

SUSTAINABILITY REPORT 2022

Prairie North Co-operative Limited

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PRAIRIE NORTH CO-OPERATIVE LIMITED

OUR VALUES

Service **Exceeding Expectations**

Integrity Honest and Trustworthy

Unity We are Better Together

OUR VISION

To be the trusted first choice in our community.

OUR MISSION STATEMENT

Our team is committed to excellence at every opportunity to serve our guests and our community. We will consistently deliver a trusted, welcoming, and personalized experience.

SERVICE • INTEGRITY • UNITY



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Values, Vision, Mission

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About IS

Prairie North Co-op operates out of 21 locations - from St. Brieux, Spalding and Naicam in the west; to Melfort and Brooksby in the north; and Archerwill and Kelvington in the east. We serve our members with products and services that help build, feed, fuel and grow the communities in which we live and do business.

As a co-operative, we are a different kind of business; we are not only working for our communities, but we are also owned by our community. Co-ops embed sustainability in their business by planning and investing for the long term, with the community and environment in mind; they work to create jobs; and they partner with other organizations and local businesses. Prairie North Co-op profits do not leave the community, they go back into it - and back to our members. We take pride in our community involvement and our commitment to providing quality products and services.

Prairie North Co-op employs 296 and serves 12,795 members. We continue the tradition of giving back, not only in patronage refunds to our members, but also through financial support to several local organizations. In 2022, sponsorship and donations totalled almost \$154,463 to 223 different organizations in our trading area. Locally invested. Community-Lifetime membership minded. benefits. We are Co-op.

YOUR PRAIRIE NORTH CO-OP BUILDING, FEEDING, FUELLING, AND GROWING COMMUNITIES





Capital **Re-investment of** \$13,410,251

\$174,247,392 IN SALES FOR 2022

message from the General Manager

We are proud to present our 2022 Sustainability Report. For us, sustainability means looking through the lens of the social, economic, and environmental effects of our business as we plan and make decisions to ensure viable operations while having a positive impact on the people and communities we serve. It represents shared value - the idea that the success of our Co-op and health of our communities are mutually dependent.

In Prairie North Co-op, sustainability drives growth - renovations and new builds - and the facilities decisions that we make around environmental practises, waste reduction and energy efficiency. Sustainability also drives our Ag

Division's recycling efforts for pesticide and seed containers, used oil containers, tires, and batteries.

I am proud to share with you that we continued to grow our business in significant ways, with just about every community in Prairie North Co-op seeing capital re-investment.

It is our Food Division's adoption of the LOOP program for food waste diversion and our commitment to sourcing local food suppliers to reduce the environmental impacts of transportation. Sustainability is the choice of chemicals we use in our car wash in Melfort and how the water used is treated before it returns to the municipal system. And sustainability is employing local people and supporting local projects and organizations so that

our members take pride in being a part of our co-operative and our customers feel good about supporting us.

As I look back on 2022, I am not sure where the time went but as I reflect on all the things our Co-op accomplished last year, I am in awe of our members, customers, Board, leadership team, and team members. I am proud to share with you that we continued to grow our business in significant ways, with just about every community in Prairie North Co-op seeing capital re-investment: we welcomed the customers and staff from Paragon Ag and the St. Brieux Ag

- 2023
- insurance adjusters

This is typically the time of year in which the finance folks are busy preparing our 2022 financials for the auditors. In advance of the Annual Report publication being released, I am happy to report that every part of our business improved its bottomline last year which translated to \$174 million in sales. Several factors contributed to our success, record inflation fueled much of our growth and the purchase of Paragon Ag helped, but one of our co-operative values is unity-we are better together-and I know that we wouldn't be where we are today without you, our members and customers. Thank you for your continued support.

Co-ops have long believed in being a responsible business - protecting our members' investments while also considering our people, our communities and our environment. We are proud of our past. We are excited about our future. We are Co-op.

-Terry Tremblay, General Manager



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and Hardware store into our Co-op

we continued to grow our Ag division - both people and facilities. Our AGRO FUEL team is now comprised of 34 knowledgeable individuals, we have added a tri-drive truck to the fleet for fuel delivery, converted a fuel delivery truck to bulk oil, and work began on a new NH3 site near Ethelton

we opened our new Admin office on Burrows Avenue in Melfort

our new Melfort Food Store is well under way and scheduled to open in August

the C-store in Archerwill underwent one of the most dramatic transformations I have witnessed in my 30 years at Co-op

 our Kelvington team members rebounded from a disastrous plow wind that tore the roof off the C-store and did immense damage in the community and to our other retails there. The plans for the C-store project are in the hands of the

Best of the Best







At Prairie North Co-op we strive to be the Best of the Best for our members, customers, and each other every single day. We take every opportunity to not only talk about our values, vision and mission; but we aspire to live them.

OUR VALUES SERVICE - EXCEEDING EXPECTATIONS

INTEGRITY - HONEST AND TRUSTWORTHY

UNITY - WE ARE BETTER TOGETHER

OUR VISION - TO BE THE TRUSTED FIRST CHOICE IN OUR COMMUNITY.

OUR MISSION - OUR TEAM IS COMMITTED TO EXCELLENCE AT EVERY OPPORTUNITY TO SERVE OUR GUESTS AND OUR COMMUNITY. WE WILL CONSISTENTLY DELIVER A TRUSTED, WELCOMING. AND PERSONALIZED EXPERIENCE.

Recently, two completely unrelated events happened that go a long way toward proving to us that we are living up to the high standards that we have set for ourselves. First, we received notice that we were voted the Best of the Best in seven categories in the inaugural northeastNOW Best of the Best Awards aka the BOB awards in which over 2,500 nominations were submitted, and 81,619 votes were cast.

Prairie North Co-op received BOB awards for:

- Best Convenience Store
- Cleanest Gas Station Washrooms
- Best Grocery Store
- Best Deli Counter
- Best Fresh Produce
- Best Ag Supplies
- Best Ag Bulk Fertilizer

Second, we received the results of an employee engagement survey delivered this past fall. With a survey participation rate of 87%, of the 13 key dimensions measured in the survey-rewards and recognition, work/life integration, and safety to name a few-Prairie North Co-op was up in 11 of the 13 areas over a similar survey conducted two years ago.

Employee engagement surveys are just one way in which Prairie North Co-op encourages feedback from its team members. Biannual all employee meetings, promoting participation on the Brand/Diversity and Inclusion committee, and town hall meetings in the communities in which our retails operate are others. We recognize that employee feedback helps to make our cooperative a better place to work and do business.

Thank you to all those whose votes resulted in our BOB awards, and a special thanks to the engaged employees who shared, and continue to share, their thoughts on how we can be the Best of the Best!













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2021 AT A GLANCE



DONATED TO 223 CHARITIES & **NON-PROFITS**





PRAIRIE NORTH CO-OP



Capital Re-investment

The process of reviewing our facilities is an ongoing one. It can be triggered from an operations standpoint – is the facility meeting the needs of our members and customers in that community? Is it allowing us to do business efficiently? And it can be triggered by an opportunity, like when we hear about the potential sale of a local business that complements our portfolio and aligns with our growth plan.

Pull quote – At its most basic, capital re-investment represents the process of deciding when to rebuild versus repair, and when and how to grow the business through things like mergers and acquisitions.

"Many things factor into the success of our co-operative but a big part of it is based on consumer choice," explains Terry Tremblay, GM of

WE ARE OWNERS WF ARE CO-OP Prairie North Co-op, "sales drive success and success drives business growth, which gives us an opportunity to employ more local people to serve our members, give more back to community organizations and projects, improve our facilities, add to our retails offerings and build if we need to."

The benefit of capital re-investment can be seen in almost every community in our trading area and has impacted almost every commodity with improvements to retail



sites in food, fuel, home and building supplies, and liquor but the real story in 2022 was the growth of the agriculture side of our business.

In early 2022 we were proud to announce that we were expanding our service to farm customers with the acquisition of the Melfort and Brooksby sites of Paragon Ag Service, Ltd. (Paragon). About that same time, the opportunity to purchase St. Brieux Ag & Auto came up. Says Louis Syrenne, Home and Building Solutions Division Manager for Prairie North Co-op, "we recognized that the closure of St. Brieux Ag & Auto would leave a huge hole in the community so when the opportunity to discuss an acquisition presented itself, we were happy to talk about how we could ensure that the legacy continued".

2022 saw the addition of a tri-drive truck to the fleet for fuel delivery, the conversion of a fuel delivery truck to bulk oil, and work began on a new NH3 site near Ethelton. "If you are truly committed to the communities in rural Saskatchewan, you have to be committed to agriculture. At Prairie North Co-op we are committed to excellence in agriculture whether that is our facilities, our people, or the service that we provide to our members," says Tremblay.



If you are truly committed to the communities in rural Saskatchewan, you have to be committed to agriculture.





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IE ARE **Members** IE ARE **Owners** IE ARE **CO-OP**

Reducing Our Environmental Footprint

COMMITTED TO BEING A RESPONSIBLE NEIGHBOUR

Sustainability is important on many levels: the responsibility to be good stewards in communities in which we operate, the growing push from consumers to choose businesses that consider sustainability in their practices, the possible reduction in costs and so much more.

As a tangible commitment to sustainability, Co-op adopted a fourth brand attribute in 2022: Care for the Environment. We are stewards of the land, ensuring we can sustain Western Canada for generations to come.

Federated Co-operatives Limited (FCL) has advanced the goal of embedding sustainability into the planning and decision-making processes across the organization. One example of this is the commitment to reduce greenhouse gas emissions by 40% by 2030. FCL is also aspiring to achieve net-zero emissions by 2050. Each local co-operative, including ours, has a role to play in achieving that goal.

GROWN WITH PURPOSE

Grown with Purpose describes a comprehensive suite of best management practices that assist crop planning and management. The cornerstone of the program is 4R Nutrient Stewardship, a set of principles that ensure fertilizer applications are made when and where plants need them the most.

4R Nutrient Stewardship refers to using the Right Source of Nutrients at the Right Rate and Right Time in the Right Place.

"Grown With Purpose is a way to capture in-field practices and tell the Western Canadian story of sustainable food production to consumers," she said. "This will be increasingly important as Co-op's Farm to Fork strategy comes to life in the coming months and years."

WE ARE **MEMBERS** WE ARE OWNERS WE ARE CO-OP AND WE ARE **COMMITED TO**

Reducing our environmental footprint through:

- Increasing recycling and re-use efforts through waste minimization
- Promotion of the Love Local reusable bags and charging a nominal fee for plastic bags to encourage reusable bag use. All of the funds collected for plastic bags are donated to local school food programs
- Committing to efficient renovations and upgrades to facilities and equipment
- Putting a priority on partnering with those that are considerate of environmental effects and accountability
- Installation of energy efficient lighting and refrigeration
- Supporting Sustainable Development by: Collaborating with FCL, Engineering Associations and communities to grow sustainably, considering social, economic and environmental effects
- Building and incorporating innovative infrastructure to support operations and minimize resource use
- **Engaging in Sustainability Issues:**
- Communicating with our team members, members, and communities on sustainability issues, goals and efforts through newsletters and. meetings

FARM TO FORK

Co-op offers a broad range of products and services that extend from the farm to the food store. Co-op has a unique relationship with our communities, and the Farm to Fork

The average Canadian generates about 79 kg, or 174 lbs, program encapsulates it. of food waste per year. Enter Loop Resources, a company Farm to Fork stories highlight how Co-op is there for every that helps to close the loop on organics waste disposal in step in the food journey through the reciprocal relationships the food supply industry, taking food from the end of the line we have with Western Canadian growers, livestock at the store, back to the beginning as feed and compost at producers, processors and manufacturers across multiple local farms. lines of business. Farm to Fork products are traceable and Prairie North Co-op signed on with the LOOP program in local.

2020. Today, farmers in the communities of Kelvington, The story behind one of our newest Farm to Fork products Melfort, Naicam/Spalding, and St. Brieux are helping to - or in this case, Farm to Glass - is firmly rooted in the close the loop on organics waste disposal in the food supply Prairies. Co-op Gold Lager starts from the ground up with industry, taking food from the end of the line at the store, local malt barley, is processed in the province and brewed back to the beginning as feed and compost at local farms. by a master in Saskatoon. It's a clean, light, crisp, and refreshing beer crafted for Co-op and launched this past SINGLE-USE PLASTICS The federal Government has mandated that plastic checkout spring in Saskatchewan.

At the hyper local level, Prairie North Co-op food stores carry bags cannot be manufactured or imported for sale in Canada a number of the products produced by the Dam Good Garlic after December 20, 2022 and will not be able to be sold in company in Kelvington, SK and the Melfort and Kelvington Canada after December 20, 2023. By making this change we locations make Al's Sausage based on the original recipe will keep 625,00 single-use plastic bags from local landfills!







which went into production almost 4 decades ago in a meat shop in Kinistino, SK.

LOOP: FOOD WASTE DIVERSION

WE ARE **Members** WE ARE OWNERS WE ARE CO-OP

Co-op Helps



At Prairie North Co-op, our goal is to give with purpose, to strengthen support to local community initiatives and charities through initiating strategies that guide financial giving and volunteerism. In 2022, Prairie North Co-op received over 400 requests for support and gave a record \$154,463 to 223 community groups and organizations through cash donations, gift cards, products and merchandise.

Our Co-op was built to serve, grow and invest in our community. That's why we return our profits to local members through equity and cashback, and we have made a commitment to support the causes that matter to our members. Outlined below are the three pillars of our community giving:

- · Community Support Fund, a fund through which community groups and organizations can request donations and sponsorship throughout the year
- Sustainable Communities Fund, established in 2021, the Sustainable Communities fund is an annual Board allocation which accepts applications for capital projects and new program development funding from September 1 to September 30
- Fundraising Support, through charity barbeques and our gift card program

Following are some of the highlights from our 2022 community giving.



Prairie North Co-op is proud to support community grow fields in the communities of Kelvington, Melfort, and Naicam. Over \$15,000 in fuel and crop inputs is donated each year to these valuable community fundraisers.

FUEL GOOD DAY

At Prairie North Co-op \$10,000 was raised in just one day on September 20th! 10 cents from every litre of fuel sold at Gas Bars in Archerwill, Kelvington, Melfort, Naicam, Spalding and St. Brieux, plus the proceeds from BBQs and Big Cool and Coffee sales that day was split between the Archerwill Driftriders, Kelvington Trail Blazers, Melfort & District Trail Riders, and the Naicam SnowBlasters.

MELFORT MUSTANGS

In addition to the advertising that we do with the team each year, Prairie North Co-op is proud to support the 7th Skater Program and in 2022, due to the cost-of-living increases driven by inflation, created a discount program for billet families which entitles them to 10% off food purchases (some exceptions apply).

NEOSS/NESPCA

In 2022 Prairie North Co-op was the \$5000 prize sponsor for the Chase the Ace fundraiser that was split between the two organizations. For the NESPA, there was additional sponsorship in the form of BBQ's and the donation of a washing machine when the shelter's quit.

SUSTAINABLE COMMUNITIES FUND

The purpose of the Sustainable Communities Fund is to provide support to capital projects and new programs that will enhance the quality of life for the people in the communities and surrounding region that make up the Prairie North Coop trading area - Archerwill, Brooksby, Kelvington, Melfort, Naicam, Spalding, St. Brieux, and the hamlets in between. In 2022, the allocation was \$25,000 and the following projects were selected:

- · Kelvington Walking Trails, funds for a wheelchair accessible washroom
- · Melfort Minor Football, funds for a booth
- Naicam Pickleball Club, funds for a windbreak, benches. and equipment shed for pickleball court
- · Star City Library Learning Project, funds for equipment

JAMES SMITH FIRST NATION

After the tragic events at James Smith Cree Nation in September, recognizing the imminent need to get support to the families most impacted to offset travel costs to visit loved ones in hospital and to assist with the cost of wakes and funerals, Prairie North Co-op and Lake Country Coop approached Federated Co-op Limited to work out the details of a \$10,000 donation based on FCL matching the local co-operatives individual commitments of \$2,500 worth of gift cards. At Prairie North Co-op we continued to collect donations for the First Nation through our food store locations, collecting another \$4,700 to add to our original donation.

COMMANDING OFFICER'S CERTIFICATE OF **APPRECIATION**

On January 3, 2023 we were proud to accept the Commanding Officer's Certificate of Appreciation from the local detachment of the RCMP "in appreciation and recognition for your support of the Melfort RCMP detachment and the Saskatchewan RCMP through your kind and generous donation of food during the mass casualty incident which occurred at James Smith Cree Nation and Weldon, Saskatchewan in September, 2022. The RCMP is very fortunate to have such strong community support." Terry Tremblay, General Manager of Prairie North Co-op, explains, "our staff were compelled to act, and they initiated the giving. We are just proud to be a company that says 'yes' when our employees are passionate about a cause.'



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Team Member Engagement

Employee engagement is a mindset where team members take personal stakeholder responsibility for the success of our co-op and apply discretionary effort aligned with our goals. Providing a work environment in which people want to do their best, build careers with our organization, and say positive things about their work experience is important to all of us.

We are proud of the programs and benefits that we offer our employees. Listed are some examples of the innovative ways that we are trying to make a difference in the lives of the people who work for us:

TEAM MEMBER PURCHASE PROGRAM

In addition to equity earned through regular membership, Prairie North Co-op will provide a 5% discount on staff purchases made at all retail locations to a maximum of \$500 per year. A team member must have an active membership number with Prairie North to record purchases made throughout the year.

BEST IN BRAND: BRAND MOMENTS GIFT CARD

To recognize team members who go above and beyond in their daily activities, all team leaders will have access to a supply of pre-loaded \$10 Co-op gift cards. Team leaders will provide gift cards to team members as a small token of our thanks and recognition.

HELPING HANDS PROGRAM

Helping hands is to assist team members who are experiencing unusual hardships due to a health crisis in the immediate family or facing a difficult personal situation. A helping hands fundraising effort must be initiated on behalf of a fellow team member in need of support. Upon approval, Prairie North Co-op will match all donations collected from staff up to a value of \$500.

TEAM MEMBER FITNESS INCENTIVE

To encourage health and wellness, all permanent adult (nonstudent) team members of Prairie North Co-op participating in continuing physical activity programs/memberships will be reimbursed for 50% of the cost of memberships up to a maximum of \$200 per year.



TEAM MEMBER NO INTEREST PURCHASE CONTRACT

To assist team members with large purchase items from the Co-op, Prairie North will provide no interest financing options and payment plans. Purchases that are between \$250 and \$5000 will qualify for this program, excluding grocery and perishable items. Payments will be set up as payroll deductions and all purchases must be repaid within 12 months.

TEAM MEMBER COMMUNITY INVOLVEMENT

The purpose of this program is to acknowledge and encourage team member continued involvement and volunteerism in the community. Team members who volunteer their time to a community organization are eligible to receive a \$250 donation from Prairie North Co-op on their behalf paid directly to the organization. The team member

WE HAVE SOME REMARKABLE PEOPLE WORKING FOR US. **FOLLOWING ARE** THE ONES WHO ARE **CELEBRATED WORK ANNIVERSARIES IN 2022:**

5 YEARS

Darrin Boen, Kelvington Fuel Team Anthony M. Borigas, Kelvington Home Shelley Hordos, Archerwill Food Jeremy R. Smith, Kelvington Home

10 YEARS

Tracey L. Healey, Melfort Admin Kimberley D. Huffman, Melfort Gas Bar Emery K. Nelson, Melfort Home Dylan R. Yates, Melfort Gas Bar

15 YEARS

Jordan W. Derr. Melfort Food Gregory J. Flasko, Naicam Agronomy . Bernadine J. Hartt, Melfort Agronomy

20 YEARS

25 YEARS

Lori Clark, Kelvington Home Sharleen Leffler, Kelvington Gas Bar Robert M. Pasieka, Melfort Agronomy Susan A. Sunderland, Naicam Jacqueline A. Weber, Melfort Food Margaret H. Woolsey, Melfort Food

35 YEARS Judy Liddle, Melfort Foo must have given a minimum of 50 hours of service to the group in the past year and have been involved with the group for at least two years.

VOLUNTEER RECOGNITION PROGRAM

The volunteer recognition program strives to acknowledge team member volunteerism in the community or those assisting with Prairie North Co-op sponsored events outside of work hours. Upon volunteering at an event, team members can complete a summary form indicating the event and number of volunteered hours. Gift card reward plan:

• 1-3 hours - \$10

- >3-6 hours \$25
- >6-10 hours \$50
- >10-20 hours \$100

CASUAL FRIDAY

Prairie North Co-op has an official Casual Friday program. T-Shirts are supplied by the Co-op at the time of hiring. \$1.00 per pay period per team member is contributed by the team member to the Casual Friday fund. Each year all participating team members will vote on which local charitable causes and initiatives they wish to see the funds distributed to. Each participating team member will receive a donation credit on their T4 to allow a deduction on their income tax. In 2021, employees voted STARS as the recipient of the \$6254 collected.

TEAM MEMBER REFERRAL PROGRAM

The referral program is used to leverage existing Prairie North Co-op team member networks and personal connections to attract new qualified team members for vacant positions. Upon hiring a referred candidate, Prairie North Co-op will provide a reward of a \$50 Co-op gift card to the individual that made the referral. Upon the referred candidate successfully passing the 85 days worked probationary period, the team member that made the referral will receive an additional \$100 Co-op gift card.

NEXT GEN SCHOLARSHIP

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The Next Gen Scholarship is a \$500 scholarship for the children of Prairie North Co-op Employees. The scholarship is a one-time opportunity per student that can either be used for post-secondary education or supporting elite sports (provincial/ national team) or culture opportunities (music, voice, etc.).



WE ARE **PROUD** WE ARE **LOCAL** WE ARE **CO-OP**

In a nutshell, sustainability comes down to profitability with a conscience. I would like to extend my sincere appreciation to the amazing Prairie North Co-op employees for all that they have done over the past year. This report reflects their hard work and dedication in a time of need and uncertainty. - Terry Tremblay

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Congratulations to Jonalyn Agnote of St. Brieux. Her submission to the 2022 #MyCo-op employee photo contest was selected for our cover. The photo Jonalyn submitted was of the St. Brieux Hybrid Gas/Food/ Liquor Store.

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