

2023

# ANNUAL REPORT



SOUTH  
COUNTRY



## OUR VALUES

### EXCELLENCE

Strive for innovation, reliability and sustainability

### PEOPLE

Teamwork, passion, safety, friendly, family.

### INTEGRITY

Honest, trustworthy, respectful & accountable.

### COMMUNITY

Care for and support our local communities.

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## OUR VISION

Building sustainable communities together

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## OUR MISSION

Building stronger communities with our team while providing our members the ability to share our profits.



## TABLE OF CONTENTS

<b>Page 2</b>	Vision / Table of Contents
<b>Page 3</b>	At a Glance
<b>Page 4</b>	Agenda/Patronage Numbers
<b>Page 5</b>	2023 Minutes
<b>Page 6</b>	Board Chair Report
<b>Page 7</b>	Board of Directors
<b>Page 8</b>	CEO Report
<b>Page 9</b>	ELT/SLT
<b>Page 10</b>	Agro Report
<b>Page 11</b>	Energy Report
<b>Page 12</b>	Sustainability
<b>Page 13</b>	2023 Development / Talent & Culture
<b>Page 14</b>	Community Engagement
<b>Page 15</b>	Giving Highlights
<b>Page 16</b>	App page
<b>Page 17</b>	Consumer Report
<b>Page 18</b>	Co-op Pictures
<b>Page 19</b>	In Review

# AT A GLANCE

1

## ADMIN OFFICE

Once the site of the original Medicine Hat Agro Centre, the building was renovated and opened in 2017 to bring the entire Admin and Executive Teams together at one location.

8

## LIQUOR STORES

Superior customer service and a wide selection of beers, wines, & spirits, (including many from LOCAL brewers and distillers) offer our guests a pleasant experience each visit.

3

## PHARMACIES

Download our app, "**Co-op Pharmacy**" & visit our site [cooprx.ca](http://cooprx.ca)! Ask about the benefits of being a Co-op member at our pharmacies.

11

## AGRO/FERTILIZER SITES

Our Agro centres carry a surprising range of products, from home & building supplies, farm supplies, bins & augers, agronomy services, fertilizer, and so much more to ensure our members' needs are met.

4

## FOOD STORES

Co-op food centres carry community-specific products at competitive prices; employ **professional meat cutters**; stock local produce, and have our own superb quality Private Label brand items.

12

## GAS BARS

We offer 24-hour pay-at-the-pump access at almost all of our clean, sanitized gas bars. We also boast award winning Co-operative Coffee worth stopping for.

5

## BULK PETROLEUM SITES

Co-op offers bulk delivery of fuel, DEF, and lubricants, and can supply any type of agricultural, commercial, or industrial business.

15

## CARDLOCKS

South Country's cardlocks are part of a network of over 280 card lock fuel stops, with various amenities for your convenience.

## COMMUNITIES

South Country Co-op is in 19 communities across southern Alberta, each being served in different ways, depending on the needs of the members there. However, the products and services we provide serve many more in surrounding areas. But it doesn't matter where you're from, because at South Country Co-op "**You're at Home Here**".

19

<b>ACADIA VALLEY</b>	<b>BROOKS</b>	<b>FOREMOST</b>	<b>LOMOND</b>	<b>REDCLIFF</b>
<b>BARONS</b>	<b>CLARESHOLM</b>	<b>HAYS</b>	<b>MEDICINE HAT</b>	<b>TABER</b>
<b>BASSANO</b>	<b>DUCHESS</b>	<b>HIGH RIVER</b>	<b>OYEN</b>	<b>VAUXHALL</b>
<b>BOW ISLAND</b>	<b>DUNMORE</b>	<b>LETHBRIDGE</b>	<b>PICTURE BUTTE</b>	

# AGENDA

1. Virtual Meeting Etiquette
2. Call Meeting to Order & Welcome Members
3. Oh Canada
4. Adoption of Agenda
5. Introduction of the Board & Invited Guests
6. Greetings from FCL
7. Approval of the 2023 AGM Meeting Minutes
8. Board of Directors' Report
9. CEO's Report
10. Auditors & Financial Report
11. Appointment of Auditors for 2024
12. Nomination Report
13. New Business
14. Question Period
15. Adjournment

## OUR PROFITS ARE YOUR PROFITS

Dyed Fuels **5.6%**  
(approximately 5.5 cents / litre)

Pumps & Clear Fuel **4.5%**  
(approximately 6.0 cents / litre)

Oil & Grease **8.0%**

Propane **8.0%**

Crop Services **2.75%**

Hardware & Ag Equipment **2.0%**

Tires **2.0%**

Fertilizer **1.0%**

Food & Confectionery **3.75%**

Pharmacy **6.0%**

Wine & Spirits **1.0%**

**SOUTH COUNTRY CO-OP PAID  
BACK \$15,396,414 IN CASH  
FOR YOUR 2023 PURCHASES**

# 2023 MINUTES

## MINUTES OF THE SOUTH COUNTRY CO-OP LIMITED ANNUAL GENERAL MEETING HELD VIRTUALLY – VIA ZOOM MONDAY, MARCH 27, 2023 @ 7:00 PM

Chairman Marcel Vanden Dungen, Chair of the Board of Directors for South Country Co-op Limited, welcomed all those present virtually and called the meeting to order at:

**7:05 pm with 85 members,  
4 guests and 8 Board of Directors**

### Agenda

- Sue Edwards, #90, moved the acceptance of the meeting agenda, seconded by Craig Weich #25166. CD

### Minutes from 2022 AGM

- Marc Cayer #62400, moved the acceptance of the Meeting Minutes from the 2022 AGM, seconded by Heather Smith-Schenkey #21742. CD

### Board of Directors Report

Chairman Marcel Vanden Dungen presented the Board of Directors report for the fiscal year ending November 30, 2022.

- Moved for acceptance by Margo Dick #31051, seconded by Jeff Unrau #29156. CD

### CEO's Report

Chairman Marcel Vanden Dungen introduced Chief Executive Officer, Paul Haynes, to present the CEO Report.

- Moved for acceptance by Richard Stamp #2271252, seconded by Simon Neigum #24401. CD

### Auditor's Report

Chairman of the Audit & Enterprise Risk Management Committee, Tony Steier, introduced Delayne Sackman with MNP, LLP to present the Independent Auditor's Report.

The Independent Auditor's Report dated March 22, 2022, was reviewed by Delayne Sackman, with MNP, LLP.

- Moved for acceptance by Tony Steier #76639, seconded by Margo Dick #31051. CD

### Financial Report

Chairman of the Audit & Enterprise Risk Committee, Tony Steier, then introduced Brad Dewing, Chief Financial Officer, to present the 2022 Financial Report.

- Moved for acceptance by Brad Dewing #48637, seconded by Ted Rodych #25100. CD

### Appointment of Auditors

Chairman of the Audit & Enterprise Risk Management Committee, Tony Steier, made the recommendation to appoint MNP, LLP as External Auditors for South Country Co-op Limited for the year ending November 30, 2023.

- Moved by Tony Steier #76639, seconded by Marc Cayer #62400, to appoint MNP LLP as auditors for South Country Co-op Limited for the fiscal year ending November 30, 2023. CD

### Resolutions – R1 through R12

Chairman of the Resolutions Committee, Tony Steidel, reviewed each of the 12 Resolutions brought forward by the Governance Committee. Tony stated that Sue Edwards #90 was the mover, and Bill Ressler #53371 was the seconder (both from the Governance Committee) of each resolution brought forward tonight, and the members voted if they were in favor or not.

All Resolutions were carried!

### Nomination Report / Director Elections

Chairman of the Nominations Committee, Wayne Brost, continued into this portion of the meeting and shared with the members that due to acclamation, there was no election required.

Wayne Brost wished to thank the two nominees for their support and willingness.  
(Simon Neigum and Jeff Unrau)

Wayne declared the two (2) successful candidates: Simon Neigum and Jeff Unrau, both for Three - Year terms.

Congratulations! Welcome to the South Country Co-op Limited Board of Directors.

### New Business

There was no new business brought forward.

### Question Period

Chairman Marcel Vanden Dungen and CEO Paul Haynes were prepared to address any questions brought forward by any of the participants.

There were no questions brought forward to be addressed.

### Adjournment

Chairman Marcel Vanden Dungen requested a motion to adjourn the meeting.

- Moved by Heather Smith-Schenkey #21742, seconded by Bill Ressler #53371, to adjourn the meeting at 8:28 pm. CD

# BOARD CHAIR REPORT

## Sue Edwards - Board Chair

What does it mean to belong to a member-owned Cooperative living in Southern Alberta? To me, it means, supporting local, buying local, investing in local and believing in our local communities. South Country Co-op has proven over the years that we are here for our members and take pride in being stronger together.

### **My first year as Chair of the Board has proven to be. Challenging but rewarding Exhausting but rejuvenating**

It was my absolute privilege to lead our Board of Directors and support the ELT team of South Country Co-op this past year and I look forward to the year ahead.

As we navigate life after the Covid – 19 crisis we are faced with the global market of high interest rates and inflation with new challenges that we have not experienced or witness for many years. This is another reason why supporting local and building our communities for safe and secure future is more important than ever.

The work completed by our Board committees has streamlined our pre-meeting preparations, enabling us to be more productive during board meetings. By entrusting these important duties to our committees, we ensure that the groundwork is laid prior to meetings, allowing us to focus on strategic discussions and decision-making during our sessions.

### **Executive Committee** – Sue Edwards (Chair of the Board), Simon Neigum (Vice-Chair), Tony Steier (Secretary)

- Assists the Board in exercising the authority of the Board between Board meetings in the management of the affairs of South Country Co-op (SCC).

### **Governance Committee** – Bill Ressler (Chair), Marcel Vanden Dungen, Tony Steier, Simon Neigum

- Building and enhancing the Board's effectiveness and continuous improvement.
- Developing self-governance policies.
- Overseeing operational and staff policies with management.
- Reviewing the terms of reference for all South Country Co-op SCC committees.

### **Finance Committee** – Robert Weisgerber (Chair), Marcel Vanden Dungen, Margo Dick, Simon Neigum

- Ensuring that South Country Co-op (SCC) remains financially sound by regularly reviewing financial performance against goals.

- Reviewing and recommending financial policies that support and advance SCC's mission, vision, and strategic goals.

### **Audit/Enterprise Risk Management Committee** – Tony Steier (Chair), Bill Ressler, Marcel Vanden Dungen, Jeff Unrau

- Fulfilling its oversight responsibilities for the integrity of South Country Co-op (SCC):
  - o Enterprise risk management and mitigation
  - o Consolidated financial statements.
  - o Compliance with legal and regulatory requirements.
- Ensuring that SCC remains financially sound by regularly reviewing financial performance.
- Ensuring that SCC's exposure to enterprise risk remains within acceptable tolerance levels; as approved by Management and or the Board of Directors.

### **Member Relations & Community Engagement Committee** – Margo Dick (Chair), Bill Ressler, Robert Weisgerber, Jeff Unrau

- Increase membership, foster member awareness and engagement in South Country Co-op (SCC)
- Enhance SCC's presence, image, and reputation across the service area.

### **Resolutions Committee** – Simon Neigum (Chair), Tony Steier, Margo Dick

- The Resolutions Committee will assist South Country Co-op (SCC) members with the resolutions process.
- The Committee shall present to the SCC Annual General Meeting any resolutions submitted to the Committee by a member.
- The Committee will assist with any potential FCL Resolutions that are being proposed by SCC Board of Director

### **Nominations Committee** – Robert Weisgerber (Chair), Margo Dick, Jeff Unrau

- Responsible for matters pertaining to the Board's recruitment and nomination's function, in accordance with established policies and practices approved by the Board.
- Analyzes the existing gaps in competencies and characteristics of the Board and plays a pro-active role in identifying suitable candidates that will enrich the capacity and overall effectiveness of the Board.

The Board of Directors is excited to welcome Graham Getz as our new CEO. He embodies co-operation among Co-ops and brings many years of experience within the Co-op system to our South Country team. He is leading by example, moving us forward to a bright sunny future.

What makes me proud of being a member to South Country Co-op? Leaving behind a meaningful legacy that we can all be honored of by supporting events and initiatives that have a positive impact. Initiatives such as Fuel Good Day, Communities in Mind, Education Scholarships, Vauxhall Christmas Dinner, Medicine Hat Stampede breakfast, Whoop up Days BBQ in Lethbridge, Taber Cornfest and the countless other groups, events and organizations that we support. This is community. This is making a difference. This is OUR Co-op.

# BOARD OF DIRECTORS



**SUE EDWARDS**

CHAIR



**SIMON NEIGUM**

VICE-CHAIR



**TONY STEIER**

SECRETARY



**MARGO DICK**

DIRECTOR



**BILL RESSLER**

DIRECTOR



**JEFF UNRAU**

DIRECTOR



**MARCEL VANDEN DUNGEN**

DIRECTOR



**ROBERT WEISGERBER**

DIRECTOR



## CEO REPORT

### GRAHAM GETZ

#### CHIEF EXECUTIVE OFFICER

Graham is a proven and progressive leader with a solid track record of sustainable growth, innovation integration, and community giving. Graham has over 27 years of strong Co-operative foundational knowledge that focuses on the best interests of employees, members, and communities while achieving business results in each Co-op served across the Co-operative Retailing System.

Focusing on building relationships with positive energy through effective communication initiatives, Graham has achieved a high level of trust and transparency with Boards of Directors, leadership teams, front-line employees, local community leaders, indigenous communities. This approach has led him to success in building and inspiring high performing teams and executing transformational strategies to achieve both short term and long-range goals.

Graham is a self-starter who thrives at continuous learning in a fast-paced environment with the courage of a “Go first” mindset and believes in demonstrating organizational values through leading by example. Graham is a proud advocate of the Co-op Business model, the CRS across

Western Canada, and growing Co-operative partnerships in Alberta. Graham leads by fully support the federation through programs, partnerships and processes, and services to ensure our federation is strong and unified.

Graham began his career in the CRS as a student clerk at the Birch Hills Co-op, in Birch Hills, SK in 1996. He later worked for Saskatoon Co-op as a Food Clerk, before he was promoted to Food Manager in Davidson, SK, where he took his General Manager training. Upon completion he assumed the position of General Manager at both Davidson and Watrous Co-ops before becoming a Retail Advisor with FCL, Saskatoon Region. In May 2013 he was appointed to the position of General Manager of St. Paul and District Co-op prior to the amalgamation with Eastalta Co-op to form Cornerstone Co-op.

As CEO, Graham’s role centres communicating and implementing the Co-op’s Purpose, Brand, Corporate Strategy, Retail Goals and overall direction through a value-based collaborative approach. Graham leads with a sense of urgency and a focus forward style to position Cornerstone Co-op to be relevant and successful for the next generation of Co-op Owners. Graham is very proud of all the accomplishments of the entire talented Cornerstone Team.

Graham has attended several training courses and seminars through out his career with the Co-op Retailing System. In 2010 he attended the Edwards School of Business, completing an intense program called Effective Executive. In 2018, he completed Strategy, Execution, and Leadership sessions at the Smith School of Business at Queen’s University obtaining his certificate in the Queen’s Executive Program. Graham has also forged his own personal journey of Truth and Reconciliation by completing two certificate programs through Blue Quills University and the University of Alberta. He continues to build his business network by belonging to CEO MacKay forums in Edmonton where top- level executives from a variety of industries collaborates on market trends, challenges, and opportunities.

Graham has been involved as a director with the St. Paul and District Chamber of Commerce as well as President of St. Paul Minor Football. Graham’s experience has allowed him to lead the community groups and illustrate his strategic, forward looking, and innovative thinking.

Outside of Cornerstone Co-op, Graham enjoys spending time with his wife Camille and two children, Kelton and Kayla. Kelton, age 21, resides in Leduc and works at Beyond Energy working towards being an apprentice electrician. Kayla age 18, attends Lethbridge College, taking Health Science and is a sprinter on the Kodiak Track Team. They all enjoy spending time in the Okanagan and are avid Saskatchewan Roughrider and Toronto Blue Jays Fans!



# EXECUTIVE LEADERSHIP TEAM



**GRAHAM  
GETZ**

Chief Executive Officer



**KERRI  
UNGER**

Executive Assistant



**BRAD  
DEWING**

Chief Financial Officer



**DARREN  
ANDRES**

VP Consumer



**SHERILYNN  
BEBEAU**

VP Talent and Culture



**CARMEN  
HUDSON**

VP Business Development



**MIKE  
MUELLER**

VP Ag and Energy

## SENIOR LEADERSHIP TEAM



**RICK  
BOLEN**

Project Manager



**MARC  
CAYER**

Asset Protection Manager



**GIZELLE  
CHEHAB**

HR Advisor



**CHRIS  
DANDERFER**

Ag Procurement Manager



**CLAUDETTE  
HOFFART**

Pharmacy Division Manager



**MONICA  
MILLER**

Liquor Division  
Manager



**RAMIZ  
PATHAN**

Gas Bar  
Division Manager



**HEATHER  
SMITH-SCHENKEY**

Health, Safety and  
Environment Manager



**NORM  
SWAIN**

HR Advisor



**DARREN  
WHITE**

Director of Finance

# AGRO DIVISION

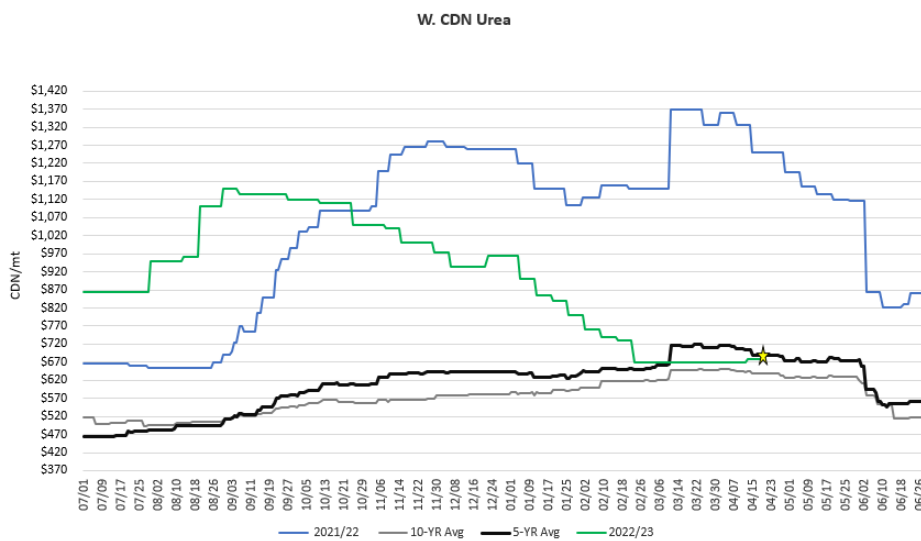
Mike Mueller - VP Ag and Energy

2023 provided many challenges for growers in Southern Alberta where we experienced drought conditions leading to agricultural disaster declarations in several counties which signalled the need for assistance. A cool, dry spring was met with abnormally high temperatures in the months of June and July not only impacted crop yields but also cause an influx of insect pressures which also had a negative result on crop yields through out the region. Historically low snowpack in the mountains had a large impact on irrigate acres as well as dryland acres through out the region to go along with our cattle producers who were challenged for feed and supplying water to their herds.

Grain prices experienced notable fluctuations influenced by a combination of factors including weather conditions, supply chain disruptions, and global economic trends and trade policies. At the beginning of 2023 grain prices were generally elevated due

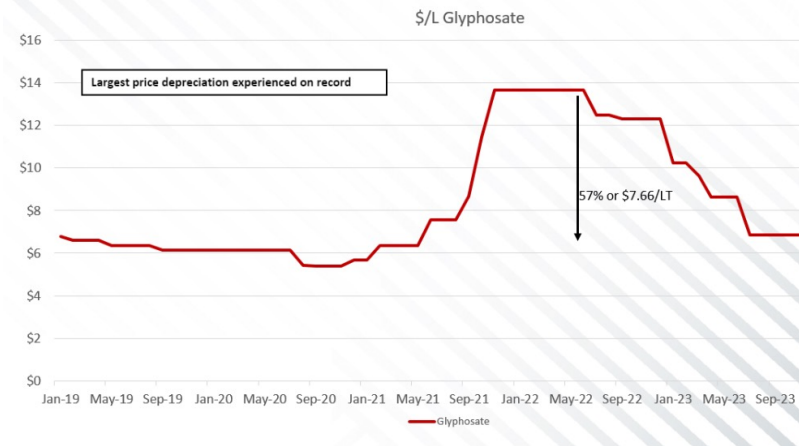
to concerns over production shortfalls. As the year progressed, improved weather conditions globally coupled with increased seeded acres and yields led to downward pressure on grain prices. Additionally, logistical challenges and supply chain disruptions, in particular related to transportation and shipping further influenced downward pressure on grain prices.

The agriculture industry experienced two significant events in 2023 that had significant impact on South Country Co-op's retail profitability along with our grower members. After consecutive years of record appreciation caused by coinciding black swan events (Covid-19, Hurricane Ida, Chinese export restrictions, phosphate tariffs, border restrictions, etc.) the supply chain stabilized, and prices reset in-line with historical values. This market correction led to the second largest pricing devaluation seen in the industry's history (next to 2008; see "W. CDN Urea Price Index"). Unfortunately, because prices inverted mid-year, massive write-downs were realized across the industry.



Following consecutive years of unforeseen supply chain disruptions, the glyphosate market became volatile. As market supply went from being short to over-supplied, prices reached all-time highs before re-setting to historical pricing levels. This price/inventory dynamic is evident in the Ag industry inventory trends, as illustrated in the Glyphosate vs Inventory graph below. For added background, glyphosate production was significantly impacted in 2021 by Hurricane Ida (and its effects on a Bayer manufacturing facility), pandemic related issues (from packaging to transportation), and raw ingredient shortages. As a result of limited market supply, manufacturers increased pricing and new non-traditional sources began entering the Canadian market. As traditional production came back on-line (high supply) and prices remained elevated (low farmgate demand), prices began to decline at the end of 2022 (as indicated in the blue line in the graph below). The inventory built up in the channel (from wholesale to retail) dropped in value, causing significant inventory write downs across the industry.

## Challenges: Devaluations



Through these challenges, South Country Co-op's team members were side by side with our members to provide strategic options and solutions to help our members through such trying times. We will continue to focus on our members and provide the best in-class professional development to our team members along with our grower members. Our commitment remains to center our business around our members and build lifelong relationships which in turn should enable us to enjoy a profitable relationship together.

We are committed to move forward from 2023, and learn from a challenging year. With the support from our members, Board of Directors, Executive Leadership Team, and our valued team members that service our member's needs on a daily basis, we are all looking for a brighter 2024.



## ENERGY REPORT

The Energy Division of South Country Co-op experienced a challenging yet ultimately rewarding year in 2023. Despite facing deflationary pricing pressures impacting top-line sales, the division maintained robust margins and achieved growth in volume, primarily driven by strategic initiatives and investments.

A noteworthy event for our team would be the retirement of Brad Klassen, Gas Bar Division Manager who retired after 40 years of dedicated service to the Co-op system. We will deeply miss his unique sense of humor and unwavering dedication to our Co-op's success. Ramiz Pathan has been appointed Gas Bar Division Manager and has embraced the challenge with enthusiasm. We are delighted to have him on the team.

A significant highlight of the year was the successful launch of the new Bassano Cardlock, replacing the outdated facility with enhanced amenities and services. This modernized location now offers clear and dyed diesel and gas, Diesel Exhaust Fluid (DEF), and a truckers' washroom complete with showers. Notably, the Bassano Cardlock stands as a flagship within the Cooperative Retailing System (CRS) by being the first to feature a solar canopy. This innovation not

only aligns with our commitment to sustainability but also sets a precedent for future initiatives aimed at reducing our carbon footprint.

Furthermore, in line with our dedication to enhancing customer convenience, we introduced Visa and Mastercard payment acceptance at both the Bassano and Dunmore cardlocks. This strategic decision reflects our ongoing efforts to adapt to evolving consumer preferences and ensure accessibility across our network of locations.

In addition to customer-focused initiatives, significant infrastructure upgrades were undertaken during the year. The Brooks Corporate Bulk Plant received a comprehensive overhaul, featuring a state-of-the-art fuel loading facility designed to streamline operations and enhance efficiency. Minor enhancements were also made at the cardlock, including the replacement of exterior lighting and the introduction of "Premium Gas" to our product offering. These upgrades underscore our commitment to maintaining top-quality facilities and delivering superior service to our customers.

Despite market challenges posed by deflationary pricing and aggressive competition, the Energy Division of South Country Co-op remained resilient and demonstrated a commitment to innovation, sustainability, and customer satisfaction throughout 2023. Looking ahead, we are poised to build upon these achievements, leveraging our cooperative values to drive continued growth and success in the years to come.

# SUSTAINABILITY HIGHLIGHTS



Donated 1904 Good Buy to Hunger Bags valued at **\$29,843** to local food banks in the trading area.



Year ending 2023, donation of **\$4697.26** made to pediatrics ward of MH Regional Hospital from the book exchange sales.



Diverted over **155,400 kgs** of baled cardboard from landfills.



2023 - **\$2.9 million dollars in local sales**, an increase of 7.5% over last year, sourcing approximately 52 local companies.



25 South Country Co-op sites are depots to collect rechargeable and single use batteries to divert them from the landfill.



Bassano Cardlock has a solar canopy installed.

- 69 KW solar system
- anticipated to produce 70,000kwh annually.
- Energy retailer will purchase excess power.



Facilities have LED upgraded lighting and energy efficient refrigeration.



On April 4, 2022 South Country Co-op signed onto the Canada plastics pact, signalling our commitment to focus on the sustainability of our communities in our business practices and do our part as stewards of the environment.



Food waste rescued and repurposed to local farms through the Loop program was **43,456kg** in 2023.



Our retail Ag sites participate in the Clean Farms initiatives which include the collection of:

- Grain bags
- Bags & large tote bags
- Unwanted pesticides & livestock medications
- Totes & drums
- Containers up to 23L



Diabetes Diversion & Environmental Impact Results:

- 82,220 kg donated
- 1,808,515kg of CO2 saved
- 30 kids going to camp

We take great pride in supporting the communities we serve and reinvesting our profits into our member owners. For the 2023 fiscal year, **we are pleased to allocate \$19,894,062 in equity to our members.** Including community investment and donations, this equates to over **\$50,000/day given back** to members and the communities we serve.

# 2023 DEVELOPMENT

## Rick Bolen - Project Manager

In 2023, South Country Co-op embarked on several significant projects aimed at enhancing infrastructure, service offerings, and operational efficiency across various locations. These initiatives reflect our ongoing commitment to providing top-tier facilities and services to our valued customers and communities.

### 13th Avenue Food Centre Renovation

In March 2023, South Country Co-op successfully completed the renovation of the 13th Avenue Food Centre. This comprehensive project involved the replacement of refrigeration equipment, lighting upgrades, and modernization of bakery facilities. The investment of \$1,752,000 ensured the installation of high-quality, energy-efficient equipment, aligning with our commitment to sustainability and customer satisfaction.

### 13th Avenue Mall Roof Section Replacement

Continuing our efforts to improve infrastructure, South Country Co-op initiated the replacement of the roof section at the 13th Avenue Mall. By transitioning from traditional tar and gravel to a modern SBS Membrane Roof, we aimed to enhance the durability and longevity of the mall's roofing system, ensuring a safe and comfortable environment for patrons and tenants.

### Wendy's at Redcliff Gas Bar

Developing a partnership with the Wendy's restaurant chain resulted in the establishment of Wendy's located next to our Redcliff Gas Bar. This strategic alliance not only broadened our service offerings but also strengthened our presence in the Redcliff community, catering to the needs of both highway travelers and local residents.

### Bassano Cardlock Greenfield

The Bassano Cardlock Greenfield project marked a significant investment in infrastructure, with a total investment of \$6,177,000. This project included the construction of state-of-the-art facilities, including truckers' washrooms, underground fuel storage tanks, and modern dispensing systems. The completion of this project demonstrates our commitment to providing efficient and reliable fueling solutions to our customers.

### Veeder Root Tank Gauging/Leak Monitoring Equipment Replacement

Recognizing the importance of maintaining fuel system integrity, South Country Co-op undertook the replacement of obsolete tank gauging and leak monitoring equipment across multiple gas bars and cardlocks. With an investment of \$259,000, this initiative ensures accurate inventory reconciliation and compliance with stringent safety standards, safeguarding both our assets and the environment.

In conclusion, the projects undertaken by South Country Co-op in 2023 reflect our dedication to innovation, sustainability, and customer-centricity. As we look ahead to 2024, we remain committed to further enhancing our facilities and services, striving to deliver excellence in every aspect of our operations. We would like to express gratitude to our customers, stakeholders, and team members for their continued support and partnership in achieving our shared goals.

# TALENT AND CULTURE

## Sherilynn BeBeau - VP Talent & Culture

2023 saw a year of change, as it is necessary in today's highly competitive business landscape that we focus on providing and delivering easy to use HR technologies, consistent HR practices and reliable HR data. As we continue to focus on emerging changes within the business world, it is necessary that we optimize our internal employee experience.

Embracing this change allowed us to embark on the implementation of new technologies to improve the employee experience by empowering our Team Leaders and Team Members with easy-to-use human resources technology, consistent human resources practices, and reliable HR data. In turn, enhancing HR support and improving employee experience through leveraging automation, building a collaborative integrated HR function, empowering leaders within the retail through access to critical information that enables decision-making, and strengthening the partnership between the HR functions and business functions of the retail.

Throughout 2023, the focus of this change as with any element of change comes with challenges and opportunities. As we analyzed our HR functions to ensure we deliver exceptional employee experience one must remain vigilant in how we need to continue to adapt within the environment to ensure that our top priority of ensuring the health, welfare, and needs of our employees remain intact. Therefore, we will remain committed to continuing through 2024 to achieve optimization within the new technologies and processes to increase our employee experience.





Vauxhall & District Growing Project for the Canadian Foodgrains Bank harvest



Foremost & District Ag Society Community Spaces celebration



Mayor's BBQ to celebrate Whoop Up Days in Lethbridge

# COMMUNITY ENGAGEMENT

**Carmen Hudson**  
VP Business Development

In 2023, South Country Co-op remained dedicated in its commitment to supporting events, causes, and initiatives that enrich the communities we serve. Throughout the year, we actively engaged with our communities, truly living our cooperative values and purpose.

A highlight of the year was the celebration of our 25th annual stampede breakfast, a cherished tradition that brings together community members and celebrates our Western heritage. This milestone event was made even more special with a reunion of board members from our inaugural year, a testament the lasting spirit of cooperation that defines our organization.

Exciting community events aside, we made tangible contributions to community development. In Foremost, we demonstrated our commitment to enhancing local amenities by making a substantial donation to their community pool and significantly supporting the construction of an indoor riding arena. These investments not only improve infrastructure but also foster a sense of pride and well-being among residents.

In collaboration with the Medicine Hat Exhibition and

Stampede, we launched the Co-op Pioneer Village, a testament to our dedication to preserving history and promoting cultural heritage. This initiative not only provides a glimpse into our past but also serves as a vibrant community space for generations to come.

Our support extends beyond infrastructure to include education, youth development, non-profit organizations, and community groups. Through both monetary contributions and active volunteering, we strive to "make life better" for all members of our communities. By aligning our actions with our cooperative values, we reaffirm our purpose as an organization rooted in community service and mutual support.

Supporting local causes and initiatives is not just a matter of philanthropy; it's a reflection of our values and a recognition of the interconnectedness of our communities. Investing locally strengthens social bonds, stimulates economic growth, and fosters resilience in the face of challenges.

Moreover, active participation in local initiatives fosters a sense of belonging and empowerment among community members, nurturing a shared sense of responsibility for the well-being of all.

In 2023, South Country Co-op demonstrated that by standing together, we can create meaningful and lasting impacts in the communities we call home. As we look ahead, we remain committed to building a brighter future, guided by the principles of cooperation and solidarity.

Celebrating South Country Co-op's 25th Stampede Breakfast in Medicine Hat



Taber's Cornfest Parade



Taber & District Health Foundation Golf Tournament



# COMMUNITY GIVING HIGHLIGHTS



SOUTH COUNTRY

Our success depends on the strength of our community. We are committed to helping better the lives of our members, friends and neighbours.

## TOTAL COMMITTED LOCALLY 2023



EQUITY & CASH

\$19,894,062

**\$50,000+ / DAY**



IN-KIND

\$650,000

## OVER 500 ORGANIZATIONS REACHED!



Health & Wellness



Youth Sports & Recreation



Arts & Culture



Youth Education



Community Non-Profit

**\$15,000**

FUEL GOOD DAY

**\$190,000**

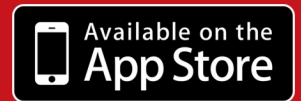
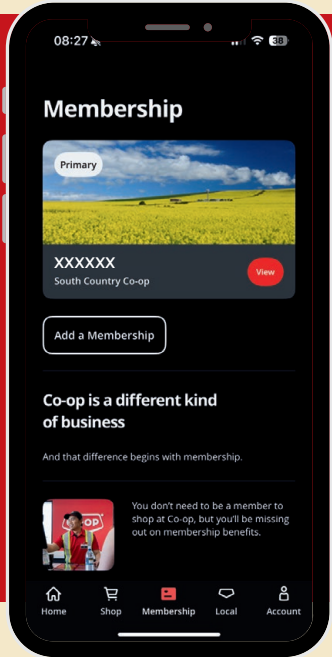
COMMUNITY DONATIONS, SPONSORSHIPS & GIFT CARDS

**\$28,000**

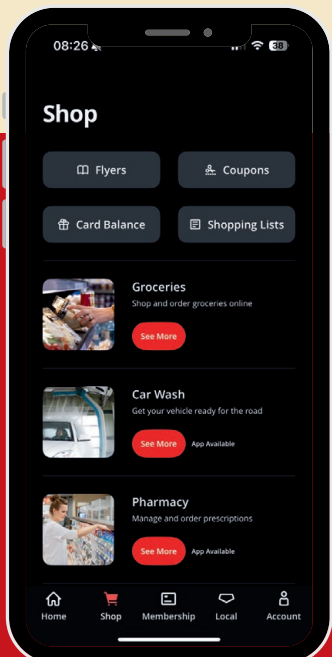
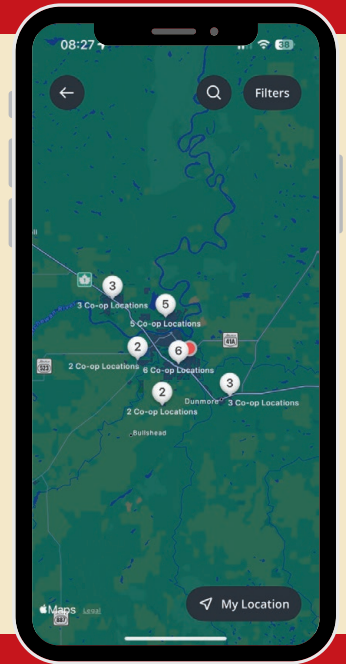
COMMUNITIES IN MIND PROGRAM



# DOWNLOAD THE CO-OP APP TODAY AND SAVE!



- Never forget your South Country Co-op Member Number again!
- Find your nearest Co-op location
- Check your equity balance



- Access our flyers
- Exclusive coupons to save more!
- Order your prescriptions
- Purchase a car wash
- Shop online for groceries





# CONSUMER DIVISION

## **Darren Andres - VP Consumer**

Overall, the Consumer Division sales improved in 2023, coming in \$3,403,542 or 3.5% over budget, which is an outstanding achievement. As a Team, we remained focused on our Strategic Initiatives, building our internal Best Practices, and upgrading the 13th Ave Food store.

We proactively expanded our local product selection in every area of food possible resulting in a 14% sales increase over the previous year. We're proud of this accomplishment and are eager to continue offering a high level of support for local businesses in the coming year.

Our 13th Ave food centre's renovation was completed in the first few months of the year and has received positive feedback from members and guests. The store has been modernized and now looks and feels like a Co-op. New graphics feature our brands, the fresh departments now have a full offering for our guests' shopping convenience.

2023 has been a demanding but optimistic year for our pharmacy division. The end of the pandemic left us with permanent changes to our pharmacy processes. We had adapted to the new challenges and found ways to successfully move forward. Throughout the year we remained highly committed to administering both Covid-19 and influenza vaccines as well as providing professional services to keep our communities safe and well.

In 2023 our pharmacy division lost a pharmacy manager at Northlands who moved to Ontario and a pharmacy technician who retired. This left us short-handed for most of the year, but we are anticipating filling these positions soon so that we can run our pharmacies to their full potential going forward.

The Emerald pilot launched at our Strachan Liquor store in March of 2023 and expanded to our Brooks location in August. Emerald is a next-generation point-of-sale ecosystem that will modernize and enable operations in our Food, Fuel, and Liquor commodities throughout the CRS.

The consumer trend in 2023 in liquor saw our guests returning to pre-Covid consumption and uptake on value brands due to a change in discretionary funds. Our team worked with the other consumer divisions to offer delivery to our commercial accounts and transfer goods between locations. We continue to work with Skip the Dishes and will be working towards other platforms to allow our guests options to meet their needs. Our goals going forward will be to look for ways to grow sales through marketing, tastings, and new products/innovations.



TOP TO BOTTOM - LEFT TO RIGHT

13th Ave Food Centre Re-opening Celebration in Medicine Hat

Opening day of the new Bassano card lock

Fuel Good Day fun

Community Spaces grant celebration in Foremost

Highway cleanup with the South Country Team

Kevin Wagner, 13th Ave Food Centre Manager, received the Changemaker award from REDI Enterprises

Smile cookie decorating

Toby Newton, Live Stock Specialist at our Cypress Agro Centre, received a Friend of 4-H award





## **SOUTH COUNTRY IN REVIEW**

### **TOTAL SALES**

2021	2022	2023
<b>\$511,479,551</b>	<b>\$645,135,108</b>	<b>\$617,815,410</b>

### **MEMBER PATRONAGE**

2021	2022	2023
<b>\$17,959,061</b>	<b>\$22,022,970</b>	<b>\$19,894,062</b>

### **ASSET GROWTH**

2021	2022	2023
<b>\$260,240,387</b>	<b>\$292,839,994</b>	<b>\$270,809,389</b>

