

# Membership and co-operation

We're owned by and run for our members, not a small group of shareholders. The more our member-owners choose us, the more value we create for our member-owners and their communities.

We're founded on a set of values and principles describing a different, fairer and better way of doing business. We use these values and principles to guide us in fulfilling our Vision and Purpose.

## Our Membership

Co-op Membership is about much more than just deals and rewards. Membership is a share in the business. This means member-owners can have a say in how it's run, from the products we sell to the causes we support.

We share our profits with local communities through our Community Partnership Fund and a dedicated £4m fund to support existing Local Community Fund causes. Through the Co-op App and online, member-owners are able to choose which community cause they support and can donate any available reward balance to them, too.

Member-owners can also 'Join In' to help shape the products and services we sell and vote on important issues at our Annual General Meeting (AGM).



With Co-op Membership, member-owners always save more with Member Prices in our Food stores and across our family of businesses such as Co-op Legal Services, Insurance and Funeralcare, as well as weekly personalised offers and prizes via games in the Co-op App.



**Over 1m member-owners** joined us in 2023, the most we've recruited in a single year since 2017.

We supported our member-owners through the cost of living crisis by making sure they always save more across hundreds of everyday essentials, like bread, milk and eggs. By buying member priced items in

our food stores, our member-owners have made over £35m in savings this year.

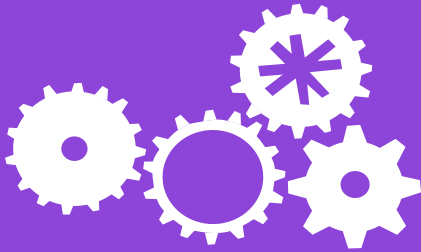
We've also seen member-owners using personalised offers more than ever before, redeeming over 21m last year, which is worth £9m in savings.

In 2023, we ran six games in the Co-op App to give our member-owners the chance to win prizes, from money off their shopping to tickets to Glastonbury Festival. Also, thousands of people joined Co-op Membership to get presale access to tickets for events at Co-op Live ahead of the venue opening its doors in April 2024.



Member Pioneers community litter pick

## How our governance works



**Member-owners:** As a co-operative, we're owned by individual members and other co-operatives, not by shareholder investors. This means that as well as being rewarded for trading with us, our member-owners have an opportunity to have their say on key issues including who represents them on our Council and Board.



**Council:** Responsible for holding the Board to account. Acts as a guardian of our Values and Principles, our Purpose and our constitution.



**Board:** Responsible and accountable for determining strategy and holding the Executive to account.



**Executive:** Key members of management running the business on a day-to-day basis in accordance with the strategy determined by the Board.

## How member-owners control and influence their Co-op

### Co-op Board

Our board consists of up to 13 directors, of which four are Member Nominated Directors (MNDs). All of our Board directors are member-owners themselves and they must meet both membership and eligibility requirements. Our MNDs are elected through a direct ballot of our member-owners as part of our AGM and Elections. Our Independent Non-Executive Directors are appointed by the Board and subsequently put forward for election by member-owners at our Annual General Meeting (AGM).

### National Members' Council

Our National Members' Council is made up of 100 Co-op Member-owners from around the UK, including colleagues, and it meets four times a year. In 2023, the Council fed into plans and discussed important issues for our Co-op, like support for our member-owners, colleagues and communities during the cost of living crisis, the introduction of Member Prices on everyday staples and the future of

Co-op Membership - helping the business to meet the needs of our member-owners and the diverse communities we serve and support.

A key role for our Council is holding the Board to account on the strategic and operational decisions it makes. This year, Council has made changes to the way it works to help it focus on the issues and themes that matter most to our member-owners. Our Council committees: Membership, People and Communities, Sustainable Ethical Leadership and Modern Co-operative Leadership, as well as Business Performance now work with Board Member-owners and senior leaders at every meeting to hold to account and influence the decisions made on behalf of our member-owners. As our Co-op moves to a new strategy with membership at its heart, council will continue to develop measures to enable it to hold the Board to account for ensuring that the value we create for member-owners - social, economic or as owners - is front and centre.

To keep in touch with our member-owners, the Council holds Join In Live events every autumn, bringing together co-operators, directors and colleagues to talk about what's happening around

our businesses and shape plans around our campaigns, membership and community activity. This year, our member-owners had the chance to ask questions of our Board and leaders about our interim performance. We shared the latest on progress on animal welfare since the member motion was passed at our 2023 AGM and asked our member-owners to help shape the future of Co-op Membership. For more information on the work of our National Members' Council, read the Council Annual Statement in our [2023 Annual Report and Accounts](#).



President and Vice Presidents of the National Members Council



## AGM

Our member-owners vote on motions at our AGM, which are put forward by our Board, Council or our member-owners.

642 member-owners attended the 2023 AGM (500 in person and 142 online) and were able to hear about the Co-op's annual performance and put their questions to the Board. More than 5,000 member-owners have since viewed all or parts of the meeting on our website.

This year, prior to the meeting we held two virtual Join In events, which were designed to allow member-owners to discuss and debate the issues put forward as part of the AGM agenda before they cast their vote. 179 member-owners joined us for these events.

In 2023, member-owners voted on the following motions - full motion wording can be found [online](#).



**31,000 member-owners voted** in our 2023 AGM and Elections (2022: 33,188).

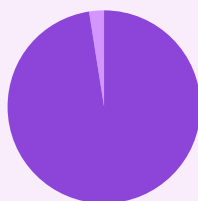


**1.5% voter turnout** among eligible member-owners (2022: 1.61%).

Motion for our Co-op to champion member value through its ethical and sustainable credentials

**For: 32,118 Against: 810**  
(97.54%) (2.46%)

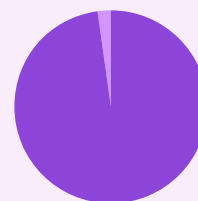
Withheld: 1,992



Motion for our Co-op to innovate and expand the ways our member-owners can access to exercise their rights to shape and participate in our Co-op's decision-making

**For: 32,199 Against: 642**  
(98.05%) (1.95%)

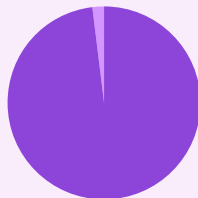
Withheld: 2,065



Motion for our Co-op to create a fairer world for our young people

**For: 32,447 Against: 633**  
(98.09%) (1.91%)

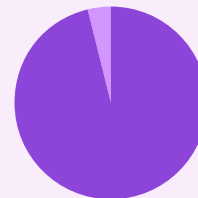
Withheld: 1,873



Motion from Member-owners for Co-op on Animal Welfare

**For: 31,226 Against: 1,181**  
(96.36%) (3.64%)

Withheld: 2,401



At our 2023 AGM, members voted in favour of a motion which asked us to consider options to **strengthen our animal welfare policies and practices** in relation to chicken. Our Board supported and recommended that members vote in favour, which they did, with a fantastic **96% majority**. You can read more on our progress against this commitment [here](#).



## Member-owner participation

Members own our Co-op, and shape our business activity through formal, democratic channels, like the Annual General Meeting and by getting involved in 'everyday' participation opportunities.

We aim to increase the number of times member-owners participate in our Co-op and to create maximum value for our member-owners and their Co-op by working with member-owners in four themes.

### 1. Co-creating products and services

Member-owners supported the development of our Valentine's, barbecue, and ready meal strategies this year. We saw the launch of a new wines where labels and tasting notes had been designed by member-owners. They also supported our work on labelling and provenance by testing new QR codes on our tinned tomatoes and providing vital feedback.

### 2. Bringing member-owners closer to the community programme they fund

This summer, we ran a campaign designed to showcase the breadth of community activity that's made possible thanks to their support. The campaign had 183,000 connections by member-owners and included member-owners telling their stories of the work being undertaken across our programmes including the Local Community Fund, Member Pioneers and our Co-op Academies.

Over 45,000 member-owners joined in to support Time to Talk Day this year, the largest conversation on mental wellbeing in the UK. Member-owners gained access to resource packs, helpful hints on how to start conversations and, through our website Co-operate, were able to link to local groups tackling the issue near them.



### 3. Standing up for what we care about

We have continued to support member-owners to understand the issues behind ethical decisions, engaging them in campaigns and giving them tools they need to make a difference. Member-owners engaged with conversations around peatland restoration and sustainability, Fairtrade, World Water Day, sustainable seafood and eating healthily.

Towards the end of the year member-owners helped us to develop our social mobility campaign and helped raise the big issue of shopworker safety through signing petitions and writing to their local elected representatives.

### 4. Helping member-owners understand our unique co-operative model

This year saw the introduction of our first online motions discussions; designed to help member-owners discuss and debate the motions to our AGM before they cast their vote. We also introduced a series of blogs and participation opportunities to help member-owners understand the unique Co-op they own and the ways they can participate in key elements of our democracy.



National Members' Council at Co-op Academy Belle Vue





During 2023, member-owners participated in our Join In opportunities over **1,000,000** times across 86 opportunities. This represents an increase of 27% on our target for the year.



## CASE STUDY

### Join in

We helped almost 32,000 member-owners to understand more about how they could reuse and recycle their pumpkins following the scary season, thanks to our partnership with Hubbub.

Thousands of member-owners also joined with their Co-op to learn more and celebrate the impact of our work as part of Sustainable Seafood September.

### A focus on young member-owners

Made up of six member-owners aged 16-25, our Co-op Young Members' Group (CYMG) acts as an advisory panel to make sure young people are better represented in our Co-op. This year, CYMG were instrumental in submitting a joint [motion](#) with our Member Council, calling to increase youth voice and influence in Co-op, which was voted for overwhelmingly by member-owners at our AGM.

Since then, we've increased the spaces where CYMG can share their voices and influence decision-making, with young member-owners taking seats

on our Values & Principles Committees and working with senior leaders and elected member-owners on cross-cutting issues like sustainability and co-operative leadership.

CYMG have helped fundraise and raise awareness for our partnership with Barnardo's whilst helping us to develop key campaigns and activity like Time to Talk Day, Fairtrade Fortnight and Power of Youth Day. In 2024, the group will continue to make sure they are in the right spaces to influence our Co-op and to enable more young people to get involved.



## Membership and co-operation data

We have continued to evolve how we measure and report participation in our Co-op and are now able to measure a more comprehensive view across a wider range of channels including:

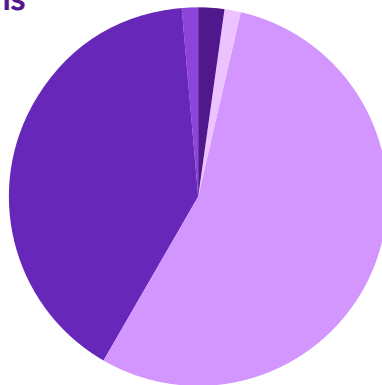
1. Choosing a community cause
2. Participating in a Join In activity
3. Donating their personal reward to the Co-op Foundation
4. Participating in the Co-op Collective insight group
5. Voting in our AGM and elections

In 2023, member-owners participated across these opportunities 2.5 million times (2022: 1.9m). This represents an increase on last year of 32%.

How we measure participation:

### Total Participations 2,510,725

- Co-op Collective: 58,571
- Donations of personal reward: 35,655
- Selected a cause: 1,370,617
- Join In: 1,014,754
- Voted: 31,128



## Co-operation among co-operatives

We're working to build partnerships that push the principles of co-operation forward and work together to help co-operatives and other social businesses thrive and survive.

It's our ambition to be at the forefront of this movement using our scale and influence to help others. We continue to be the largest funder of the Co-operative Movement and its institutions, providing over £1.6m of funding to a diverse range of organisations (see [here](#) for further details).

In 2023, we took part in initiatives such as:

- Highlighting the co-operative sector's national campaign Co-op Fortnight, promoting an 'Altogether different way to do business'.
- Continuing to participate in Social Enterprise UK's corporate challenge, seeking to increase the number of social enterprises in our supply chain.
- Supporting the Plunkett Foundation's Rural Business Awards and joining a new Co-operative Retail Societies Network to support community-owned businesses.

Our Co-op also has independent Society Members (ISMs), which are other retail co-operatives operating food stores and other businesses around the UK. We supply food and non-food products to the ISMs on a wholesale basis through a jointly-owned organisation called Federal Retail Trading Services (FRTS). We also collaborate closely with the ISMs on a range of activities, including our campaigns and social value activities.

## Giving member-owners what they need to play a part through education and training

Co-operative Member Education, Training and Information is one of our co-operative principles. Members own our business and have a say in it, so it's important that they understand more about what makes us different and how they can use their membership to do good things. In 2023, 24,528 member-owners took part in opportunities on our Join In platform on topics like 'What's it like on our National Members' Council?' and 'What gets your vote?'.

### 2024 targets

The National Members' Council will continue to take action to ensure that we increase the % of candidates from diverse backgrounds who stand for election to the Council, including ethnicity, disability, age and social mobility, in order to be reflective of our Co-op's members and communities.

Our Co-op aims to end 2024 with 5.5m active members.



## Membership data



Target Achieved



On Track



Close to Target



Behind Schedule



Target not Achieved



Restatement



In-depth assurance

### Key Performance data icons

| Issue                               | 2023 Target   | Performance against Target   | KPIs  | 2020            | 2021            | 2022            | 2023             | 2024 Target   | SDGs |
|-------------------------------------|---|--|---|-----------------|-----------------|-----------------|------------------|---|------|
| Membership numbers                  | We aim to end 2023 with 4.5m active members   | We recruited over 1m new members in 2023, ending the year with 5m active members.  | Number of active members (million) (those who have traded with us in the last year in Co-op Food, Funeral and Life Planning, Insurance and Legal Services)  | 4.34            | 4.23            | 4.31            | 5.02             | We aim to end 2024 with 5.5m active members.  |      |
|                                     |   |  | Number of new members (m)   | 0.4             | 0.5             | 0.5             | 1.2              |   |      |
|                                     |   |  | Number of active (see definition above) young members, aged 25 and under  | 162,696         | 181,978         | 211,176         | 362,333          |   |      |
| Membership scheme                   |   |  | Amount earned by members for themselves through our membership scheme (£m) (amount redeemed in brackets).<br>See Community section for data on the amount earned by members for their communities   | 50<br>(45.5)    | 20.7<br>(22.9)  | £28.7<br>(25.8) | £24.6<br>(£24.8) |   |      |
|                                     |   |  | Rewards include all payments in and out of wallet - which will include wallet cleardown and employee payments   |                 |                 |                 |                  |   |      |
| Member engagement                   |   |  | Number of members voting at our AGM and elections   | 47,862          | 53,863          | 33,188          | 31,128           |   |      |
|                                     |   |  | Voting levels have decreased over recent years, which is in line with decreasing voting levels across many organisations. As part of our focus on making membership more valuable to our member-owners, we are looking at ways to increase engagement and to empower our member-owners to have their say through the channels which best suit them, which includes, but is not limited to, through the AGM and voting |                 |                 |                 |                  |   |      |
|                                     |   |  | AGM and election voter turnout among eligible <sup>1</sup> members (%)  | 2               | 2.4             | 1.6             | 1.5              |   |      |
|                                     |   |  | Members participating in Join In live events in communities across the UK   | 463             | 291             | 347             | 546              |   |      |
|                                     |   |  | Members participating in our Join In programme online (number of opportunities to join in brackets)   | 243,544<br>(88) | 266,738<br>(83) | 309,277<br>(78) | 377,238<br>(80)  |   |      |
|                                     |   |  | Number of action taken through Join In  |                 | 581,836         | 774,074         | 1,014,754        |   |      |
| Financial support for co-operatives |   |  | Financial support for representative and affiliated bodies of the co-operative movement (£m)<br>(See breakdown on next page)  |                 | 1.6             | 1.6             | 1.6              |   |      |
| Democracy                           | The National Members' Council will take action to increase the % of ethnic minority candidates standing for election to the Council, in order to be reflective of our Co-op's Communities | In 2023, there were 9 candidates standing for the Members' Council election who identified as an ethnic minority, 5 of whom were elected to Council, (56% success rate vs 14% in 2022). We carried out actions to emphasise the current composition of the Members' Council in the election materials. |   |                 |                 |                 |                  | The National Members' Council will take action to increase the % of ethnic minority candidates standing for election to the Council, in order to be reflective of our Co-op's members and Communities |      |

<sup>1</sup> To be eligible to vote, you must be at least 16 years old and have spent a minimum of £250 at Co-op over a 12-month period. See more details here

## Breakdown of financial support for the co-operative movement (£) in 2023

| Organisation                        |           |
|-------------------------------------|-----------|
| Co-operatives UK                    | 740,037   |
| Co-operative Party                  | 598,600   |
| Co-operative Press                  | 106,000   |
| International Co-operative Alliance | 72,553    |
| Social Enterprise UK                | 20,195    |
| Woodcraft Folk                      | 25,000    |
| Co-operative Heritage Trust         | 15,000    |
| Co-operative College                | 1,000     |
| People's History Museum             | 8,000     |
| Robert Owen Museum                  | 3,000     |
| New Lanark Museum                   | 3,000     |
| Plunkett Foundation                 | 12,650    |
| Society for Co-op Studies           | 2,000     |
| Total                               | 1,607,035 |