

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%		
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%	-1.8%

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

2025 Service Center Margins

	Aggregate Co-op Average	Industry Average	Variance
Parts	39.7%	45%	-5.3%
Tires	2.7%	15%	-12.3%
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)

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 were 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 board of directors creates 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 governance best practices and basic cooperative finance, and introduced directly to the operational leadership team
- 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 over 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
- The International Centre for Co-operative Managements at 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)