OPN™

Organic Produce Network

CATEGORY PARTNERS

Harvesting Fresh Results

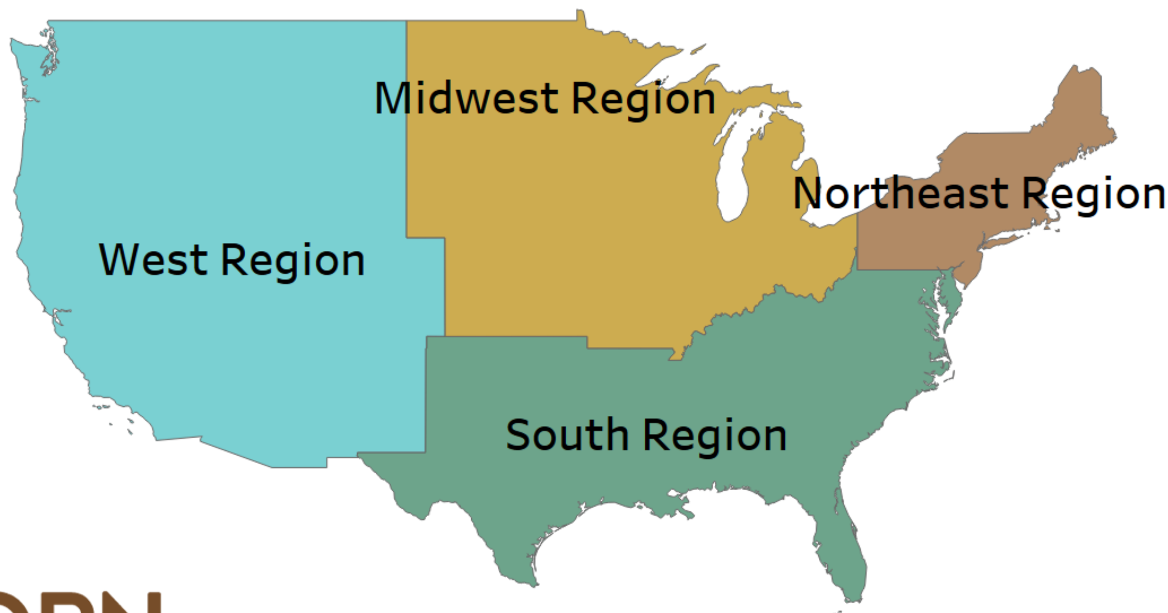
2024 Q3

October 18th, 2024

2024 Q3 Organic Produce

Background

- This report covers organic fruit and vegetable performance for the Total U.S. as well as four U.S. regions.
- Reporting period covers 13 weeks of 2024 (07/06/24—09/28/24) vs. the same period last year.
- This report was prepared by Category Partners exclusively for the Organic Produce Network.
- Data in this report is provided under contract by Nielsen. Coverage is the database for total food sales in the United States including all outlets, i.e. supermarkets, mass merchandisers, club stores, dollar stores, convenience stores and military commissaries. Nielsen offers the industry's broadest measurement of total retail food inclusive of UPC and fresh non-UPC (random-weight) products across the entire store, for roughly 90,000 stores nationwide.
- Data coverage includes all fresh fruit and vegetable categories sold in produce departments. The data also excludes some non-fresh products that are often sold in produce.
- Data and charts in this report may be reproduced by recipients provided source attribution is used as follows: Source: Organic Produce Network and Category Partners, powered by NielsenIQ Total US Scan, 2024 Q3



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Source: Organic Produce Network and Category Partners, powered by NielsenIQ Syndicated, 2024 Q3

Overview

Organic fresh produce in 2024 Q3 grew in dollars by 4.2%, and volume by 4.6% year over year. Conventional produce saw nearly half the growth with increases of 2.0% in total dollars and 2.6% in total volume. Both categories are now seeing a slight deflationary trend in pricing with units growing faster than sales for Conventional and Organic. During Q3, the price gap between conventional and organic produce was $1.49 whereas, in previous years, the price gap was $1.50/lb.

Among the top performing organic categories, 15 saw year over year increases in dollar volume, while 12 showed an increase in unit volume. Organic Bananas drove the top performance in dollar volume with +15.8%, while Organic Apples drove the largest volume increase with +27.6% While 15 of the top 20 organic categories posted year over year increases in dollars only 12 of the top 20 organic categories had increases in volume vs. last year.

Insights

Organic sales and volume in 2024 Q3 were positive. Organic produce dollars rose higher than conventional dollars.

Q3 saw a reduction in average price for both Conventional and Organic Produce. The average price per pound for conventional and organics saw a $0.01 drop over last year's price during the same time period.

2024 Q3 Highlights

During Q3 2024, organic produce continued to show growth in dollars and volume outpacing the growth seen in conventional produce. This year's

volume growth in particular showed greater success for organics than in previous years. From 2021 to 2023, both conventional and organic produce posted year over year volume decreases. For 2024, however, this trend ended with both segments seeing a boost in total volume with organics returning to the same volume as it had back in 2021.

Total conventional and organic dollar performance continued with the steady year over year growth that has been observed over the past five years.

Source: Organic Produce Network and Category Partners, powered by NielsenIQ Syndicated, 2024 Q3

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Total U.S. Organic Trend

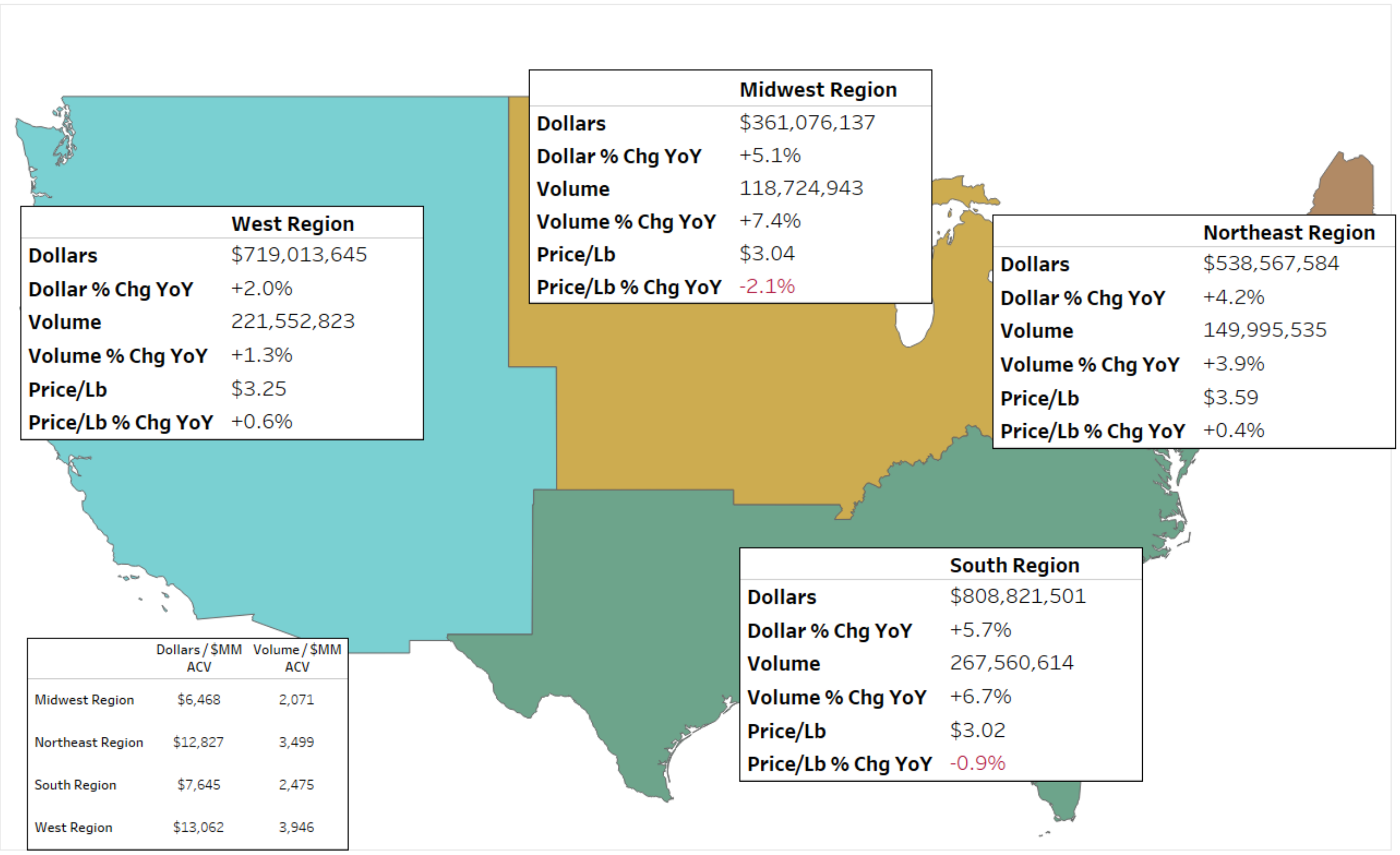
- Q3 Organic outpaced Conventional growth in dollars with Organic +4.6% and Conventional at +2.0%
- Q3 Organic outpaced Conventional growth in volume with Organic +4.6% and Conventional +2.6%
- Q3 both Conventional and Organic are now showing a deflationary trend with units growing faster than dollars
- Q3 continued the trend with both Convention and Organic growing in dollars

Five Year Performance

Source: Organic Produce Network and Category Partners, powered by NielsenIQ Syndicated, 2024 Q3

Organic Regional Performance

- Midwest Region led Organic volume growth with +7.4%
- South Region led Organic dollar growth with +5.7%
- South region sold the highest dollar and volume level in the country
- Midwest and South regions are showing deflationary vs. Q3 last year
- West and Northeast continue to show inflation in Q3 vs. last year



	West Region
Dollars	$719,013,645
Dollar % Chg YoY	+2.0%
Volume	221,552,823
Volume % Chg YoY	+1.3%
Price/Lb	$3.25
Price/Lb % Chg YoY	+0.6%

	Midwest Region
Dollars	$361,076,137
Dollar % Chg YoY	+5.1%
Volume	118,724,943
Volume % Chg YoY	+7.4%
Price/Lb	$3.04
Price/Lb % Chg YoY	-2.1%

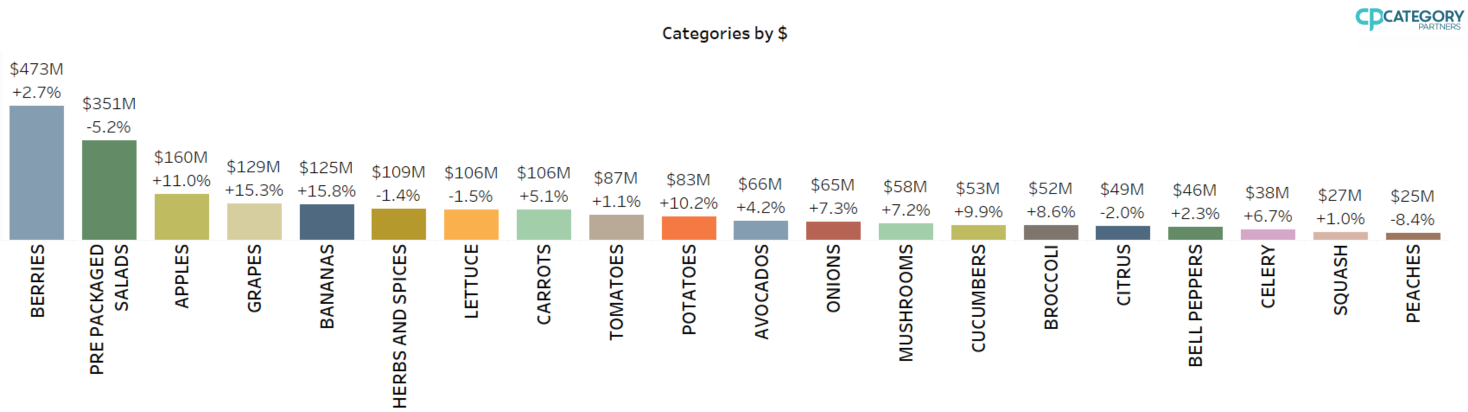
	Northeast Region
Dollars	$538,567,584
Dollar % Chg YoY	+4.2%
Volume	149,995,535
Volume % Chg YoY	+3.9%
Price/Lb	$3.59
Price/Lb % Chg YoY	+0.4%

	South Region
Dollars	$808,821,501
Dollar % Chg YoY	+5.7%
Volume	267,560,614
Volume % Chg YoY	+6.7%
Price/Lb	$3.02
Price/Lb % Chg YoY	-0.9%

	Dollars / $MM ACV	Volume / $MM ACV
Midwest Region	$6,468	2,071
Northeast Region	$12,827	3,499
South Region	$7,645	2,475
West Region	$13,062	3,946

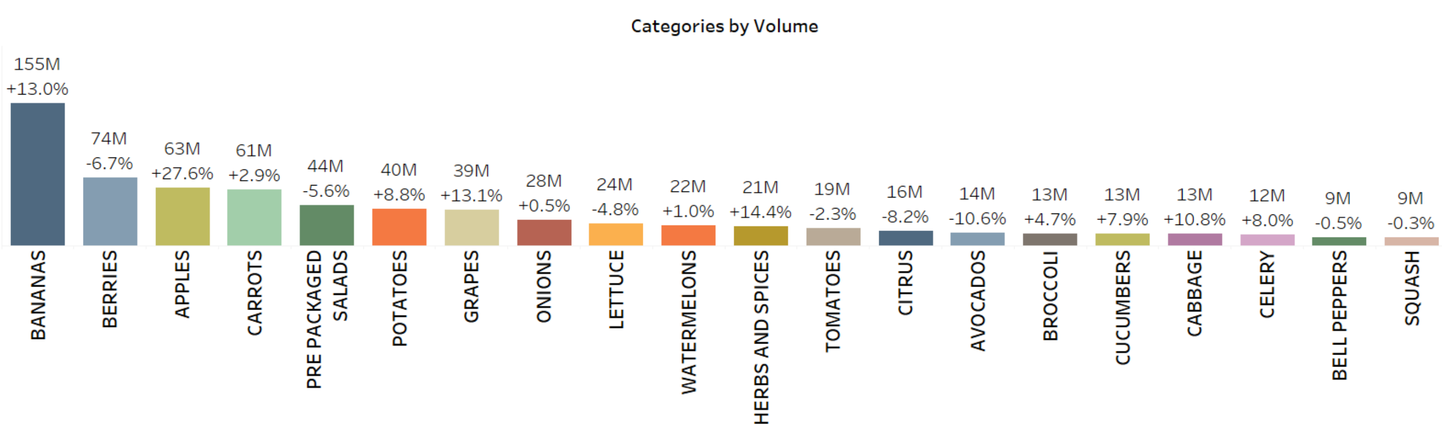
Dollar Performance

- 15 of the top 20 dollar volume organic categories were positive in Q3
- Organic Bananas led dollar increases with +15.8%
- Organic Grapes, Apples, Potatoes also had double digit growth



Volume Performance

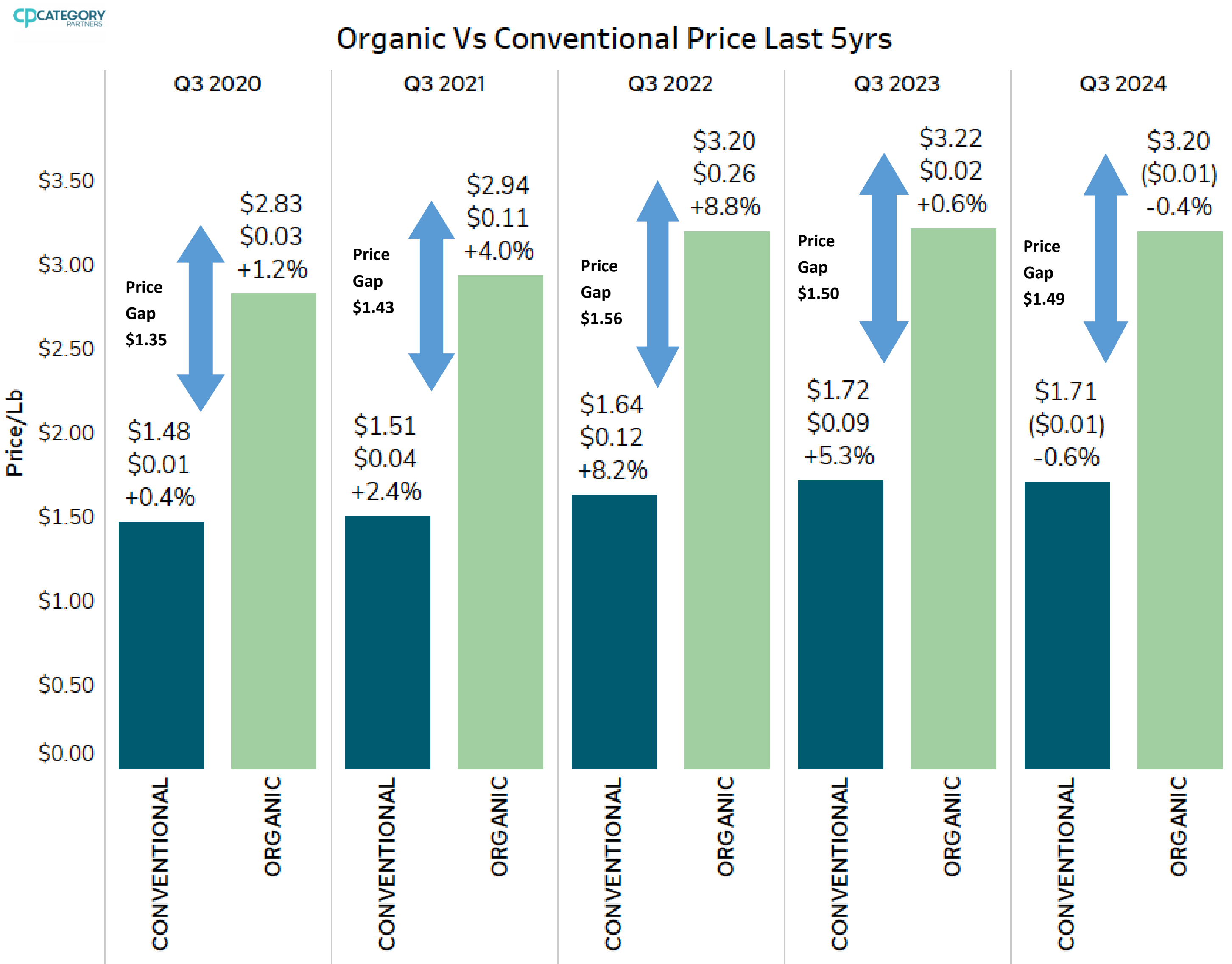
- 12 of the top 20 unit volume organic categories were positive in Q3
- Organic Apples led the volume increases with +27.6%
- Herbs and Spices, Grapes, Bananas and Cabbage also had double digit growth in volume



Source: Organic Produce Network and Category Partners, powered by NielsenIQ Syndicated, 2024 Q3

Price Over the Years

- Q3 Price gap between Organic and Conventional continues at similar levels of the last 5 years at $1.49lb
- For the first time in 5 years there was a reduction in average price for Q3 for both Conventional and Organic produce each reducing by $0.01
- Conventional average price was down by (0.6%)
- Organic average price was down by (0.4%)



Source: Organic Produce Network and Category Partners, powered by NielsenIQ Syndicated, 2024 Q3

Background

This report on organic produce performance was compiled and developed under the direction of Matt Seeley of the Organic Produce Network by Tom Barnes and Kaelan McGurk of Category Partners. Data and charts in this report may be reproduced by recipients provided source attribution is used as follows: Source: Organic Produce Network and Category Partners, powered by Nielsen Total US Scan, 2024 Q3. Category Partners is a strategic insights company focusing exclusively on the fresh industries in the retail grocery channel. The company works exclusively with growers, marketers and retailers of conventional and organic fresh foods by providing data solutions, analysis, and insights on product performance, consumer preferences and industry trends.

Tom Barnes

Chief executive officer at Category Partners. He is a +20-year industry veteran and has spent nearly his entire career working in marketing, consumer research, and data analytics in the fresh produce industry.

Kaelan McGurk

Data Analyst for Category Partners. His work in fresh foods focuses on utilizing performance data to identify opportunities for dollar and volume growth in retail channels, provide analytical insights, and develop executive-level presentations.