

## **Business reforms to ensure financial sustainability**

The difficult decision has been made to close four Hastings Co-op stores to ensure the co-operative's financial sustainability and protect members' interests.

Chief Executive Officer Nick de Groot said that while he appreciated the announcement would affect staff, members and the wider community the Co-op's short and medium-term financial position demands immediate action.

"A number of our businesses are underperforming and, with the cost of doing business constantly increasing, and unavoidable unfunded capital expenditure in excess of \$5 million over the next five years, we will not be in a position to continue operating without substantial structural reform," he said.

Mitre 10 & CRT Wauchope, Kew Rural Store and Comboyne Rural Store will close on April 5, 2024 and The Department Store will close on August 31, 2024.

"We have already begun consultation and offered transitioning support to affected staff, and remain committed to supporting staff and members every step of the way," Mr de Groot said.

"Recognising the challenging economic climate, Hastings Co-op and Norco, who both operate rural supplies businesses in Wauchope, and share a significant number of members, have recognised the mutual benefit in merging their members' interests. In the spirit of the principles of co-operatives, we will work closely with Norco to ensure the interests of Co-op members are protected, and that the same friendly service and competitive offering is available to members at Norco Rural Wauchope. Where practical, Norco will offer employment to Co-op staff impacted by the closure."

Hastings Co-op has a rich heritage of meeting the needs of its members, and serving the community, dating back to 1916 – and Mr de Groot said "this focus on delivering member value is more important than ever".

"We are a dynamic business that has always reinvented itself, including exiting industries and selling assets where it was no longer in the interests of members to continue to operate them," he said.

"The core foundation of our strategic plan for 2024-27 is maximising benefits for our members and we intend to come back stronger, with a refreshed offering to deliver value to members.

"I'd like to reassure valued members that we are focussed on supporting our community in these hard economic times, but this is only possible through your continued patronage of the Co-op's businesses."

**More detailed information and FAQs are available at [www.hastingscoop.com.au/co-opfuture](http://www.hastingscoop.com.au/co-opfuture)**