via a subsidy paid by Lighthouse Credit Union (formerly Northeast Credit Union) which accounts for the substantial burst in membership numbers.**

Democratic Member Control:

Annual Voting Period Runs April 1 - April 30 To Allow for Accessible Participation.



E3 DATA CONTINUED

Member Economic Participation:

72.3%
OF SALES IN 2024
WERE TO MEMBER-OWNERS

TOTAL SALES IN 2024

\$89,965,274

MEMBER SALES IN 2024

\$65,003,822

Training for Employees in 2024

At the Co-op in 2024:

21 Orientation 1 Trainings @4 Hours Each = 84 Hours

75 Employees

3 Orientation 2 Trainings* @2 Hours Each = 12 Hours

16 Employees

6 Two-Day ServSafe Sessions Totaling 12 Hours = 72 Hours

29 Employees Certified

E3 DATA CONTINUED

16 CPR, AED, and Narcan Certifications

247 Full Time Employees Completed Annual Safety Training

215 Full Time Employees Completed Annual Food Safety Training

301 Anti-Harassment Completions

582 Belonging Microlessons Completed

312 Gender & Pronoun Completions

270 Politics & Taking Care of Each Other Completions

Leadership Trainings (Director and Location Managers)

19 Completions (Between Q3 & Q4)

11 Inclusive Language, How to Intervene with Skill

8 Upstander Intervention, Bystander to Upstanders,
Creating A Culture of Upstanders

5 Leadership Foundation Classes

21 Employee Participants

Lunch & Learn Drop-In Trainings

28 Co-op Principles

19 Co-op Values

E3 DATA CONTINUED

Cooperation Among Cooperatives

HANOVER CO-OP COMMUNITY FUND:

Through fundraising at the Hanover Cooperative Community Fund (HCCF) annual golf tournament and a partnership with Black River Produce, the Co-op raises money to help other cooperatives through an endowment. The interest returned on the endowment is used to distribute locally to nonprofits that align with our member-owner values.

2024 HCCF AWARDS:

- **\$2,000 Corinth Community Coalition** – Create a mural with environmental theme at town transfer station
- **\$3,500 Hanover Food Pantry** – help meet critical needs for food and non-food items
- **\$800 Hartford Norwich Holiday Baskets** – provide holiday toys, clothing and food for families in need
- **\$2000 Lebanon Public Libraries** – create a Seed Library to distribute heirloom seeds to community members
- **\$2,500 Sharon Health Initiative** – support vulnerable residents facing health and life issues
- **\$1,500 Upper Valley Apple Corps** – plant and steward free-for-the-picking fruit and nut trees on public lands across the Upper Valley
- **\$3,500 Upper Valley BIPOC Network** – support small businesses located in the Upper Valley that are owned by underrepresented entrepreneurs
- **\$1,000 Vital Communities** – partially fund a scholarship for Leadership Upper Valley Program

\$4,163,836

**IN SALES FROM COOPERATIVELY OWNED BRANDS
WHICH INCLUDE 31 BRANDS AND 1,016 INDIVIDUAL SKUS**

\$15,039,819

**IN GOODS FROM AGNE, A WHOLESALE COOPERATIVE OF
WHICH WE ARE A MEMBER**

\$12,899,959

IN GOODS FROM UNFI THROUGH A CONTRACT WITH NCG

E3 DATA CONTINUED

Concern for the Community

2024

COMMUNITY PARTNERS

- Claremont Soup Kitchen
- Windsor Public Library
- NH Farm to School
- Cornerstone Community Center
- Koasek of Turtle Island
- NOFA-NH
- Vermont Parks Forever
- Tomten Farm & Sanctuary
- Lebanon Elementary PTO
- Bugbee Senior Center
- Windsor County Mentors
- Randolph Area Food Shelf

WILLING HANDS

118,000 LBS

OF USABLE FOOD DIVERTED FROM LANDFILLS, EQUALING

98,333 MEALS

LISTEN HOLIDAY BASKETS

\$5,265 RAISED, EQUALING

2,627 LBS OF FOOD

**Many relevant numbers and data points on "Care for the Community" intersect with EL1.*

E3 DATA CONTINUED

ZERO WASTE NUMBERS

| <i>2024 Zero Waste Data:</i> | | | | | |
|---------------------------------|--------------|--------------|--------------|--|--|
| | <u>2024</u> | <u>2023</u> | <u>2022</u> | | |
| Landfill (Casella MSW Landfill) | 268.1 | 267.7 | 255.2 | | |
| Nonlandfill | | | | | |
| Zero-sort Recycling | 120.0 | 120.7 | 108.8 | | |
| Cardboard | 122.5 | 262.7 | 309.4 | | |
| Plastic | | 6.6 | 6.0 | | |
| Compost | 163.0 | 164.0 | 188.5 | | |
| Food Waste (Pig Farmers) | 43.0 | 32.5 | 32.5 | | |
| Food Waste (Willing Hands) | 59.0 | 68.3 | 76.6 | | |
| Lifecycle (Fryer Oil) | 2.5 | 3.9 | 2.2 | | |
| Scrap Metal | 3.9 | 3.1 | 1.6 | | |
| Secureshred - Paper and E-Cycle | 10.0 | 11.0 | 11.0 | | |
| Flourescent Bulbs | | 0.2 | 0.1 | | |
| Tires | 15.0 | 8.0 | 6.2 | | |
| Waste Oil (Serv Centers) | 1.5 | 1.2 | 1.3 | | |
| | 540.4 | 682.2 | 744.2 | | |
| Total Waste (lbs) | 808.5 | 949.9 | 999.4 | | |
| Landfill Diversion | 67% | 72% | 74% | | |

**808.5 TONS
OF WASTE DIVERTED**

2024 GREENHOUSE GAS EMISSIONS DATA

| | 2024 | 2023 | 2022 | Difference | % Difference |
|-----------------------------------|------------------|------------------|------------------|------------------|---------------|
| Total Electric Kwh | 2,909,593 | 3,174,089 | 3,125,087 | | |
| ghg factor | 0.857 | 0.857 | 0.857 | | |
| Total lbs CO2 | 2,493,521 | 2,720,194 | 2,678,200 | (226,673) | -8% |
| | | | | | |
| Total Propane Usage (GAL) | 116,657 | 121,315 | 108,430 | | |
| ghg factor | 13 | 13 | 13 | | |
| Total lbs CO2 | 1,516,541 | 1,577,095 | 1,409,590 | (60,554) | -4% |
| | | | | | |
| Total Oil Usage (GAL) | 0 | 2,641 | 16,897.8 | | |
| ghg factor | 22.45 | 22.45 | 22.45 | | |
| Total lbs CO2 | 0 | 59,290 | 379,356 | (59,290) | -100% |
| | | | | | |
| Fleet vehicle calculations | | | | | |
| Ford Gallons of Gas | 1,076 | 1,012 | 1,068 | | |
| White Van Gallons of Gas | 1,762 | 2,080 | 2,477 | | |
| Dodge Gallons of Gas | - | 177 | 66 | | |
| Van 1 and Van 2 | 678 | - | - | | |
| Total Gallons of Gas Used | 3,516 | 3,269 | 3,611 | | |
| ghg factor | 19.59 | 19.59 | 19.59 | | |
| Total lbs CO2 | 68,878 | 64,040 | 70,739 | 4,838 | 8% |
| | | | | | |
| Total lbs CO2 Produced | 4,078,940 | 4,420,619 | 4,537,885 | (341,680) | -7.73% |