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HCCS Board of Directors Meeting
March 25, 2026
5:30 p.m.
Co-op Resource Center, 224 Holiday Dr. WRJ, VT

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FY26 Audit Presentation (emailed separately)	
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AGENDA

HCCS Board of Directors Meeting

March 25, 2026

5:30 p.m.

Co-op Resource Center, WRJ, VT

Time	Agenda Topic	Page	Board Action
5:30	Check In		Reflect & Decide
	Community Standards and Consent Agenda February 25, 2026 Meeting Minutes	3	
5:45	Member Input		
5:55	FY26 Audit Presentation (Baker Newman Noyes) EL 1 – Financial Stability (Year-end Finances)	emailed	Decide
6:25	GM Update		Information
6:35	Board Budget Review	emailed	Information
6:40	Monitoring		Decide
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7:05	Values Statements Revision		Discuss/Decide
7:25	Other Business		Discussion
	- Annual Meeting		
	- CCMA		
	- Bylaws Committee		
7:30	Adjournment		

DRAFT MEETING MINUTES

February 25, 2026

ZOOM

Present: Kyle Creevy, Eric DeLuca, Mike Eigenbrode, Emily Hurd, Conicia (CJ) Jackson, Alice Kennedy, Peggy O’Neil, Eileen O’Toole, Mary Patterson, Infiniti Sanderfer, Lynn Ellen Schimoler

2026 Board

Candidate: Josh Joslin

Employees: Amanda Charland (General Manager), April Harkness (ESG Program Manager)

Member: Ed Fox

CJ Jackson called the meeting to order at 5:30 p.m. Eric DeLuca reviewed the community standards.

Consent Agenda:

- January 28, 2026 Meeting Minutes,
- Affirm passage of motion made by the Board President: to have the 2026 Annual Meeting of the Co-op Food Stores be a virtual only meeting
- Re-authorize Board Secretary Signature on 3 Banking Resolutions (documents updated from January approvals).

MOTION: Eric DeLuca moved to accept the Consent Agenda with the addition of items noted above on resolutions and annual meeting format.

VOTED: 11 in favor. 0 opposed. 1 abstained. The motion passed.

Member Input

None.

Co-op Values Statements Revision

Postponed to March board meeting.

BOARD MONITORING

B-GM Global, 1 – Unity of Control, 2 – Delegation to the General Manager, 3 – Monitoring

General Manager Performance

Triad Team D (Mike Eigenbrode, Alice Kennedy, and Eileen O’Toole) presented their review of the governing policies and referred recommended policy changes to Governance Committee. A note to include the General Manager’s input when monitoring these policies will be added to the board monitoring calendar.

Board Compensation

MOTION: CJ Jackson moved to approve the removal of the formal attendance tracking policy (Governance Policy 4 – Board Member Compensation, GP 4.2.1 specifically), with the understanding that the Executive Committee will introduce a new policy that reflects our values around volunteer leadership and fairly addresses participation and absences across board meetings, committee meetings, and board-related events, and that this change will apply retroactively to the current quarter (Dec, Jan, and Feb), meaning that board rewards or recognition for this period will not be tied to attendance tracking.

VOTED: 11 in favor. 0 opposed. The motion passed.

GM Update

Amanda Charland updated the Board on operational matters.

Governance Committee

GP 5 – President’s Role, 6 – Vice President’s Role, 7 – Treasurer’s Role, 8 – Secretary’s Role

MOTION: Eric DeLuca moved to approve the suggested policy revisions for GP 5, 6, 7, and 8.

VOTED: 11 in favor. 0 opposed. The motion passed.

Owner Linkage Committee

Owner Linkage Committee Chair Eileen O’Toole updated the Board on Board recruitment and Annual Meeting planning.

Other Business

Four board members expressed interest in attending 2026 CCMA. They include Eric DeLuca, Mike Eigenbrode, CJ Jackson, and Alice Kennedy. The 2026 Board Budget allocates for up to four attendees.

The meeting adjourned at 6:30 p.m.

Respectfully submitted,

April Harkness

ESG Program Manager

Eric DeLuca

Board Secretary

Monitoring

EL 1 – Financial Stability (emailed separately)

Ends Report (emailed as a PDF attachment)

2025-2026 Board Meeting & Monitoring Schedule

1. **May 28 5:30 PM**

- a. Board: Vision, Values
- b. Board: Review of 3-year Ownership Linkage Plan

2. **June 14 – Board Retreat**

3. **July 23 5:30 PM**

- a. b. Board: Budget Review
- c. GM: EL Global
- d. GM: EL 1 - Q2 Finances

4. **August 27 5:30 PM**

- a. GM: EL 2 - Asset Protection
- b. GM: EL 3 - Operational Capacity

5. **September - No Regular Meeting**

6. **October 22 5:30 PM**

- a. Board: Monitoring Team A - GP Global, 1, 2, 3, 4, 11
- b. Board: Budget Review
- c. GM: EL 1 - Q3 Finances

7. **November 19 5:30 PM**

- a. Board: Monitoring Team B – GP 5, 6, 7, 8 (Officers)
- b. Board: Approval of next year's Board Budget
- c. GM: EL 4 - Employee Well-Being

8. **December - No Regular Meeting.**

9. **January 28 5:30 PM**

- a. Board: Monitoring Team C - GP 9, 10 (Owner Linkage, Committees)
- b. GM: EL 5 - Community Engagement
- c. GM: EL 6 - Environmental Impact

10. **February 25 5:30 PM**

- a. Board: Monitoring Team D: B-GM Global, 1, 2, 3

11. **March 25 5:30 PM**

- a. Board: Budget Review
- c. GM: Ends
- d. GM: EL 1 - Year-end Finances (fluctuates with audit)

12. **April 22 5:30 PM**

- a. Board: GM Performance Review
- b. Board: Budget Review
- c. GM: EL 1 - Q1 Finances

Commonly Used Co-op Acronyms

- AG Associated Grocers Inc.; a cooperative wholesaler of which the Co-op is a member. AG is the Hanover Co-op's largest supplier of grocers. www.agne.com
- B-GMs Board-General Manager policies; In Policy Governance B-GMs describe the relationship between the Board and the General Manager and acknowledges the board's sole official connection to the operational organization, it's achievements and conduct is through the General Manager.
- CCMA Consumer Cooperative Management Association; the national annual conference for food cooperative directors, management, staff, and sector allies. The conference is held in early June and is organized by the University of Wisconsin Center for Cooperatives. www.ccma.coop
- CDF Cooperative Development Foundation; foundation located in Washington DC that supports cooperative development. Funds managed include the Howard Bowers Fund. Also sponsor of the Cooperative Hall of Fame. <https://www.cdf.coop/>
- CDI Cooperative Development Institute; a regional nonprofit supporting cooperative development in the Northeast. <https://cdi.coop/>
- CFNE Cooperative Fund of the Northeast; advancing community-based, cooperative, and democratically owned and managed enterprises through ethical borrowing. <https://cooperatiefund.org/>
- EL Executive Limitations; In Policy Governance Executive Limitations policies establish the boundaries of accountability and ethics within which the GM can make decisions and how things are done. The Board establishes these limitations in writing to define their expectations about operational means.
- FCI Food Co-op Initiative; provides guidance and resources on how to start a strong and sustainable cooperative, facilitating opportunities, co-creating strategies, serving as an advocate, and promoting the food co-op model. <https://fci.coop/>
- FSC Federation of Southern Cooperatives; 57-year old regional cooperative and rural economic development organization that provides cooperative economic development, land retention, and advocacy to Black farmers, landowners, cooperatives, and other low-income rural people in the South. <https://www.federation.coop/>
- GP Governance Policies; In Policy Governance, governance policies describe the board's philosophy, work and structure.
- HCCF Hanover Cooperative Community Fund; Fund created by the HCCS Board of Directors in 2000 to support cooperatives from many sectors across the country by raising money and contributing to the Twin Pines Cooperative Foundation (see TPCF). The interest on our contribution to the TPCF is returned annually and distributed locally as HCCF grants and scholarships.

- HCCS Hanover Consumer Cooperative Society, Inc. The incorporated name of the Co-op Food Stores and Service Centers entities established by 17 charter members in 1936 as a small buying club. Now has over 27,000 members, employs over 300 people, and generates close to \$90 million in annual sales.
- ICA International Cooperative Alliance; an independent association created in 1895 that unites, represents and serves cooperatives worldwide. It is the apex body representing cooperatives across the world providing a global voice and forum for knowledge, expertise and coordinated action for and about cooperatives. ICA is the guardian of the Statement on the Cooperative Identity which includes a definition, 10 values and 7 operational principles. <https://ica.coop/en>
- NCB National Cooperative Bank; A cooperative bank serving businesses that seek to make a positive social impact focused on those most in need, supporting low-income communities and the expansion of sustainable communities. <https://www.ncb.coop/>
- NCBA-CLUSA – National Cooperative Business Association CLUSA International; The primary voice in the U.S. for people who use cooperatives to build a better future; developing, advancing, and protecting the cooperative enterprise through leveraging shared resources, engaging, partnering and empowering people and advocacy, public awareness and thought leadership. <https://ncbaclusa.coop/>
- NCG National Co-op Grocers; A business services cooperative for retail food co-ops located throughout the U.S. representing 164 food co-ops operating over 230 stores in 39 states with combined annual sales over \$2.6 billion and serving over 1.3 million consumer owners. NCG provides capacity of the a chain while maintaining autonomy of individual co-ops to optimize operational and marketing resources, strengthening purchasing power, and offering more value. <https://www.ncg.coop/>. Hanover Co-op is a member of this Co-op.
- NFCA The Neighboring Food Co-op Association; A federation of food co-ops across New England and New York State working toward a shared vision of a thriving cooperative economy, working to support shared success of food co-ops through peer collaboration and innovation, education and advocacy, food system development, and partnership with likeminded organizations. <https://nfca.coop/>. Hanover Co-op has historically been a member of this Co-op.
- NRECA National Rural Electric Cooperative Association; Represents over 900 consumer-owned, not for profit electric cooperatives, public power districts, and public utility districts in the U.S. <https://www.electric.coop/>
- OBM Open Book Management; A business practice of creating transparency by sharing financial information with employees helping them do their jobs more effectively and understanding how they contribute to the success of the business. OBM is sometimes used by cooperatives as a highly interactive way to educate and engage employees on financial and non-financial metrics.
- P6 Principle Six; Cooperative Principle 6 - *Cooperation among Cooperatives* seeks to strengthen the cooperative movement by working together through local, national, regional and

international structures. NCBA CLUSA created a P6 Initiative to identify and scale opportunities for cooperative to work together across sectors to elevate the cooperative identity and demonstrate its value to members and communities. <https://ncbaclusa.coop/p6/>

TPCF Twin Pines Cooperative Foundation; A foundation established in 1964 to provide education and funding to cooperatives across all sectors in the U.S. Many food co-ops across the U.S. contribute to the TPCF endowment through fundraising and educational activities by creating their own Cooperative Community Fund. Hanover Co-op began contributing in 2000 and continues to do so today. Funds are raised through product sales, donations, and events. <https://www.community.coop/>

UNFI United Natural Foods Inc.; The largest publicly traded wholesale and retail distribution company for natural, organic and specialty food in the U.S. and Canada. Hanover Co-op does a considerable amount of business with this company. <https://www.unfi.com/>

USFWC US Federation of Worker Cooperatives; A national grassroots membership organization for worker cooperatives and democratic workplaces with a mission to build thriving ecosystems for worker-owned and controlled businesses and cooperative leaders. The federation has over 400 business and organizational members representing approximately 1,000 worker co-ops and 10,000 workers across the country. <https://www.usworker.coop/en/>

Hanover Consumer Cooperative Society

GLOBAL ENDS



2025

“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, and cost-effective goods and services that meet the needs of our diverse and inclusive community.

Each year, the Ends Report offers an opportunity to reflect on what makes our cooperative distinct. We are more than a grocery store or an auto service center. As a community-owned cooperative, our purpose extends beyond profit. Our member-owners choose to support a business that prioritizes people, community, and environmental responsibility while remaining financially strong and sustainable.

Reflecting on 2025, our cooperative continued to build on the momentum of recent years while navigating an evolving economic environment. In a time when much of the world feels increasingly divided, our cooperative remains grounded in the idea that communities are strongest when people support one another. That belief showed up in a strong way in the Ends Report below. This report highlights how our employees care for customers, the partnerships we maintain with local producers and community organizations, and the programs we operate to make food and services more accessible.

Over the past year, we strengthened support for local producers, expanded food access programs, deepened community partnerships, and continued refining our product mix to ensure a range of options at multiple price points. We also continued investing in our employees, who are the foundation of our cooperative, through initiatives such as stay interviews, development of the Co-op Community Charter, and continued progress on our Diversity, Equity, and Inclusion strategic work.

As I mention every year, while I have the privilege of presenting this report, the accomplishments within it belong to our employees, member-owners, and community partners. Together, their efforts demonstrate cooperation in action and continue to strengthen the impact of our cooperative across the Upper Valley.

It is my honor to present the 2025 Ends Report for the Hanover Consumer Cooperative Society.

With appreciation,
Amanda Charland
General Manager

E

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. This is done through programs that discount the price of food in our stores, through participation and administration of federal and state access programs, and through partnerships with local food organizations. These programs contribute to a safety net portfolio of access to affordable food.

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. The co-op works to maintain margins in order to operate a fiscally sound business and to not pass exorbitant costs to our consumers. We've also worked to create a retail strategy that is flexible, nimble, and responsive – taking advantage of quick sale turnarounds and creating meaningful partnerships to lower the cost of major staples such as milk.

RANGE OF GOODS

At the Co-op in 2025:

40 *Fair Trade Brands*

517 *Fair Trade Products (SKUs)*

4,825

406 *Local Brands*

Organic

4,825 *Local Products (SKUs)*

Products

(SKUs)

524 *Organic Brands*

AFFORDABLE GOODS & SERVICES

2025 Product Margins

	Aggregate Co-op Average	Industry Average	Variance
Grocery	30.0%	36.5%	-6.5%
Beverage	32.2%		
HABA	39.2%	44.8%	-5.6%
Bulk	35.5%	40.3%	-4.8%
Beer	24.7%	27.2%	-2.5%
Wine	29.6%	34.2%	-4.6%
Cheese	34.5%	40.7%	-6.2%
Deli	34.8%		34.8%
Bakery	26.1%	28.6%	-2.5%
PFD	40.6%	48.4%	-7.8%
Sushi	25.0%		
Frozen	31.8%	35.7%	-3.9%
Dairy	28.8%	33.2%	-4.4%
Meat	22.2%	28.9%	-6.7%
Seafood	32.4%	31.3%	1.1%
Produce	38.0%	33.3%	4.7%
Floral	37.8%	32.20%	5.6%
Blended	33.6%	35.4%	-0.6%

*2025 Industry Average data source: NCG Co-metrics.

2025 Service Center Margins

	Aggregate Co-op Average	Industry Average	Variance
Parts	39.7%	45%	-30.5%
Tires	2.7%	15%	-8.5%
Gas	14.5%	11%	3.5%

E1 DATA CONTINUED

ACCESS PROGRAMS

FOOD FOR ALL (20% discount for food access program participants)

206 *Food for All Participants Equaling:*

\$67,461.61

40,396 lbs. of food

33,663 meals

DOUBLE UP BUCKS (50% off fruits and vegetables for food access participants)*

314 *Double Up Participants*

**The co-op heavily subsidized this program in 2025.*

EBT / WIC (USDA public assistance & nutrition programs)

	<i>Sales</i>	<i>Transactions</i>
<i>EBT Cash</i>	\$111,642	3,028
<i>EBT SNAP</i>	\$511,220	13,394
EBT TOTAL	\$622,862	16,422
<i>WIC</i>	\$38,586	1,293
Combined Totals	\$661,448	17,715

E1 DATA CONTINUED

The co-op has several programs to make food more accessible. In 2025, the Co-op continued to:

- Offer a member rewards program
- Maintain our ability to accept EBT and WIC
- Run our Food for All program, providing a 20% discount to qualifying participants
- Participate in the Double-Up-Bucks program, offering up to 50% off produce
- Launch Food Access Membership
- Expand Willing Hands program to include prepared foods

Our co-op maintained the following donation programs in 2025:

- Willing Hands Donations – expanded to include Prepared Foods
- Pennies for Change Food Access Partners Program
- Food Drive Events
- Hanover Cooperative Community Fund
- LISTEN Holiday Basket (Co-op gift cards)
- Stuff-A-Truck
- Car Connects (providing no-cost or greatly subsidized auto services to people in need)

 **PENNIES FOR CHANGE** *(funded by co-op members & shoppers)*

2025 Total: \$88,857.51

\$71,085 to Food Access Partners

\$17,771.49 to Willing Hands

\$17,771.49 to LISTEN Community Services

\$17,771.49 to Upper Valley Haven

\$17,771.49 to Friends of Mascoma

SMALL DONATIONS: \$18,005.56 (*Donations to schools, fundraisers, etc.*)

CAR CONNECTS: \$3,000 in vouchers redeemed. **\$2,068.72** in donations to Car Connects program

COMPLIANCE DETERMINATION:

IN COMPLIANCE

E2 *SHOPPERS EXPERIENCE A POSITIVE, PERSONALIZED EXPERIENCE.*

261.1. 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.

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. 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. The co-op continues to hold a broad membership base, indicating that we are continuing to serve areas of need for the community.

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. 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. We offer an annual employee survey and build programs based on those outcomes. In 2025, we partnered with an outside consultant to co-build a Co-op Community Charter with employee input across all locations.

COMPLIANCE

Compliance is demonstrated when 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.

TRANSACTION COUNT FOOD STORES: 1,595,186 (up from 1,483,711 or 3.11% increase)

MEMBERSHIP: 33,335 members (down from 38,422 - due to membership database cleanup)

COMBINED WAGES & BENEFITS IN 2025:

\$18,656,340 (compared to \$18,765.163 in 2024)

COMBINED WAGES & BENEFITS AS A % OF SALES IN 2025:

20.6% (compared to 20.9% in 2024)

COMBINED WAGES & BENEFITS IN 2025:

\$18,765,163 (compared to \$18,426,016 in 2024)

COMBINED WAGES & BENEFITS AS A % OF SALES IN 2025:

20.9% (same as 2024)

Employee Highlights:

- King Award – Lebanon store employee J.B. McCann accepted the award and donated \$500 to the Upper Valley Haven.
- Employee Gift Cards – in response to uncertainty of federal funding of food access programs, the co-op offered gift cards to employees and their households that may need them. \$625 was donated.
- Stay Interviews – People & Culture team members launched a pilot program for stay interviews. Employees across all locations were randomly selected to participate. The interviews provide more nuanced and specific data that will be used to inform employee well-being programs and the Diversity, Inclusion, and Equity Strategic Plan
- DEI Strategic Plan – work continues on the co-op's DEI plan including a phased approach informed by employee feedback, stay interviews, DEI consultant work, and B Corp best practices.
- Co-op Community Charter – working with a consultant and informed by multiple working sessions across all locations, a charter of shared values and expected behaviors was created. 2026 will see the full launch and socialization of the charter.
- Town Halls/Huddles – these continue to be a much needed resource for employees to hear from leadership, share concerns, and ask questions. They occur on a quarterly basis and at all locations.

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 2025 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 throughout the organization to each principle in order to ensure health of the entire cooperative ecosystem.

1. Voluntary and Open Membership

The co-op works hard to maintain its voluntary and open status. Some of the ways we do this is include:

- Welcome Neighbor bags for new residents through the Twin Pines Housing Trust
- Food Access Membership program making membership available for food access program participants
- In-store and across all locations - welcome messaging highlighting our ongoing and unwavering commitment to creating a welcoming and inclusive environment for all
- Graduated memberships will allow new members to slowly pay their membership fee over time (Subscribers)
- Messaging, social media and web content that is approachable, friendly, and easy to understand
- Co-op Community Charter highlighting an inclusive workplace and welcoming environment for customers
- Providing a product mix designed to be inclusive and supportive across income spectrum

2. Democratic Member Control

Democratic member control is reflected in various ways throughout the co-op. One of the most important ways this is reflected is through annual board elections and voting and the Annual Meeting of the membership which occurs in early April each year. All members are mailed information on board candidates, any proposed bylaw revisions, and Annual Meeting details.

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

- 996 members voted (2.3% of total membership)
- Members voted on a bylaws revision to expand the number of employee board members seats from 2 to 3
- The Annual Meeting was held in the Lebanon store café to encourage attendance, drop-ins, and interaction with employees. New menu items from the Co-op Kitchen was served
- At Annual Meeting, members are provided an update from the board and operational staff sharing the summary of the past year and thoughts about the coming year. Co-op finances are presented in a clear and concise manner and board and operational staff are available to answer member questions
- 3 board committees helped to inform the work of the member-led board – Bylaws (proposing bylaw revisions), Governance (supporting board policy development), and Owner Linkage (providing board-owner linkage engagement and opportunities)
- All board and committee meetings are posted on the co-op website with meeting information and open access
- Business Reports including the co-op's governing policies, bylaws, audited financial statements, NH Secretary of State Annual Report, ESG Report, and Ends Reports are all available on the co-op's website

3. Member Economic Participation

72.8% (up from 72.3%)

**OF SALES IN 2025
WERE TO MEMBER-OWNERS**

TOTAL SALES IN 2025

\$90,713,878

MEMBER SALES IN 2025

\$66,056,646

Member-owners signify their commitment to the co-op through the one-time purchase of equity shares. Ongoing shopping and patronage at our auto service centers is the most direct participation and most meaningful way to support the co-op and its mission.

Through input from our member-owners, the 12 –member board of directors create policies that align with our member values and provide fiduciary oversight over the organization. Member-owners share in the success of the co-op through reinvestment into infrastructure, expansions, and support of community initiatives. Put simply, we align our economics with our values by paying fair wages, supporting local producers, offering affordable options, and investing in equitable food access in a transparent manner that benefits the membership and communities in which we live.

4. Autonomy & Independence

At our co-op, like other cooperatives, we're governed by our members – decisions are made in the interest of our members and we're not beholden to outside investors, corporations, political parties, or funders. This means we're held accountable, we're transparent, and we're democratically controlled. Member ownership protects who and what influences the co-op.

The member elected board is responsible for financial and managerial oversight, surplus (if there is any) is reinvested based on member values and priorities, and lenders don't control co-op decision-making.

Our independence gives us the ability to center our mission and values. This includes supporting a local and regional economy and paying livable wages to our employees. In practice we are much more flexible in sourcing and nimble in times of crisis. We're essentially creating an integrated food web that supports the well-being of our members and our communities through being an economic driver and a trusted values based business.

5. Education, Training & Information

This principle speaks to the co-op's commitment to educate its members, elected board members, managers, and employees so that they can understand and effectively contribute to the business. This includes ensuring board members understand governance, members understand ownership, and employees understand the business model. This also means there is information provided about the cooperative sector and the food system.

Board

- Board members are encouraged to attend the annual Consumer Cooperative Management Conference (CCMA) to learn more about cooperatives and governance
- New board members are oriented on the cooperative principles and values, and our own unique business values
- The board is provided ongoing support on cooperative governance through operational staff and outside learning opportunities

Member-owners

- Members are provided education and information on the cooperatives through all of our media channels including in-store, online, and through email and mailings
- Members are provided information on the Annual Meeting and voting as well as other opportunities to provide feedback through annual surveys, customer comments, and spot surveys as the register

Employees

- New employees are oriented on the cooperative principles and values, our co-op history and values, and the cooperative business model
- All employees were provided an opportunity to help create the Cooperative Community Charter which is built on the foundational cooperative values but is expanded to be specific to our co-op, our expectations for one another, and how we interface with our stakeholders

775 total hours of Employee Training

E3 DATA CONTINUED

6. Cooperation Among Cooperatives

HANOVER CO-OP COMMUNITY FUND:

One of the most important ways we contribute to the well-being of other cooperatives is through donations to the Hanover Cooperative Community Fund (HCCF). This fund was created by the board in 2000 and through monies raised since then has contributed \$535,745 to the Twin Pines Cooperative Fund, an endowment which supports cooperatives across the country and across sectors. The interest returned on the endowment is distributed locally to nonprofits that align with our member-owner values. In 2025 the employee led Social Impact team awarded the HCCF interest of \$9,800 to 5 Upper Valley non-profits focused on sustainability and climate action.

In addition to the HCCF, the co-op is part of a cooperative ecosystem that supports people of profit, provides mutual support, magnifies economic impact, and strengthens local, regional, and national cooperative networks. We do this through:

- Membership in Associated Grocers New England (AGNE)
- Membership in National Co-op Grocers (NCG)
- Membership in New England Farmers Union (NEFU)
- Partnership with Lighthouse Credit Union (offering employee and member discounts)
- Board member and employee attendance at CCMA
- Saint Mary's University's Cooperative Management Program (paying full tuition for co-op employee participation)
- Creating a Co-op Ecosystem Fund providing financial support to other co-ops
 - o \$10,000 low interest loan to Plainfield (VT) Co-op
- Participation in a co-op cohort in support of DEI work

\$ 4,328,980 sold (up from \$4,163,836)

IN SALES FROM COOPERATIVELY OWNED BRANDS

\$ 20,736,833 purchased (up from \$15,039,819)

IN GOODS FROM AGNE, A WHOLESALE COOPERATIVE

\$ 12,899,959 purchased

IN GOODS FROM UNFI THROUGH A CONTRACT WITH NCG

7. Concern for the Community

The co-op continues to prioritize people over profit by actively investing in the community's health, equity and resilience through:

- Supporting the local economy through purchasing and market availability
- Supporting community partners through donations and social impact programs
- Creating and participating in food access programs
- Expanding affordable products through Co-op Basics and other programs
- Providing home deliveries for those in need
- Offering local, fresh, nutritious foods
- Offering at cost ordering for food access partners & Norris Cotton Cancer Center
- Sponsoring athletics, education, and the arts
- Expanding the senior ordering program
- Providing good jobs and benefits
- Committing to sustainability in our operations through energy efficiencies, sustainable packaging initiatives, and waste diversion

(See End 1 for Community Impact Numbers)