SunOpta™

Fueling the Future of Food

SunOpta Inc. **Investor Presentation**

November 2021

Forward Looking Statements

This presentation may include forward-looking statements and therefore is subject to important risks and uncertainties. Actual results could differ materially from the conclusions, forecasts and projections as certain material factors and assumptions were applied in drawing conclusions and in making the forecasts or projections upon which the forward-looking statements are premised.

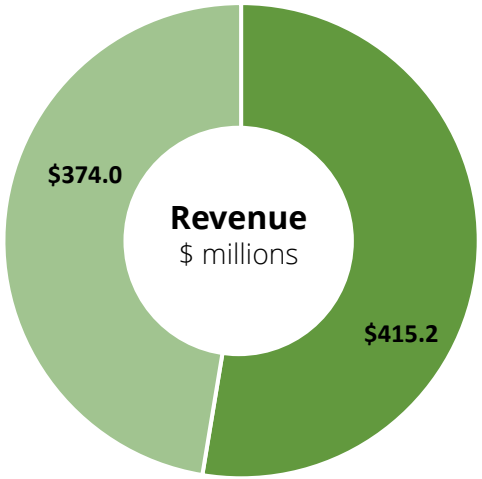
Additional information about these material factors and assumptions, as well as other risks, uncertainties and/or relevant factors, are set forth under "Forward Looking Statements," and "Risk Factors" in the Company's Annual Report on filed Form 10-K for the fiscal year ended January 2, 2021 (available at www.sec.gov), Form 10-Q for the quarter ended October 2, 2021, as well as the Company's earnings press release issued on November 10, 2021.

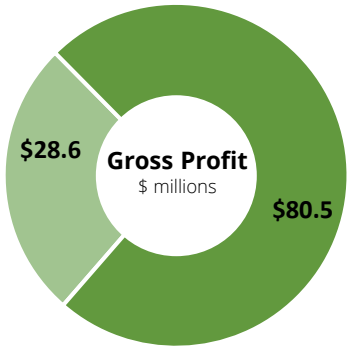
SunOpta is a Global, Healthy Food & Beverage Company with a Strong Focus on Sustainability

$789 Million Fiscal 2020 Revenues

- We are focused on healthy, sustainability-oriented beverages and foods
- We manufacture plant-based milks and bases, and process frozen fruit and fruit-based snacks and ingredients
- We are focused on organic and we go to market through private label, co-manufacturing and our own brands

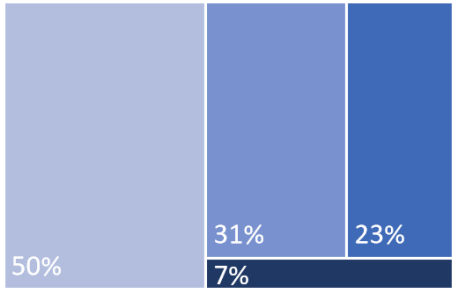
We operate **2 Business Segments**





Plant-Based Foods & Beverages
Fruit-Based Foods & Beverages

We go to market with **Multi-Channel** consumer products offerings



Retail/Private Label
Foodservice
Co-manufacturing
Industrial & Other

5 Reasons to Invest in SunOpta

1. We are a plant-based company with a strong ESG profile
2. We participate in the #1 global food trend, plant-based foods and beverages (represents 75% of gross profit)
3. We have competitive advantages in our plant-based segment via supply chain, R&D, customer service and customer integration, with commodity costs typically passed through in our agreements
4. We have strong profitability, yet we trade at dramatically lower multiples compared to other plant-based foods and beverages companies
5. We offer the opportunity to invest in the sector, not just an individual brand

Key Facts

Founded in Canada as a sustainability company

Now headquartered in Edina, MN

1,451 associates

14 plants globally

More than 40 acquisitions over the past 15 years

Go-To-Market principally in Co-manufacturing and Private Label

Focused on organic; plant-based; healthy fruit products

Timeline / History Chart

1973
Company founded as Stake Technologies Ltd (STKL) on patented technology designed to convert agricultural by-products into usable products such as animal feed and biofuels

1999
Acquisition of SunRich Inc, a supplier of specialty grains and premium fruit ingredients, marked the Company's first step into foods

2003
Name changed to SunOpta Inc. recognizing that the future of the Company was in natural and organic foods. In the words of the Company's founder and then CEO Jeremy Kendall, *"We believe the name SunOpta reflects our environmental and organic commitment to products nourished by the 'sun' with 'optimal' nutritional value and environmental responsibility"*

2003 - 2015
SunOpta continued to grow primarily through business acquisitions, growing its portfolio of ingredient sourcing, value-added processing and consumer packaged products

2016
SunOpta became a pure-play foods and beverages company and entered a strategic partnership with Oaktree Capital Management LP

Timeline / History Chart

2017
Initiated the Value Creation Plan to drive strategic focus on improving performance and growth in the core business

2017 to 2018
Company focused on divestitures of non-core businesses, building a new leadership team and executing on operational improvements to the business

2019
Joe Ennen appointed CEO in April and Scott Huckins appointed CFO in September

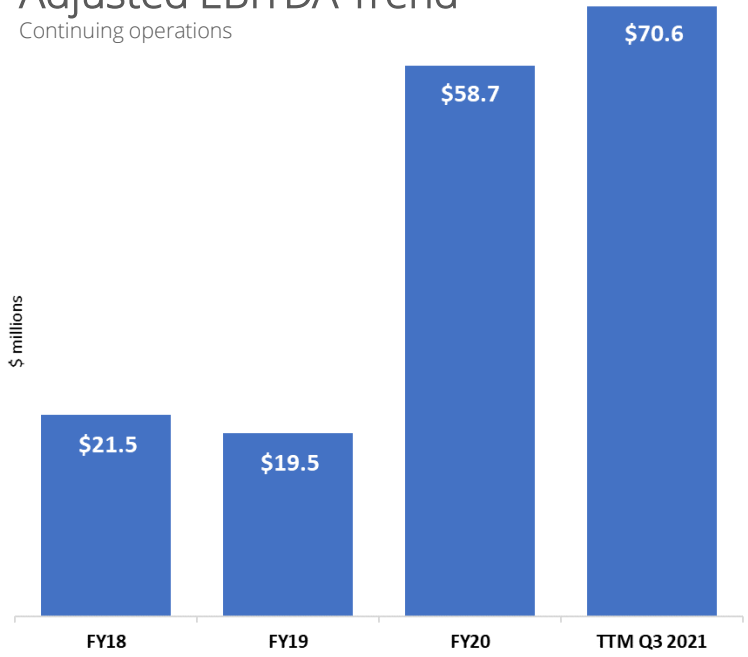
2019 to 2020 Company continued to focus on go-to-market strategies and driving business growth and delivered 4 consecutive quarters of doubling EBITDA!

2021
Company acquired WestSoy and Dream brands expanding branded portfolio offering

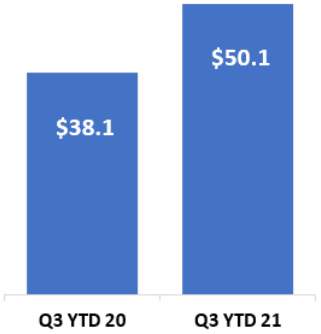
SunOpta has a Solid Growth Plan to Continue Delivering Exceptional Shareholder Value

Adjusted EBITDA Trend[1]

Continuing operations



- 2020 adjusted EBITDA approximately tripled compared to 2019 for continuing operations
- TTM Q3 2021 adjusted EBITDA is $70.6M



- Q3 YTD 2021 adjusted EBITDA increased approximately 31% compared to Q3 YTD 2020 for continuing operations

- Q3 2021 adjusted EBITDA increased approximately 8% compared to Q3 2020 for continuing operations

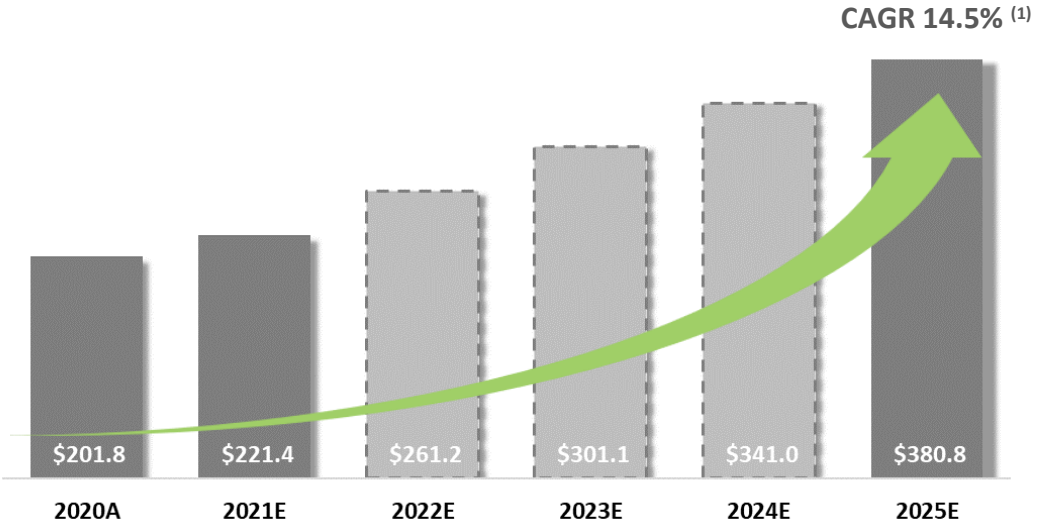
Growth Plan

- Invest in capacity and capabilities to grow the core plant-based beverage business
- Leverage extraction capabilities to expand into new plant-based categories like refrigerated milk, creamers, ice cream and yogurt via ingredients
- Deliver innovation to market through our co-manufacturing and private label customers and/or direct to retailers

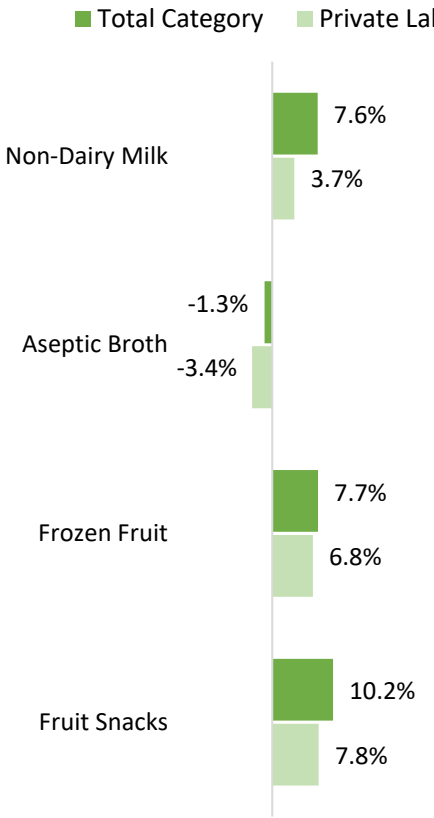
(1) Adjusted EBITDA is a non-GAAP measure. Refer to slides 25-27 for a reconciliation to the most comparable GAAP measure.

SunOpta is Well Positioned to Compete in Growing On-Trend Categories

The **Global Organic Food Market** is expected to **grow nearly 15%** over the **next 5 years**



Category Growth Trends (2)



SunOpta's Growth in Organic

- 26% of revenue in FY20 was related to organic products
- 29% of the revenue growth from FY19 to FY20 was driven by organic products

(1) Source: Organic Food Global Market Report 2021, https://www.thebusinessresearchcompany.com/report/organic-food-global-market-report
(2) Source: Nielsen – TTL US XAOC – 52WE 10/9/21 – Does not include Costco – Year over year growth

SunOpta Firmly Believes that Plant-Based is the Future of Food

GROWTH OF
TOTAL PLANT-BASED FOODS
BY CATEGORY

CATEGORY	SALES 2020	% GROWTH PAST YEAR
Milk	$2.5B	20.4%
Meat	$1.4B	45.3%
Frozen Meals	$520M	28.5%
Ice cream + frozen novelty	$435M	20.4%
Creamer	$394M	32.5%
Yogurt	$343M	20.2%
Protein powders	$292M	9.6%
Butter	$275M	35.5%
Cheese	$270M	42.5%
Tofu + Tempeh	$175M	40.8%
Baked goods + cookies	$152M	(1.2)%
Ready-to-drink beverages	$137M	12.0%
Condiments, dressings and mayo	$81M	23.4%
Dairy spreads, dips, sour cream, and sauces	$61M	83.4%
Eggs	$27M	167.8%
GRAND TOTAL	$7B	27.1%

Source: 52-week calendar year ending December 27, 2020.
Raw data commissioned from SPINS powered by IRI and coded by PBFA + GFI.

plantbasedfoods.org
PLANT BASED FOODS ASSOCIATION

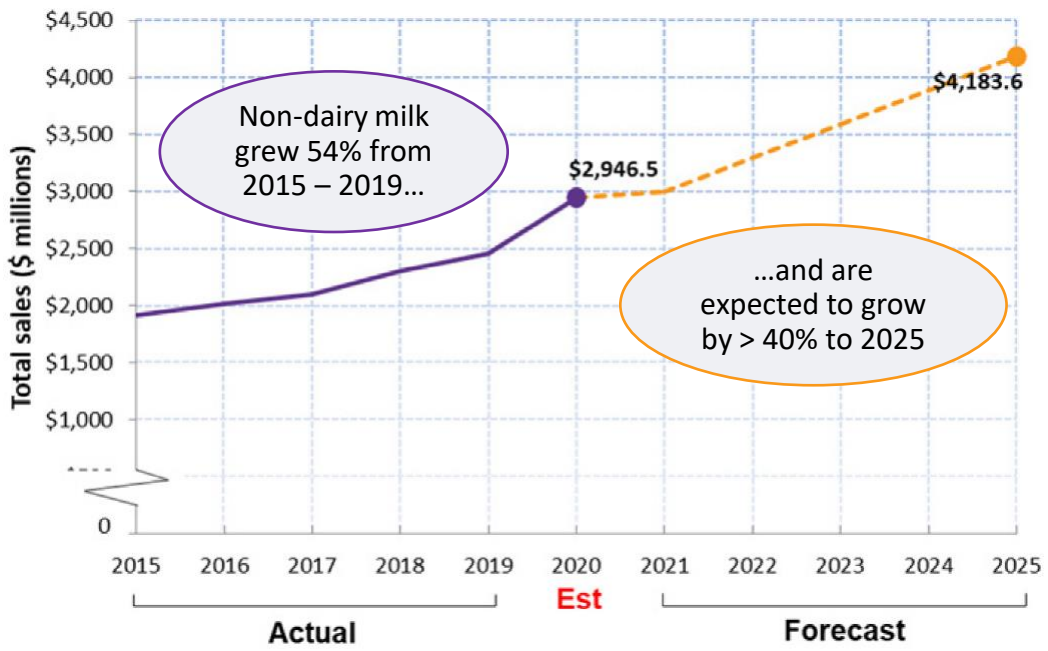
"U.S. retail sales of plant-based foods continued to increase by double digits in 2020, growing 27% and bringing the total plant-based market value to $7 billion. This growth in dollar sales ("sales") was consistent across the nation, with more than 25% growth in every U.S. census region. The plant-based food market grew almost twice as fast as the total U.S. retail food market, which increased 15% in 2020 as Covid-19 shuttered restaurants and consumers stocked up on food amid lockdowns." [1]

"Plant-based milk – the largest plant-based category – has reached $2.5 billion and accounts for 35% of the total plant-based food market. Even as the most developed category, plant-based milk grew 20% in dollar sales, up from 5% in 2019." [1]

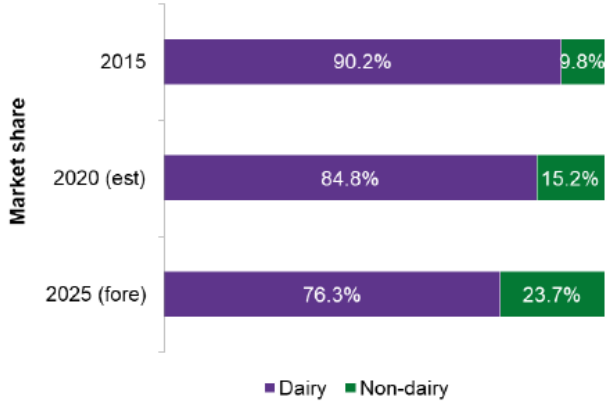
(1) Source: 2020 Retail Sales Data Insights, Plant Based Foods Association (PBFA), https://www.plantbasedfoods.org/retail-sales-data/

We have seen Long-Term Sustained Growth in Plant-Based Milk

Total US sales from plant-based milks were expected to continue its steady growth and achieve ~$4.2B by 2025. The **growth rate is accelerating** and is expected to continue as consumer remain focused on better-for-you nutrition, functionality and the innovation pipeline continues to expand. [1]



Non-dairy milks are rapidly taking share from the declining dairy market. In 2015, non-dairy milk made up less than 10% of total milk sales. By 2025, non-dairy is estimated to account for nearly 24%.[2]

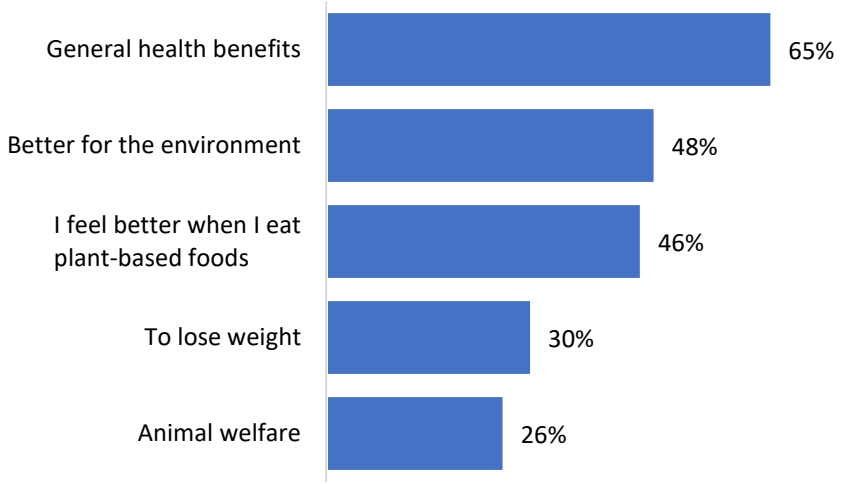


(1) IRI InfoScan® Reviews; CSPDailyNews.com, "Category Management Handbook"; US Census Bureau, Economic Census/Mintel
(2) IRI InfoScan® Reviews; US Census Bureau, Economic Census/Mintel

SunOpta's Internal Capabilities Align Well with the Macro Forces Supporting Plant-Based Eating

100% of Gen-Z and **over 60% of Millennials** listed environmental concerns as a motivating factor in eating plant-based foods. [1]

Top 5 reasons consumers are choosing to eat plant-based foods: [2]



(1) Source: 2020 Retail Sales Data Insights, Plant Based foods Association (PBFA), https://www.plantbasedfoods.org/retail-sales-data/
(2) Source: https://www.foodnavigator-usa.com/Article/2020/07/14/SHIFT20-How-are-consumers-thinking-about-plant-based-eating-Mattson-unveils-new-survey-data

We Believe that SunOpta is Well Positioned to Win in Plant-Based

SunOpta has sustainable competitive advantage

Competitive Costs driven through operating expertise and focus on productivity along with a geographically diverse manufacturing footprint

Highest Quality from investing in the right people, systems and tools

Focus on **Customer Service** and robust and reliable supply chain as measured by extremely high case fill rates

Available Capacity to support business development and future growth

World class R&D team to **Drive Innovation**

SunOpta is Expanding into Exciting New Plant-Based Categories

Our new oat-base capabilities have opened significant new sales apertures for us in other traditional dairy categories where we do not hold market share today.

Refrigerated Milk

Ice Cream

Cheese

Yogurt

SunOpta has a Diverse & Impressive Base of Customers and Partners

Representative Private Label Customers

Representative Co-manufacturing Customers

SunOpta's Branded Portfolio brings Innovation to the Market

Fruit-Based Foods & Beverages	Plant-Based Foods & Beverages
SUNRISE® GROWERS	DREAM®, WESTSOY®, SOWN™, Sunrich

SunOpta has a Clear Set of Strategic Priorities

Portfolio Prioritization

- ✓ Recognize and resource plant-based beverage as our top priority to drive revenue and EBITDA growth
- ✓ Prioritize assets and capabilities that are structurally advantaged and invest to build long-term points of differentiation
- ✓ Critically evaluate and exit lines of business that aren't positioned for long-term success

Speed of Customer Centric Innovation

- ✓ Bring value to customers brands through innovative plant-based and fruit-based solutions
- ✓ Leverage our R&D capabilities, multi-channel category insights, and ability to bring the latest trends in organic ingredients to market to bring value enhancing innovation to our customers

Double Plant-Based Foods & Beverages Business

- ✓ Expand our extraction capacity 4X to support the strong growth of oat milk and the growing demand for plant-based ingredients
- ✓ Invest into increased capacity and capabilities across our national plant-based beverage network to capitalize on consumer trends

We are focused on delivering sustained profitable growth by creating a culture that is:

- ✓ **Faster and more agile;**
- ✓ **Focused on the biggest priorities; and**
- ✓ **Fanatical about the customer and saying "yes" to opportunities.**

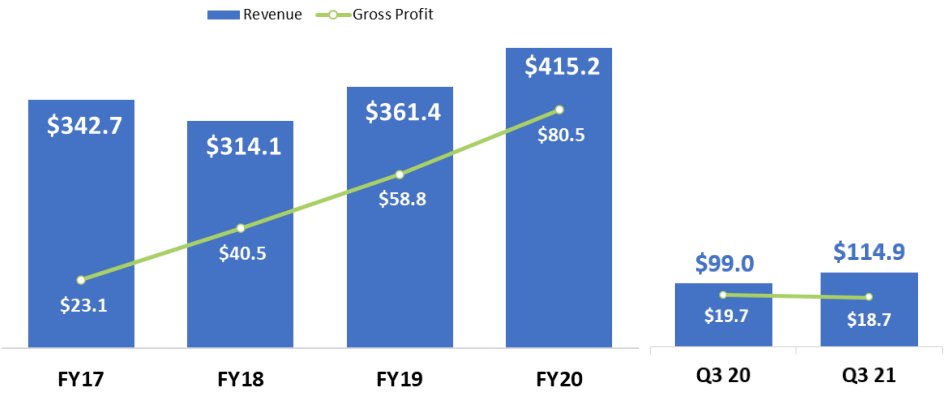
SunOpta is Driving Innovation in Plant-Based Foods & Beverages

Product Categories

- Plant-Based Beverages (soy, almond, oat, etc.)
- Broths
- Teas
- Plant-Based Concentrated Bases (extraction)
- Sunflower and Roasted Snacks

Financial Trend

$ millions



Recent Developments

1. Completed the addition of new capacity and capabilities across our national footprint
2. Extended manufacturing agreement with leading retail oat milk customer for another two years
3. Continuing to add capacity and expand capabilities via capex projects

Strategic Priorities

- ✓ Build a competitively advantaged service model
- ✓ Compete in refrigerated plant-based beverages by building a strong ingredient business focused on oat
- ✓ Build a multi-pronged go-to-market business that includes co-manufacturing, private label and owned brands

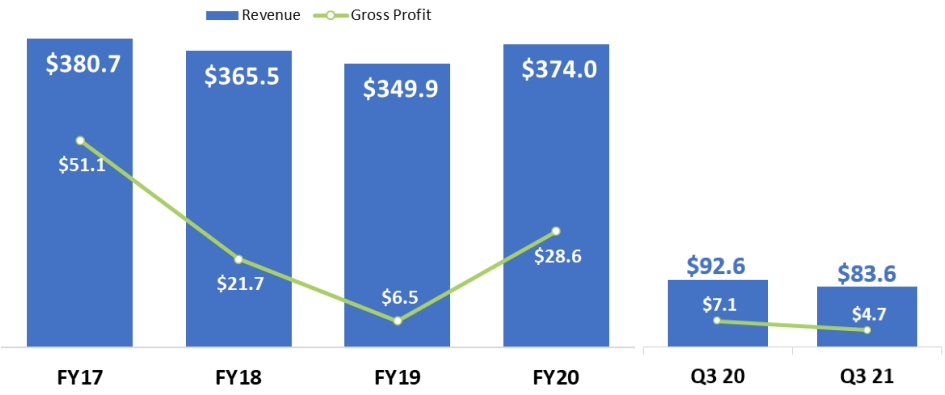
SunOpta is Positioned to Win in Fruit-Based Foods & Beverages

Product Categories

- IQF Fruit for Retail
- Fruit Solutions for Foodservice
- Custom Formulated Fruit Ingredients
- Fruit-Based Snacks (bars, bits, strips, twists)

Financial Trend

$ millions



Recent Developments

1. Executed significant price increases across the portfolio to offset fruit cost inflation
2. Working to meet strong demand in fruit snacks; considered a growth engine into the future
3. Successfully launched smoothie bowl products

Strategic Priorities

- ✓ De-risking the business through geographic diversification, customer pricing programs and better grower relations
- ✓ Becoming the low-cost operator in frozen fruit through automation, footprint reengineering and aggressive actions to right size SG&A
- ✓ Evolving the portfolio via innovation towards more value-added offerings

SunOpta is Focused on Delivering Sustained Profitable Growth

Our Focus Areas for 2021

Invest in Plant-Based Beverages

- Expand oat extraction capacity 4x
- Expand processes capabilities in each of the three plants
- Realize $100 million of revenue growth in the next two years

Improve Profitability in Fruit

- Reduce costs of manufacturing
- Optimize footprint
- More flexible pricing mechanisms
- Improve sourcing diversity

Appendix

Key Financial Metrics

Reconciliation of Non-GAAP Measures

This presentation includes certain measures not derived in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”). Such measures should not be considered substitutes for any measures derived in accordance with U.S. GAAP and may also be inconsistent with similar measures presented by other companies. Reconciliation of these non-GAAP financial measures to the most nearly comparable U.S. GAAP measures, if applicable, is presented on the slides that follow. The Company believes that these non-GAAP financial measures provide useful information to investors as the measures emphasize core on-going operations and are helpful in comparing past and present operating results. The Company uses these measures to evaluate past performance and prospects for future performance. The presentation of non-GAAP financial measures by the Company should not be considered in isolation or as a substitute for the Company’s financial results prepared in accordance with U.S. GAAP.

Key Financial Metrics

Income Statement

($ millions, except per share amounts)	Q3 2021	Q3 2020
Revenues [1]	$198.5	$191.7
Gross profit [2] As % of Revenue	23.4 11.8%	26.8 14.0%
Operating income [3] [4] As % of Revenue	3.9 2.0%	3.1 1.6%
Adjusted earnings (loss) [4]	1.1	(5.8)
Adjusted earnings (loss) per share [4]	$0.01	$(0.06)
Adjusted EBITDA [4]	15.6	14.4

(1) Revenues for the quarter ended October 2, 2021 increased by 3.6% to $198.5 million from $191.7 million for the quarter ended September 26, 2020. Excluding the impact of incremental revenues from the acquisition of the Dream and WestSoy brands (an increase in revenues of $5.9 million) and changes in commodity-related pricing (an increase in revenues of $4.6 million), revenues decreased by 1.9% in the third quarter of 2021, compared with the third quarter of 2020.

(2) Gross profit decreased $3.5 million, or 13.0%, to $23.4 million for the quarter ended October 2, 2021, compared with $26.8 million for the quarter ended September 26, 2020. As a percentage of revenues, gross profit for the quarter ended October 2, 2021 was 11.8% compared to 14.0% for the quarter ended September 26, 2020, a decrease of 220 basis points.

(3) For the quarter ended October 2, 2021, we realized total segment operating income of $3.9 million, compared with $3.1 million for the quarter ended September 26, 2020. The $0.8 million increase in total segment operating income mainly reflected a $5.6 million decrease in SG&A expenses, which more than offset the lower gross profit, as described above, and the incremental amortization expense related to the acquired Dream and WestSoy brand name intangible assets. The SG&A savings primarily reflected lower incentive compensation, based on financial performance, together with reduced reserves for credit losses due to improving economic conditions within the foodservice sector and lower employee compensation costs related to headcount reductions in our frozen fruit operations, partially offset by incremental costs related to the transition and integration of the recently acquired Dream and WestSoy brands and project development activities related to our new plant-based beverage facility under construction in Texas.

(4) Operating income, Adjusted earnings/loss, Adjusted earnings/loss per share and Adjusted EBITDA are non-GAAP measures. Refer to slides 24-25 for a reconciliation to the most comparable U.S. GAAP measure.

Key Financial Metrics

Balance Sheet & Debt Capital

($ millions)	As at Oct 2, 2021
Working Capital [1]	$ 227.0
Total Assets	749.1
Revolving Credit Facility *Five-year, $250 million asset-based revolving credit facility, subject to borrowing base capacity, and a five-year $75 million delayed draw term loan facility which can be borrowed on to finance certain capital expenditures.*	170.4
Other Debt *Smaller credit facilities, lease and other financing arrangements.*	49.9
Total Debt	$ 220.3

(1) Working capital is defined as current assets less current liabilities, excluding cash and cash equivalents, current portion of long-term debt, and current portion of operating lease liabilities.

Reconciliation of U.S. GAAP Results to Adjusted Earnings/Loss and Adjusted EPS

The following table presents a reconciliation of adjusted earnings/loss from earnings/loss from continuing operations, which we consider to be the most directly comparable U.S. GAAP financial measure.

($ millions, except per share amounts)	Q3 2021		Q3 2020	
		Per Share		Per Share
Loss from continuing operations	**$ (3.0)**		**$ (3.9)**	
Dividends and accretion on preferred stock	(0.7)		(2.8)	
Loss from continuing operations attributable to common shareholders	(3.8)	($0.04)	(6.7)	($0.07)
Adjusted for:				
Business development costs(a)	1.8		-	
Workforce reduction charges(b)	0.5		-	
Costs related to exit from fruit ingredient processing facility(c)	0.5		-	
Legal settlements(d)	-		0.7	
Plant expansion costs(e)	-		0.2	
Costs related to Value Creation Plan(f)	-		0.2	
Other(g)	0.0		0.3	
Net income tax effect(h)	2.1		(0.5)	
Adjusted earnings (loss)	**1.1**	**$0.01**	**(5.8)**	**($0.06)**

(a) Represents third-party costs associated with business development activities, including costs related to the evaluation, execution, and integration of external acquisitions and internal expansion projects, or completion of divestitures. For the third quarter of 2021, these costs reflected the transition and integration of the acquired Dream and WestSoy brands and project development activities related to our new plant-based beverage facility under construction in Texas, which were recorded in SG&A expenses ($1.6 million), as well as the assessment of post-closing adjustments related to the divestiture of Tradin Organic, which were recorded in other expense ($0.2 million).

(b) For the third quarter of 2021, represents severance and related benefit charges recorded in other expense, which were related to workforce reduction actions in our frozen fruit operations to reduce overhead costs.

(c) For the third quarter of 2021, reflects inventory and equipment relocation costs related to the exit from our fruit ingredient processing facility, which were recorded in the other expense.

(d) For the third quarter of 2020, reflects a loss of $2.4 million on the settlement of a customer claim related to the recall of certain sunflower products in 2016, net of a $1.7 million gain on the settlement of an unrelated legal matter, which were recorded in other expense/income.

(e) For the third quarter of 2020, reflects start-up costs related to the expansion of our plant-based extraction capabilities, which were recorded in cost of goods sold.

(f) For the third quarter of 2020, reflects employee retention costs of $0.1 million recorded in SG&A expenses, and employee termination costs of $0.1 million recorded in other expense.

(g) Other includes losses on the disposal of assets, which were recorded in other expense.

(h) Reflects the tax effect of the preceding adjustments to earnings calculated based on our estimated annual effective tax rate.

Reconciliation of U.S. GAAP Results to Operating Income/Loss and Adjusted EBITDA (Slide 8)

The following table presents a reconciliation of segment operating income/loss and adjusted EBITDA from net earnings/loss, which we consider to be the most directly comparable U.S. GAAP financial measure.

($ millions)	Q3 2021	Q3 2020
Loss from continuing operations	**$ (3.0)**	**$ (3.9)**
Income tax expense (benefit)	2.9	(1.4)
Interest expense, net	2.9	7.4
Other expense, net	1.2	1.1
Total segment operating income	3.9	3.1
Depreciation and amortization	8.8	7.5
Stock-based compensation	1.3	3.4
Business development costs[(a)]	1.6	-
Plant expansion costs[(b)]	-	0.2
Costs related to Value Creation Plan[(c)]	-	0.1
Adjusted EBITDA	**15.6**	**14.4**

(a) For the third quarter of 2021, third-party business development costs reflected the transition and integration of the acquired Dream and WestSoy brands and project development activities related to our new plant-based beverage facility under construction in Midlothian, Texas, which were recorded in SG&A expenses.

(b) For the third quarter of 2020, reflects costs related to the expansion of our plant-based extraction capabilities, which were recorded in cost of goods sold.

(c) For the third quarter of 2020, reflects employee retention costs recorded in SG&A expenses.

Reconciliation of U.S. GAAP Results to Operating Income/Loss and Adjusted EBITDA (Slide 8)

The following table presents a reconciliation of segment operating income/loss and adjusted EBITDA from net earnings/loss, which we consider to be the most directly comparable U.S. GAAP financial measure.

($ millions)	Q3 YTD 2021	Q3 YTD 2020
Loss from continuing operations	**$ (2.3)**	**$ (13.0)**
Income tax expense (benefit)	0.4	(4.8)
Interest expense, net	6.1	22.4
Other expense, net	7.4	0.8
Total segment operating income	11.7	5.5
Depreciation and amortization	25.8	22.9
Stock-based compensation[(a)]	9.6	8.3
Business development costs[(b)]	2.9	-
Costs related to Value Creation Plan[(c)]	-	1.1
Plant expansion costs[(d)]	-	0.3
Adjusted EBITDA	**50.1**	**38.1**

(a) For the first three quarters of 2020, stock-based compensation of $8.3 million was recorded in SG&A expenses and the reversal of $0.9 million of previously recognized stock-based compensation related to forfeited awards previously granted to terminated employees was recognized in other income.

(b) For the first three quarters of 2021, third-party business development costs reflected the transition and integration of the acquired Dream and WestSoy brands and project development activities related to our new plant-based beverage facility under construction in Midlothian, Texas, which were recorded in SG&A expenses.

(c) Reflects professional fees of $0.5 million and employee retention costs of $0.6 million recorded in SG&A expenses.

(d) Reflects costs related to the expansion of our plant-based extraction capabilities, which were recorded in cost of goods sold.

Reconciliation of U.S. GAAP Results to Adjusted EBITDA Trend (Slide 8)

The following table presents a reconciliation of adjusted EBITDA from net earnings/loss, which we consider to be the most directly comparable U.S. GAAP financial measure. We believe this presentation assists investors in assessing the results of the operations we have disposed of and the effect of those operations on our financial performance.

	Continuing Operations			Consolidated		
($ millions)	2018	2019	2020	2018	2019	2020
Net earnings (loss)	**$ (127.5)**	**$ (13.1)**	**$ (47.3)**	**$ (109.2)**	**$ (0.8)**	**$ 77.5**
Earnings (loss) attributable to non-controlling interests	-	-	-	0.1	0.2	(0.3)
Gain on sale of discontinued operations[(a)]	-	-	-	-	-	(111.8)
Provision for (recovery of) income taxes	(13.6)	(3.1)	(2.7)	(5.4)	3.2	13.1
Loss on retirement of debt[(b)]	-	-	8.9	-	-	8.9
Interest expense, net	33.1	32.8	30.0	34.4	34.7	32.5
Other expense (income), net	5.2	(40.6)	23.4	2.8	(40.0)	22.6
Goodwill impairment	81.2	-	-	81.2	-	-
Total segment operating income (loss)	**(21.5)**	**(24.1)**	**12.3**	**3.9**	**(2.8)**	**42.5**
Deprecation and amortization	28.2	29.3	30.3	32.8	34.0	35.0
Stock-based compensation[(c)]	6.8	10.5	12.6	7.9	11.6	13.1
Costs related to Value Creation Plan[(d)]	0.7	3.6	1.6	0.7	3.6	1.6
Plant expansion costs[(e)]	-	0.3	1.9	-	0.6	1.9
Contract manufacturer transition costs[(f)]	-	-	-	-	0.3	-
Inventory write-downs[(g)]	3.1	-	-	3.1	-	-
New product commercialization costs[(h)]	2.6	-	-	2.7	-	-
Equipment start-up costs[(i)]	2.7	-	-	2.9	-	-
Product withdrawl and recall costs[(j)]	(1.2)	-	-	(1.2)	-	-
Adjusted EBITDA	**21.5**	**19.5**	**58.7**	**52.9**	**47.3**	**94.1**

(a) Reflects the pre-tax gain on sale of Tradin Organic recorded in earnings from discontinued operations.

(b) Reflects the premium paid ($5.3 million) and write-off of unamortized debt issuance costs ($3.6 million) on the redemption and retirement of our second lien notes, which is recorded in non-operating expenses.

(c) For 2020, stock-based compensation of $13.1 million was recorded in SG&A expenses and earnings from discontinued operations, and the reversal of $0.9 million of previously recognized stock-based compensation related to forfeited awards previously granted to terminated employees was recognized in other income. For 2019, stock-based compensation of $11.6 million was recorded in SG&A expenses and earnings from discontinued operations, and the reversal of $4.1 million of previously recognized stock-based compensation related to forfeited awards previously granted to terminated employees was recognized in other income. For 2018, stock-based compensation of $7.9 million was recorded in SG&A expenses and earnings from discontinued operations.

(d) For 2020, reflects professional fees of $1.0 million and employee retention costs of $0.6 million recorded in SG&A expenses. For 2019, reflects employee retention and relocation costs of $2.2 million, and professional fees of $1.4 million recorded in SG&A expenses. For 2018, reflects the write-down of remaining flexible resealable pouch and nutrition bar inventories of $0.1 million recorded in cost of goods sold; and professional and consulting fees, and employee recruitment and relocation costs of $0.6 million recorded in SG&A expenses.

(e) For 2020, reflects start-up costs related to expansion projects within our plant-based ingredient extraction and beverage operations, which were recorded in cost of goods sold. For 2019, reflects costs related to the expansion of our Allentown, Pennsylvania, plant-based beverage facility and start-up of Tradin Organic's avocado oil facility in Ethiopia, which were recorded in cost of goods sold and earnings from discontinued operations.

(f) Reflects costs related to the transition of premium juice production activities to new contract manufacturers, which were recorded in earnings from discontinued operations.

(g) Reflects the write-down of certain frozen fruit inventory items in the fourth quarter of 2018, due to a change in expected use of aged stocks, and reduced sales pricing and high production costs, which was recorded in cost of goods sold.

(h) Reflects costs for development, production trials and start-up costs, incremental freight charges, and employee training related to the commercialization of new consumer products, which were recorded in cost of goods sold, SG&A expenses and earnings from discontinued operations.

(i) Reflects costs related to the start-up of new roasting equipment for grains, seeds and legumes at our Crookston, Minnesota, facility, as well as the start-up of a second processing line at our cocoa facility in the Netherlands, which were recorded in cost of goods sold and earnings from discontinued operations.

(j) For 2018, reflects the recovery from a third-party supplier of $1.2 million of costs incurred relating to the withdrawal of certain consumer-packaged products due to quality-related issues, which was recorded in cost of goods sold. Costs incurred related to this withdrawal were recognized in cost of goods sold in 2016.

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