

STRATEGIC PLAN SUMMARY APPROVED AUGUST 11, 2025

EFFECTIVE BEGINNING SEPTEMBER 2025

The Sacramento Natural Foods Co-op Strategic Plan provides a multi-year operational and governance roadmap focused on long-term financial strength, responsible growth, workforce excellence, environmental leadership, and expanded community impact.

The plan was developed through a robust discovery process that included member surveys, employee focus groups, Board and leadership interviews, Board office hours, and consultation with leaders from National Co-op Grocers and other natural foods co-ops. Stakeholder feedback helped shape the priorities reflected throughout the plan.

The strategy is built on four operational pillars, supported by strengthened governance practices and policy alignment.



PILLAR 1:

Financial Security

Primary Objective: Our goal is to grow into a multi store organization, expanding intentionally and responsibly.

With annual sales reaching \$51.2 million in 2024 and approaching the projected capacity of the current store, the Co-op is preparing for strategic expansion. The General Manager will lead market research, site selection analysis, and financial planning while providing consistent reporting to the Board.



Key focus areas include:

- Sustained sales growth and revenue forecasting aligned with economic conditions
- Increased member strength through growth in membership, equity, customer count, and basket size
- Expansion of the Everyday Low Price program to drive loyalty and competitive positioning
- Balanced capital investment at the current store while planning for expansion
- Continued strong support of local producers, who account for more than half of store sales
- Growth in community contributions and Round Up donations
- Innovation in grocery trends, AI, changing demographics, and cooperative partnerships
- Strengthened brand reputation and regional influence through public engagement and advocacy

This pillar ensures the Co-op remains fiscally sound, strategically positioned, and prepared for expansion opportunities.

PILLAR 2:

Employer of Choice

Primary Objective: Be recognized as a highly sought-after and values-driven workplace.

The Co-op aims to create a positive and empowering work environment that supports employee engagement, development, and retention.



Key focus areas include:

- Reducing staff turnover to 34 percent or lower
- Increasing average manager tenure to five years
- Maintaining 100 percent livable wage compliance
- Providing comprehensive benefits and retirement options
- Expanding professional development and conference participation
- Increasing internal promotions
- Growing the number of employees who are Co-op members
- Nominating employees for local and national recognition

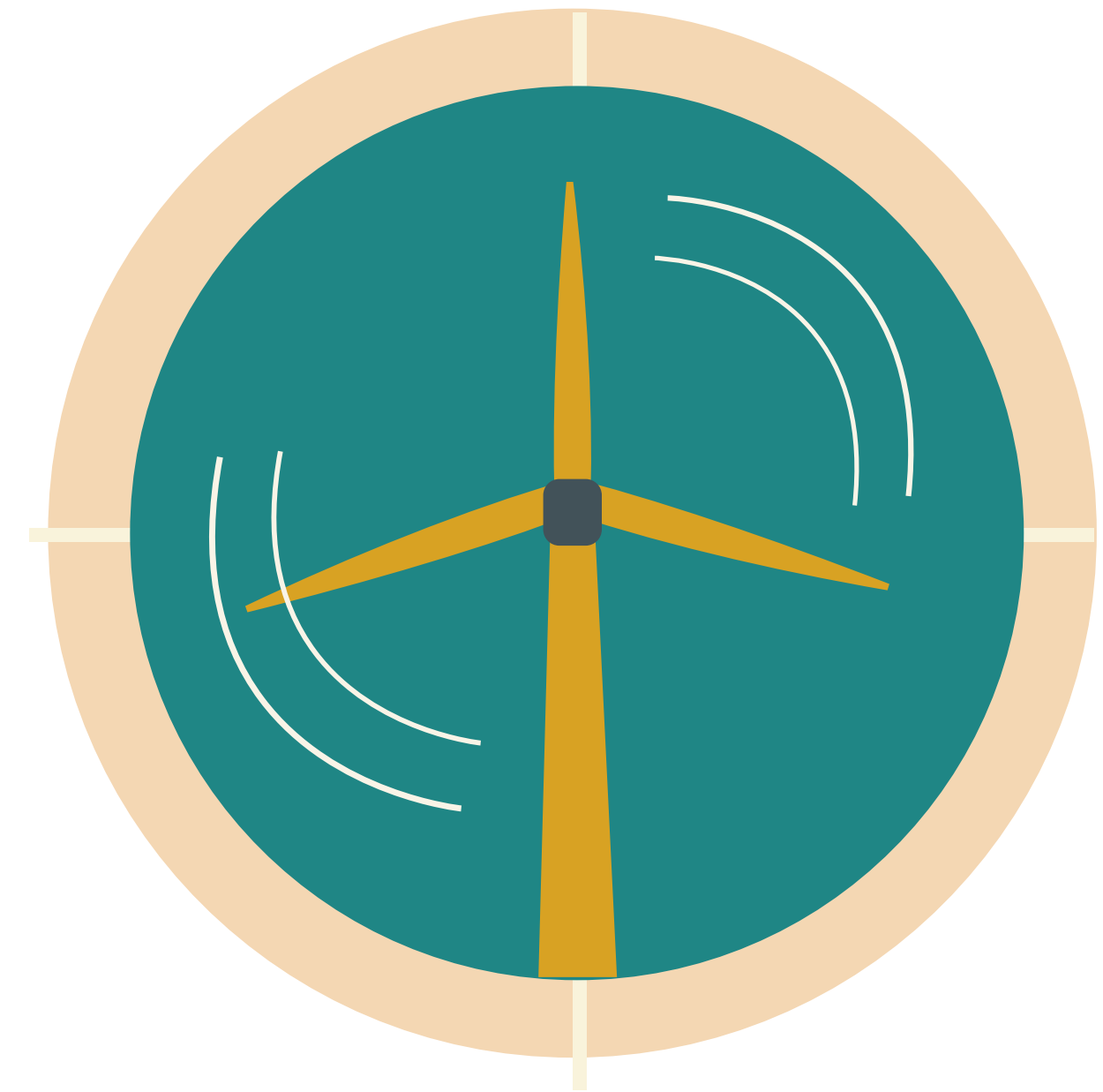
By investing in leadership, engagement, and meaningful work, SNFC strengthens its culture and workforce stability, which directly supports operational excellence.

PILLAR 3:

Environmental Sustainability

Primary Objective: Advance environmental stewardship and climate resilience through measurable, community-centered sustainability practices.

The Co-op aims to be environmental leaders rooted in cooperative principles and community accountability. We will minimize our ecological footprint while strengthening regional food systems, ensuring that sustainability is embedded in purchasing, operations, governance, and member engagement.



Key initiatives include:

- Maintaining or exceeding historic landfill diversion rates
- Reducing packaging waste and promoting bulk purchasing
- Increasing sourcing from local and sustainable producers
- Enhancing education about ecologically sound products
- Evaluating energy efficiency and renewable energy use
- Reducing refrigerant and water inefficiencies
- Reviewing and potentially redefining the geographic definition of "local"
- Aligning sustainability language and metrics across operations and governance

This pillar reinforces SNFC's commitment to reducing environmental impact while supporting sustainable agriculture and responsible consumer choices.

PILLAR 4:

Community Food Access & Food Literacy

Primary Objective:

Ensure access to healthy, local, and organic food for people of all income levels.

The Co-op seeks to deepen its role as a community hub for food access and education.



Strategic priorities include:

- Expanding and tracking the Community Discount Program
- Supporting food recovery efforts that benefit both staff and community partners
- Partnering with schools and health initiatives such as Prescription for Food
- Utilizing community meeting space for education, engagement, and quarterly hosted events
- Promoting local farmers and makers
- Supporting small scale agriculture through resilience and loan funds

Through these initiatives, the Co-op strengthens community partnerships while advancing food equity and literacy.

This Strategic Plan positions Sacramento Natural Foods Co-op for responsible growth, operational excellence, and continued leadership in the regional food system. By balancing financial discipline, workforce investment, environmental stewardship, and community engagement, the Co-op is preparing for expansion while staying true to its mission of providing healthful, earth-friendly, and affordable food to the Sacramento community.

