UPDATE FOR FRIENDS OF OGC SECOND QUARTER, 2022











INTRODUCTION

HELLO, EVERYONE,

A triple-digit heatwave is blanketing our region as we compile this Q2 Update, a stark contrast to the cold, rainy spring, which included a surprise April snowfall. Now, eaters are beating the heat with refreshing fruits and veggies as farmers race against the sun's arc to water, harvest and pack. I will forever respect those who grow our food and rise to the unpredictability of spring snowfalls, sweltering summers, and other impacts of our changing climate.

My onboarding as OGC's CEO continued to be a priority for me in Q2. Time spent listening, learning and experiencing our business and culture served as inspiration for our work on a new three-year strategic plan.



The company's strong performance continued in Q2, setting us up for a summer focused on supporting growers, customers, our team and the community. OGC isn't immune to the impacts of fuel prices, labor shortages, inflation and the pandemic. But smart fiscal and facilities management and a commitment to safety and wellness are paying off.

In between strategic planning and meetings, a ride-along with driver Wayne Linhart, pulling one of OGC's 53-foot trailers, reminded me of what drew me to this company. We dropped off orders at customers across the region, supplying local retailers with the highest quality organic produce. We also pulled into Siri & Sons Farm to pick up a load of freshly harvested radishes and spinach. Seeing Wayne at the wheel and the organic supply chain in action was amazing.

We hope you'll take time to catch up with OGC through the pages of this report. You'll read about the awards our transportation team is earning for their skills and safety record; how our organic advocacy work is influencing local and national policy, and how a semester-long partnership with local grad students is helping us evaluate our impact and supply chain.

Thank you for your continued support and partnership. 🌽

– Brenna Davis, CEO

P.S. See page 8 for details about a Sept. 22nd Happy Hour event near Portland. You're invited and we'd love to see you!

QUARTERLY HIGHLIGHTS

SHARING OUR PASSION FOR PRODUCE & PURPOSE



With this quarter's transition to spring, our promotions celebrated tender, early-season greens and row crops, the new-to-the-market GEM avocado variety, and the arrival of the first stone fruit harvested by our grower partners in California.

We also introduced digital toolkits to give customers ready-to-use tools for introducing shoppers to exciting new items or specialty favorites, like NW-grown rhubarb, Purple Sprouting broccoli and GEM avocados. Each toolkit featured varietal information, key messages, photos and point-of-sale signs.

OGC's blog, updated weekly, continues to serve as a resource for inspiration and learning for our stakeholder community. Check it out! www.organicgrown.com/blog

CELEBRATING PRIDE MONTH



Pride month is celebrated in countries around the world. It commemorates the <u>Stonewall Uprising of 1969 in New York</u>, LGBTQIA+ activism and culture. For millions of people, Pride is a joyful display of solidarity and support - one that OGC wholeheartedly embraces.

In celebration of Pride month in June, OGC matched coworkers' donations to organizations supporting the LGBTQIA+ community and offered resources for organizations where people could volunteer. Coworkers also received a free box filled with a rainbow of delicious organic produce and Pride-themed swag.

OGC DRIVERS EARN A GREAT WEST SAFETY AWARD

This spring, OGC's transportation team was honored with a Great West Safety Award, taking second place in recognition of their outstanding driving in 2021.

"This is an esteemed honor, and we could not have done it without everyone doing their best in remaining vigilant while out on the highways and byways. From battling weather in Montana and Idaho to battling traffic in Washington and Oregon, all of our drivers made a difference in achieving this award," shared Stretch Halterman, OGC Transportation Manager.

"In 2021, our drivers covered two and a half million miles and did so almost flawlessly. I continually tell everyone I meet that we have the best group of drivers in the industry, and winning this award proves it." *P*





OGC drivers Don Morrow and Justin Howell each earned second-place trophies in the championship competition. Justin in the 5-Axle Category and Don in the Straight Truck Category. Congratulations!

OGC SHINES AT 2022 TRUCK DRIVING SKILLS CHAMPIONSHIP

On a rainy Saturday in June, two OGC drivers earned trophies at the annual Oregon Truck Driving Championship. After a two-year hiatus, the Oregon Trucking Association hosted the event at Lane County Events Center in Eugene. The friendly competition promotes safety by testing professional truck drivers in three areas of expertise: a written knowledge test, a mock pre-trip, and a close-quarters maneuvering test.

The maneuvering test has a different pace than NASCAR, but for a good reason. While most of the commercial trucks we see on the road are going straight ahead on the expressway, some say truck drivers really earn their pay in reverse. Maneuvering big, heavy trucks around tight city streets and parking lots to back into tight loading docks is a challenge very familiar to our drivers. This part of the job carries the most risk of damaging equipment and the trucks, cars and property on the route.

To be eligible to compete, drivers must have a Commercial Driver's License with endorsements for the category in which they compete. They must be an active driver for the company they represent and have had zero reportable accidents in the last 12 months. Next year's competition may be in Portland, and you can count on a big OGC cheering section to be in attendance!



LENDING A HAND AT BIRCH COMMUNITY SERVICES

Every year, we donate fresh produce to gleaning partners, and one of our top partners is Birch Community Services. We are proud to help Birch achieve their mission of building a financially stable community by providing education, food, and nurturing accountability.

In late April, a group of OGC coworkers spent an afternoon volunteering in Birch's warehouse. Our team sorted products, cleaned up the aisles, and got carts ready for Birch shoppers. Learn more about this impressive nonprofit and how they're serving our community at <u>www.birchcommunityservices.org</u>



RIVER CLEAN UP WITH WILLAMETTE RIVER KEEPERS

On a drizzly day in May, a group from OGC volunteered to join Willamette River Keepers to clean up the banks of the Willamette River. Armed with trash pickers, rubber gloves, upcycled chicken feed bags and oars, the group canoed downstream from the launch point to access the site. A few hours later and another quick paddle back to the dock, the riverbank was a heaping pile of trash cleaner.

SUSTAINABILITY UPDATES

LOCAL GRAD STUDENTS CONTRIBUTE TO OUR SUSTAINABILITY ROADMAP



Our partnerships with PSU and UO graduate students enlisted to work on two sustainability research projects wrapped up in June, resulting in detailed reports for developing and achieving our goals of reducing our impact on the planet.

Here are highlights from those reports:

- Emissions from transporting produce account for 89% of our scope 1 & 2 emissions, while the remaining 11% is attributed to the electricity and refrigeration in our facilities. Some strategies to reduce our emissions include continuing to trial hybrid and electric trucks and refers, reevaluating routes, and looking for more aerodynamic truck body kits.
- We conducted an in-depth survey of our suppliers. We gathered data about their size, ownership structures and demographics, barriers to expansion, sustainability goals, what types of services they could benefit from, and how best to engage with them. Here are a few notable data points from those that responded:
 - Approximately one-third of our suppliers are owned by individuals that identify as Black, Indigenous or People of Color.
 - Over half of our suppliers have worked with OGC for more than 10 years; one-quarter of them for over 20 years!
 - 37% of our suppliers have sustainability commitments, initiatives, certifications or measures in place beyond their organic certification.
- We completed an analysis to evaluate our current waste streams and waste diversion and ended up with a roadmap for achieving 'zero waste certification' in the near future.
- When looking at more sustainable packaging options, we learned that Oregon is overhauling its recycling laws, and it's unclear what will be considered recyclable or compostable in the coming years. As a result of this project, we were introduced to new packaging suppliers and given recommendations for evaluating and investigating sustainable alternative packaging options for OGC's Ladybug Brand line that will align with new recycling capabilities in our home state.

OGC's Sustainability Team is analyzing the data and incorporating the recommendations into a new three-year sustainability roadmap. Watch for more details in future quarterly updates.

WELCOMING ORGANICS UNLIMITED



OGC Buyer Don Mayfield, Senior Sales Manager, Kristi Yoder and Mike Burnside, whose Quality Assurance III role includes banana ripening expertise, hosted this important supplier. Our customer partners from First Alternative Natural Foods Co-op in Corvallis joined the tour to learn about banana sourcing.

In May, the president of Organics Unlimited, Mayra Velazquez de León and her daughter, Daniella, who currently manages the company, traveled to the Northwest and stopped at OGC to meet coworkers and tour our facility. Mayra and her father founded Organics Unlimited in 2000 and built it from the ground up. OGC has been a banana buyer, partner and fan since the beginning!

Mayra took her passion and knowledge from four generations rooted in organic banana production to grow delicious bananas in a socially responsible way. She also established the GROW Foundation, a program to support those who labor in the fields and pack the fruit. Sixty cents from each case of bananas sold is donated to this nonprofit dedicated to improving the livelihoods of those in banana-growing communities, offering healthcare, schooling and daycare services. In solidarity with our customers, OGC's banana sourcing and sales have generated nearly \$1 million for GROW programs.

NOTES FROM THE FIELD

RECONNECTING WITH CUSTOMERS ON FARMS

OGC's on-farm events and tours, put on hold since February 2020, returned in late spring. To kick off the growing season, we gathered customers in Southern Oregon and the Portland area to educate and reconnect safely outdoors.

Our Q2 field experiences included connecting with customers at Fry Family Farm in Medford. The Fry family is a longtime OGC partner, and their hospitality proved to be a special way to host customers from throughout Southern Oregon.

The Montecucco family provided a memorable event timed with a robust rhubarb season in June. Delicious food and Montecucco's knowledge and warmth provided a wonderful and welcoming way to reunite.



Thank you to the Fry and Montecucco families and all our grower partners who support our work and dedication to educating our customers about organic farming and where their produce is grown.

POLICY & ADVOCACY UPDATE



CONTRIBUTING TO THE WORK OF THE NATIONAL ORGANIC STANDARDS BOARD

The first National Organic Standards Board (NOSB) meeting for 2022 was held virtually in April. While we missed sitting alongside

our peers in person, we are grateful to the National Organic Program (NOP) staff for another well-run virtual meeting. Two days of public comments and three days of meetings went off without a hitch.

OGC once again contributed comments to the NOSB through the Organic Produce Wholesalers Coalition (OPWC). OPWC submitted 66 pages of written comments on all topics relevant to the organic produce sector. In addition, OGC provided additional oral testimony on the topics of Technical Support for NOSB members, Modernization of Organic Supply Chain Traceability [and Transparency], Highly Soluble Nitrogen Fertilizers and Risk Mitigation in NOP's Accreditation Program.

SUPPORTING THE DEVELOPMENT OF A NEW COALITION FOR ORGANIC & REGENERATIVE AGRICULTURE



COALITION FOR ORGANIC AND REGENERATIVE AGRICULTURE In May, the Provincial Steering Committee for Washington state's Coalition for Organic and Regenerative Agriculture (CORA) wrapped up its work to establish a framework. The coalition's Governing Council met for the first time in June to begin approving bylaws and finalizing the policy agenda. The Council is also actively developing a member recruitment strategy. Part of that strategy is hiring

a program manager. Please share the job posting for CORA Program Manager with qualified individuals in your network.

OGC is grateful for the opportunity to have served on the steering committee and now maintain a seat on CORA's 12-member Governing Council. 🔎



CONGRESSMAN DEFAZIO'S TEAM DIGS INTO ORGANIC EDUCATION

When Oregon Congressman Peter DeFazio's staff reaches out to ask if we can set up a farm tour for them, the answer is always we'd love to! And when members of the Organic Trade Association, Oregon Organic Coalition, and Lynn Coody ask to join, the answer is HECK YES!

Our friends at Gathering Together Farm near Corvallis graciously hosted, sharing all they are doing and engaged in talks about farmer resiliency. It was a privilege and honor to join such passionate organic advocates at the site of one of OGC's longtime farming partners.





OREGON'S CHAMPIONS FOR ORGANIC FARMING IN THE NEWS

Are you looking to learn more about the Oregon Organic Coalition? The Organic Produce Network wrote a comprehensive article about the important work led by the OOC and its Board Chair, Amy Wong. It's a terrific overview and a must-read for anyone invested in organic success in Oregon. <u>Click here</u> for the article.

ALTERNATIVE OWNERSHIP ADVISORS UPDATE

GRAND CENTRAL BAKERY TRANSITIONS TO TRUST OWNERSHIP



In May, <u>Grand Central Bakery</u>, a Pacific Northwest institution for over 30 years, announced that it is transitioning its ownership into an Oregon Stewardship Trust, ensuring that the company

remains locally owned and permanently independent. OGC's subsidiary <u>Alternative Ownership Advisors</u> was integral in supporting the owners' journey to trust ownership. AOA's newly launched sister company, <u>Forcefield Capital</u>, will lead their fundraising efforts later this year.

Grand Central Bakery's transition safeguards the company's founding mission and values, guided by integrity and passion for doing what is right: to keep time and tradition in the baking process, source the best ingredients from those closest to the land, treat vendors as true partners, value employees as the heart of their organization, and create warm and welcoming customer relationships.

"We're thrilled to be pioneering this new form of ownership," said Claire Randall, Grand Central Bakery CEO. "It's so important to us that we preserve our ability to make values-based decisions and run the business sustainably without sacrificing quality and craft. As a trust-owned company, we can focus on growing in a way that continues to benefit local farmers and suppliers, our employees, and the communities we serve, without the uncertainties that can come when companies are bought and sold."

Grand Central Bakery is a leader in progressive business practices. They were the first NW bakery to become a Certified B Corp, and now they are one of only a handful of companies in the US to be owned by a perpetual purpose trust.

SFAPPT UPDATES

You're Invited TO A HAPPY HOUR HOSTED BY THE SFAPPT Join us for refreshments, delicious food and fun!

This will be a casual get-together with the OGC team, SFAPPT leadership and community food system partners, a cross-pollination of the supply chain!

WHEN: Thursday, September 22, from 5 – 7 pm

WHERE: Rossi Farms, 3839 NE 122nd Ave., Portland

Please RSVP at this link by September 8

*Note: We're monitoring COVID-19 cases in our region. If there is a strong uptick, we may cancel this in-person happy hour and will notify registrants in advance, so please RSVP.

Save the Date FOR THE 2022 SFAPPT STAKEHOLDER GATHERING

WHEN: Wednesday, November 9, from 1:30 – 3 pm PT

WHERE: Online – This is a virtual meeting.

WHAT: This fast-paced meeting will include:

• Presentations from Trust representatives

- Updates from the three companies owned by the SFAPPT, Organically Grown Company,
 - Alternative Ownership Advisors and Forcefield Capital
 - Introductions of candidates running for Trust Protector Committee seats
 - Insights from community and supply chain partners

<u>Register Today!</u>

TRUST PROTECTOR COMMITTEE ELECTION

This fall, the SFAPPT is holding an election for two open seats on the Trust Protector Committee (TPC). The TPC acts as a "steward" to ensure that the companies in the SFAPPT stay aligned with the purpose and principles of the Trust.

2022 ELECTION SCHEDULE

Nov. 18 – last day to submit an Expression of Interest to become a Qualified Stakeholder, allowing you to vote in the 2022 TPC election
Nov. 28 – Voting opens at 8 am PT
Dec. 9 – Voting closes at midnight PT

BECOME A QUALIFIED STAKEHOLDER & VOTE!

Qualified Stakeholders in the SFAPPT have an opportunity to vote in TPC elections. If you're an OGC coworker, supplier, customer, investor, or community partner, please consider becoming a Qualified Stakeholder before the 2022 election by submitting an Expression of Interest form, <u>click here</u>.



TRUST ENFORCER TERM RENEWAL

Robbie Vasilinda was reappointed as a SFAPPT Trust Enforcer (TE). She will serve until spring 2023, and we are seeking her replacement. Robbie is an accomplished leader, having previously held positions as Finance Director at Organically Grown Company, Financial Officer at Hoedads, Inc., and Financial Director at the Workers Trust Association, among other roles.

The TE reviews the actions of the trust governance bodies, monitors the administration of trust assets, responds to stakeholder grievances, qualifies stakeholders, and oversees the Trust Protector Committee election.





OGC BOARD OF GOVERNORS TERM RENEWALS

Organic leaders Cathy Calfo and Mike Bedessem were reappointed to OGC's Board of Governors. The board works with our Mission Team throughout the year to ensure sound operations and strategic planning that delivers measurable results toward the company's mission and benefits all stakeholders.

Cathy joined OGC's Board in 2019. Previously, she served as an executive director and CEO at various organizations, most recently leading the trade association, California Certified Organic Farmers (CCOF). Cathy also served as deputy treasurer for the state of California for seven years and as an analyst for the County Board of Supervisors in Santa Cruz for three years. In addition, she has served as a board member for various mission-driven entities since the 1980s.

Mike has been a member of OGC's Board since 2019. He worked at CROPP Cooperative/Organic Valley for 29 years, primarily as the Chief Financial Officer from 1994 to 2016. Mike's other roles at Organic Valley included an organic apple grower, board member, and business advisor. He has also held ownership and management roles in the insurance, garbage and recycling industries.

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

BOARD

Brian Rohter | Hood River, OR Cathy Calfo | Santa Cruz, CA Cecil Wright | Viroqua, WI Maia Larson | Springfield, OR Mike Bedessem | Hudson, WI

TRUST PROTECTOR COMMITTEE

David Lively | Eugene, OR George Siemon | La Farge, WI Joe Rogoff | Guerneville, CA Jyoti Stephens | Vancouver, BC Natalie Reitman-White | Kimberley, BC

TRUST ENFORCERS

Andy Westlund | Scio, OR Robbie Vasilinda | Eugene, OR Mike Neubeck | Eugene, OR

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.





