

UPDATE FOR FRIENDS OF OGC FIRST QUARTER, 2022



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GROWN CO



INTRODUCTION

HELLO!

It's an honor for me to join OGC and to share first-quarter business highlights with you. Stepping into my role on the heels of the holiday season and a new year allowed me to witness this team's incredible dedication and tenacity.

I have spent my first months listening, learning, and conversing with coworkers and stakeholders to understand what makes OGC such a special place. Our coworkers are the best and brightest in the industry and are passionate about doing good. There's no doubt that the impacts of the pandemic are still present in our supply chain, yet thanks to our team, we continue to maintain a round-the-clock commitment to serving our customers and grower partners. At the close of the quarter, I can unequivocally say that OGC is in a strong position. We had excellent financial performance, invested in our coworkers by raising wages, and used our voice to continue to advocate for strengthening organic, which is a key solution to climate change.

We have some exciting work ahead of us in 2022, and OGC's dedication to moving organic produce from fields to stores only grows each year. My personal commitment to organic agriculture and building a more just, sustainable society is perfectly aligned with OGC's mission. I'm so happy to be here and be part of the team. I look forward to making in-person connections with as many of you as possible in the months ahead. 🌿

– **Brenna Davis, CEO**

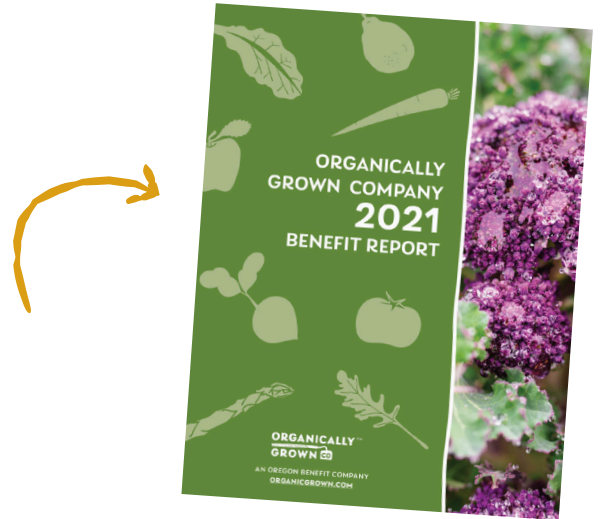


CHECK OUT OGC'S 2021 BENEFIT REPORT

A spring ritual at OGC is the publishing of our annual sustainability report; we're excited to share that OGC's 2021 Benefit Report is now available on [our website](#). This important document provides our stakeholders with a transparent look at the company's environmental and operational impacts and our contributions to the communities we serve. In addition, it holds us accountable for our daily actions and future improvements.

OGC's sustainability reporting has evolved in recent years, just like our business. Now, as a trust-owned company registered as a "Benefit Corporation" in the state of Oregon, we've changed the name of this piece to OGC's Benefit Report and adopted a new system for tracking and assessing our impact.

We are now measuring and evaluating our practices using the nonprofit B Lab's [Benefit Impact Assessment](#) as an objective, independent, third-party standard. This tool meets Oregon's requirements for Benefit Companies and simplifies how we report to you. Since it's important to provide context for our progress, we've also included a new, year-over-year scorecard. 🌱



COWORKER WAGE INCREASES ROLLED OUT IN Q1

Our coworkers have always been incredibly committed to OGC's success and did not let up as the company faced new challenges during the pandemic, and many of them faced new economic challenges in their personal lives. So, in 2021, we invested heavily in our compensation strategy. We focused on driver pay and living wage, investing time and resources into assessing market data, updating pay groups, and revamping compensation plans. We updated our driver pay program, with wage increases for all OGC drivers. The program recognizes the incredible tenure that many of our drivers have with us, as well as improves our ability to recruit professional drivers that are committed to leading the industry in safety, dependability and service.

In 2021, we raised our starting pay to \$17/hour from \$15/hour and addressed compression that resulted from the change, by increasing wage rates for many of our coworkers. Additionally, we increased the minimum and maximum of all pay groups to align with updated market data. We will continue this important work to monitor living wage calculations and support our coworkers, as well as look for other opportunities to share OGC's financial success and improve their earnings through career development.

In addition to wages, 20% of the prior year's net profits were returned to coworkers through profit sharing. 🌱

Q1 CAMPAIGN SPOTLIGHT



The Northwest winter months are brightened by a dazzling array of beautiful and delicious organic citrus from our amazing grower partners in California and Texas. This year, OGC's months-long citrus campaign, Sublime Citrus, featured whimsical branding, educational videos, varietal guides, storytelling and sampling opportunities that enhanced the efforts of our sales team, showcased our growers and encouraged customers to squeeze the most out of the season!

The citrus season this year was marked by many challenges deeply felt by our growers. A combination of weather-impacted crops and factors related to the pandemic resulted in quality issues and decreased volume on many varieties as well as interruptions to harvest and logistical schedules. In turn, our customers were faced with less volume on fan favorites like TDE mandarins, and less predictability across many varieties for the length of the season.

OGC's Sales, Buying and Stakeholder Engagement teams worked together to ensure that our growers and customers were supported, and their individual needs were met. Often this called for quick pivots to meet an emerging need or supply issue.

Account Representatives shared their deep category knowledge to guide customers into citrus sets to meet eaters' preferences and build enthusiasm for varieties that growers needed to move. In the absence of in-person opportunities to lend our support, we created digital content to amplify and prepare our partners.



OGC Account Representative Monique Kirby

Featured content included a giveaway on OGC's Instagram to help our friends at Buck Brand build greater brand awareness, and we tailored editorial content shared in our weekly Produce Report to help our account partners strategically plan for what was to come.

The '22 citrus season was an all-hands-on-deck effort, and we are thankful for the opportunity to showcase the resilience and hard work of our grower partners, the creativity and wisdom of our customers and, of course, all that gorgeous and delicious organic citrus! 🍋

LOCAL GRAD STUDENTS HELP OGC WITH SUSTAINABILITY INITIATIVES



At the end of 2021, we had the opportunity to develop relationships with MBA student groups from Portland State University and the University of Oregon. Students were interested in learning about OGC's unique purpose-driven business model while supporting the work to achieve our sustainability goals. In Q1 2022, significant effort has gone into several projects to help us understand our current performance and assess opportunities for improvement.

Portland State University students are working with our team to perform a waste audit, explore sustainable packaging alternatives, and better understand and support our supply chain.

This has included analyzing our waste outputs and diversion from the landfill, exploring regional recycling capabilities, researching packaging and supplies vendors, and developing a comprehensive supplier survey. These efforts will result in a report on packaging alternatives, recommendations for OGC to be eligible for Zero Waste Certification, and a more transparent produce supply chain.

Our work with University of Oregon students has focused on understanding our carbon emissions. In partnership with NSF International, students gathered internal data related to fuel, refrigerants, transportation, and heating and cooling systems. Our [2021 Benefit Report](#) outlines the results of our Scope 1 and 2 GHG emission calculations. We will continue to work with this team to outline an approach for assessing Scope 3 in the future.

Measuring GHG emissions is an essential step in our climate action journey. By understanding emissions sources, we can set reduction targets and develop best practices to reduce OGC's climate impact. 🌱

NEW ONSITE CHARGING STATIONS INSTALLED

We installed four electric car charging stations at our Portland facility in February. With the capability to charge six cars daily, these stations are doing a great job of serving coworkers' electric vehicles. Through a charging system implemented recently in Eugene, we now have the capability of charging cars at that facility as well.

The Oregon Clean Fuels Program Credits make electricity free for our team and take advantage of our clean energy purchasing program.

We hope that having these chargers available at OGC makes it easier for even more coworkers to consider electric when purchasing their next car! 🌱

IN THE FIELD – OGC LEADERS PARTICIPATE IN OTA’S ORGANIC WEEK



OGC CEO, Brenna Davis, and Pioneer Emeritus, David Lively, represented the company at the Organic Trade Association’s (OTA) Organic Week in Washington, D.C. The March gathering was the first in-person OTA event in two and a half years. The experience allowed OGC to continue our work on organic policy at the national level. It also allowed us to meet with elected officials and reunited many longtime friends.

Highlights included:

- Jenny Tucker, the USDA Deputy Administrator of the National Organic Program, spoke about efforts to improve the Organic Cost Share program and her commitment to making the transition to organic accessible for more farmers. She also shared the success of the organic data program and efforts to reduce organic fraud.
- Jenny Lester Moffit, the USDA’s Under Secretary for Marketing and Regulatory Programs, including the National Organic Program (NOP), expressed a commitment to getting all delayed organic regulation recommendations into play. Having Jenny in this position is a huge win for organic. She is a fifth-generation farmer whose father went organic before her, bringing a working understanding of organic practice and regulation.
- The Organic Trade Association announced their new CEO, Tom Chapman.
- Oregon Representative Peter DeFazio, who is retiring from public service, was honored for his decades of work on behalf of the organic trade.

The primary conference themes were continuous improvement, growing equity in the organic movement and gaining stronger recognition of organic as a climate solution.

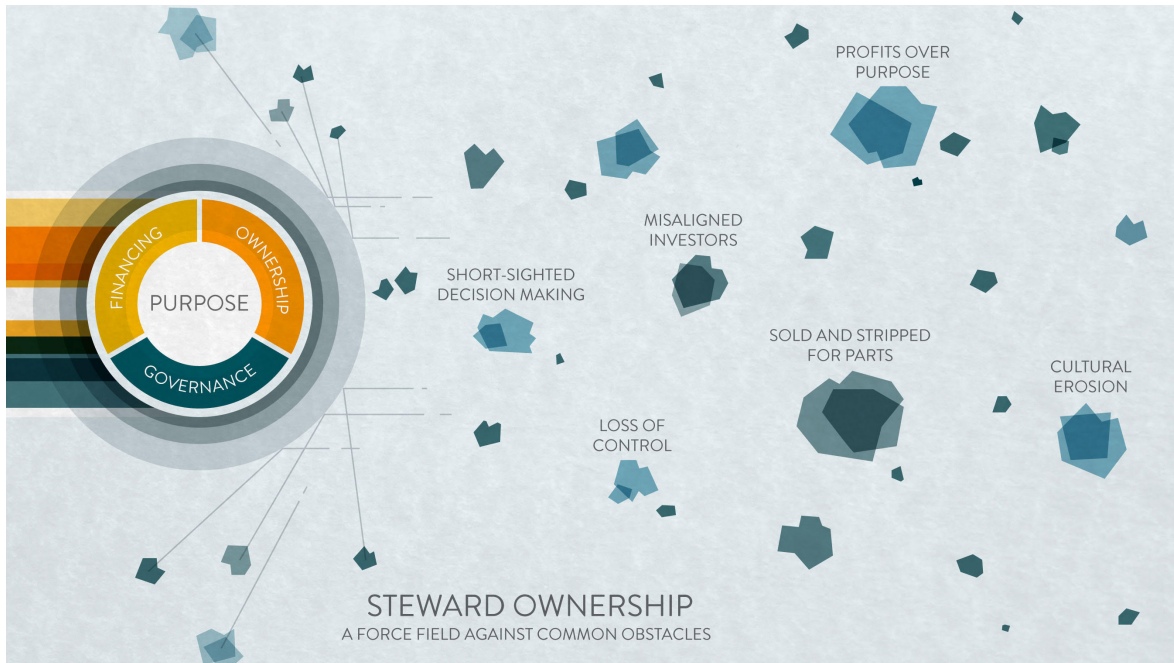
- David led a panel on The State Organic Advocacy Council, which OGC provided funding to help establish. Panelists from Georgia, California and Oregon gave excellent advice on the work required to create a network of states involved in sharing practices, results and coordinating efforts.
- Brenna took part in an executive roundtable on Fostering Trust in Organic. She took the opportunity to state that if continuous improvement had occurred with the organic seal, we wouldn’t need Regenerative Organic Certification or Real Organic Certification. Some recommendations from the NOSB have not been implemented after 19 years! She also shared that organic should be included in every ag carbon sequestration policy discussion. Organic sequesters more carbon than conventional and is a serious climate solution.

ON THE HILL

While on Capitol Hill, Brenna, David, and a team from Oregon Tilth met staff from Oregon Representative Earl Blumenauer’s and Washington Senator Patty Murray’s offices, who were receptive to feedback and interested in the next steps for organic with the new farm bill on the way. 🌿

ALTERNATIVE OWNERSHIP ADVISORS UPDATE

OGC LAUNCHES FORCEFIELD CAPITAL TO OFFER INVESTMENT BANKING SERVICES TO SUPPORT MISSION



[Alternative Ownership Advisors](#) (AOA), founded in 2019 to guide purpose-focused businesses toward steward-ownership models that protect mission and independence, has launched Forcefield Capital. Forcefield Capital is a U.S. Securities and Exchange Commission-registered broker dealer and member of Securities Investor Protection Corporation that offers investment banking services to mission-driven companies that want to maintain independence and purpose for the long run.

As a sister firm to AOA, [Forcefield Capital](#) focuses on helping impact-minded companies raise capital that is aligned with their values and mission. Like AOA, Forcefield Capital is a subsidiary of OGC.

Portlander Peter Koehler, a longtime finance and strategy consultant and a Capital Strategy Advisor with AOA, has been named Managing Director of Forcefield Capital.

“We believe helping companies stay independent and mission-driven is good for employees, customers, shareholders, the community and the planet,” said Peter. “Forcefield Capital provides an additional resource to complement AOA’s work in this area. We are excited to begin helping companies design and execute capital raises that are aligned with their purpose.”

“Owners and founders of purpose-led companies have been looking for something like this for years – the ability to secure truly mission-aligned capital for growth and liquidity,” said OGC Board Member Brian Rohter, co-founder and former CEO of New Seasons Market. “The purpose over profits leadership and governance model adopted by OGC is revolutionary and available to others in all sectors, and there are investors seeking opportunities to support purpose as a North Star while earning a fair return.”

Learn more about Forcefield Capital at their website, www.forcefieldcapital.com.

OREGON'S '22 LEGISLATIVE SESSION LANDS A CRITICAL WIN FOR THE STATE'S ORGANIC SECTOR

Working closely with legislators in both parties and chambers, OGC provided written and oral testimony helping the Oregon Organic Coalition secure funding to advance the creation of a statewide Organic Action Plan for Oregon (HB 5202).

With HB 5202, the legislature officially recognized organic agriculture and the state's organic trade as an "Emerging Sector." It directed the Oregon Business Development Department ('Business Oregon') to conduct a comprehensive market analysis of the direct and indirect economic impacts of the organic sector in Oregon. The Oregon legislature committed \$100,000 for this study and directed Business Oregon to report to legislative committees by March 15, 2023.

On the national stage, the USDA's Agricultural Marketing Service and National Organic Program (NOP) hosted a public listening session. They requested public comment on regulatory priorities and structural improvements for the NOP. OGC submitted extensive written testimony and delivered oral testimony to the USDA on behalf of the Organic Produce Wholesalers Coalition (OPWC). Our feedback focused on three areas of structural improvements and the top five priorities for standards development that would benefit organic produce growers.

3 Areas for Structural Change:

- Balancing responsibilities within NOP's accreditation function
- Protecting certified operations when their certifier loses accreditation
- Clarifying and strengthening oversight of the accreditation system

Top 5 Priorities for Standards' Development & Implementation:

- Update the NOP [guidance] handbook
- Standards for Controlled Environment Agriculture
- Increasing the use of organic seeds in organic farming
- Eliminating incentives to convert native ecosystems to organic production
- Passage of organic mushroom production standards

The opportunity to engage directly with the NOP on the top priorities for the produce sector was critically important. With limited resources available to work on implementing the backlog of 23 standards recommendations passed by the National Organic Standards Board over the past 20 years, the NOP will need to prioritize those which are most important to the trade. By voicing the OPWC's priorities, we are hopeful that our top five priorities are among those at the top of the list. 🌿

TWO WAYS TO GET INVOLVED IN OUR GOVERNANCE



SEEKING TPC CANDIDATES FOR THE 2022 ELECTION CYCLE

We have two open seats on the Trust Protector Committee this year! Please share candidate recommendations with the Nominations Committee by emailing trust@organicgrown.com. To learn more about desired qualifications for TPC members, or to submit an application, please review the [TPC's job description](#). Later this year, we will hold an election to fill these spots.

BECOME A QUALIFIED STAKEHOLDER!

As a partner in OGC's supply chain and community, please consider becoming a Qualified Stakeholder of the SFAPPT. Stakeholders are individuals or organizations with an interest in the ongoing operation of a company owned by the trust (OGC!). Those who complete the qualification process can vote in the TPC election process.

If you belong to one of the five designated stakeholder groups (OGC coworkers, suppliers, purchasers, investors, or community allies) and are interested in becoming a Qualified Stakeholder, please click [this link](#) to submit a simple Expression of Interest form, and we will follow up with more information.

BRENNA DAVIS NAMED CEO



Brenna Davis joined OGC as our Chief Executive Officer in late February. She brings more than 20 years of experience focused on helping businesses do good. Most recently, Brenna served on the leadership team of PCC Community Markets as Vice President of Social and Environmental Responsibility and Communications.

Brenna is passionate about listening, learning, and understanding the business from the ground up. Her mom worked on an organic farm for a decade and Brenna inherited her passion for organic, leading her to expand the organic policy advocacy program at PCC and ultimately to her new role at OGC.

Her leadership style focuses on collaboration, humility and compassion. Before PCC, Brenna worked for Virginia Mason Health System, Puget Sound Energy, and AT&T Wireless. She is also a certified Human Potential Institute coach, focused on helping people achieve their goals. Highlights of her career

include working with the Obama Administration on climate change, participating in media relations to educate the public about endangered orca whales, serving on a panel on climate justice led by Vice President Gore, and presenting on the topic of alternative ownership models with OGC at Ecofarm 2020.

Brenna was born in Seattle, where one side of her family lived for five generations. She is settling into Portland, discovering its restaurants, breweries, vinyl record shops, and surrounding forests. Brenna is also writing a book about the power of purpose, resilience and joy.

DAVE SCHUTT PROMOTED TO DIRECTOR OF INFORMATION TECHNOLOGY



Dave's career at OGC began as a Business Analyst before leading the company's Information Technology Development team. His strong technical skills, knowledge of our systems, and leadership recently earned Dave a promotion to the Director of Information Technology, where he now supervises the entire department. A Northwest native, Dave enjoys camping and fishing with his family.

EVERET CHENEVERT EXPANDS LEADERSHIP ROLE AS HEAD OF OPERATIONS



Since joining OGC in 2014, Everett has demonstrated people and program leadership in Information Technology, often a behind-the-scenes function critical to our operation that spans every aspect of our wholesale distribution business. In his new role, Everett oversees OGC Operations, Information Technology, Environmental Health & Safety, Compliance and Facilities.

Everet has served on the Mission Team since 2015 and brings over 20 years of experience leading teams in a variety of functions and capacities. He grew up in the Okanogan Valley in Eastern Washington, surrounded by fruit trees and mountains, and was known for his work as an announcer at his community's radio station.

CHRIS NELSON NAMED DIRECTOR OF WAREHOUSE OPERATIONS



Chris Nelson brings nearly 30 years in supply chain operations to OGC, most recently with Doc Martins. He joined OGC in 2021, first as an advisor to help support warehouse operations and then as a Warehouse Manager. He's worked to learn more and more about the company and built strong relationships with his team and across the organization, leveraging his analytical and people skills to improve efficiencies collaboratively and continuously in the warehouse.

Chris was born in Central Washington and grew up in Eugene, with fond memories of shopping for produce at community co-op stores with his dad. Chris proudly shared that his body is built on organic produce!

Organically Grown Company appreciates the leadership, experience and guidance provided by our dedicated Board of Governors, the SFAPPT Trust Protector Committee and Trust Enforcers.

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ARE YOU AN OGC CUSTOMER, GROWER, INVESTOR, COMMUNITY ALLY OR COWORKER?

If you fall into one of these groups, you have the opportunity to influence how our business is run by becoming a Qualified Stakeholder.

➡ [Consider Submitting an Expression of Interest.](#)

