UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended August 28, 2022
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 1-37830



LAMB WESTON HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**61-1797411**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
599 S. Rivershore Lane **Eagle, Idaho**	**83616**
(Address of principal executive offices)	(Zip Code)

(208) 938-1047
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $1.00 par value	LW	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.:

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of September 28, 2022, the Registrant had 143,831,204 shares of common stock, par value $1.00 per share, outstanding.

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PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (Unaudited)

Lamb Weston Holdings, Inc.
Consolidated Statements of Earnings
(unaudited, in millions, except per share amounts)

	Thirteen Weeks Ended	
	August 28, 2022	August 29, 2021
Net sales	$ 1,125.6	$ 984.2
Cost of sales	852.3	832.9
Gross profit	273.3	151.3
Selling, general and administrative expenses	116.3	91.1
Income from operations	157.0	60.2
Interest expense, net	26.0	27.9
Income before income taxes and equity method earnings	131.0	32.3
Income tax expense	73.7	8.7
Equity method investment earnings	174.6	6.2
Net income	$ 231.9	$ 29.8
Earnings per share:		
Basic	$ 1.61	$ 0.20
Diluted	$ 1.60	$ 0.20
Weighted average common shares outstanding:		
Basic	144.0	146.3
Diluted	144.6	146.9

See Condensed Notes to Consolidated Financial Statements.

Lamb Weston Holdings, Inc.
Consolidated Statements of Comprehensive Income
(unaudited, dollars in millions)

	Thirteen Weeks Ended August 28, 2022			Thirteen Weeks Ended August 29, 2021		
	Pre-Tax Amount	Tax (Expense) Benefit	After-Tax Amount	Pre-Tax Amount	Tax (Expense) Benefit	After-Tax Amount
Net income	$ 305.6	$ (73.7)	$ 231.9	$ 38.5	$ (8.7)	$ 29.8
Other comprehensive income (loss):						
Reclassification of post-retirement benefits out of accumulated other comprehensive income	—	—	—	0.1	—	0.1
Unrealized currency translation gains (losses)	(31.7)	1.0	(30.7)	(23.8)	1.5	(22.3)
Other	0.2	—	0.2	—	—	—
Comprehensive income	$ 274.1	$ (72.7)	$ 201.4	$ 14.8	$ (7.2)	$ 7.6

See Condensed Notes to Consolidated Financial Statements.

Lamb Weston Holdings, Inc.
Consolidated Balance Sheets
(unaudited, dollars in millions, except share data)

	August 28, 2022	May 29, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 485.3	$ 525.0
Receivables, less allowance for doubtful accounts of $1.8 and $1.1	449.5	447.3
Inventories	635.5	574.4
Prepaid expenses and other current assets	59.9	112.9
Total current assets	1,630.2	1,659.6
Property, plant and equipment, net	1,690.9	1,579.2
Operating lease assets	112.3	119.0
Equity method investments	372.5	257.4
Goodwill	352.2	318.0
Intangible assets, net	32.8	33.7
Other assets	218.8	172.9
Total assets	$ 4,409.7	$ 4,139.8
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings	$ 9.1	$ —
Current portion of long-term debt and financing obligations	32.2	32.2
Accounts payable	462.7	402.6
Accrued liabilities	276.3	264.3
Total current liabilities	780.3	699.1
Long-term liabilities:		
Long-term debt and financing obligations, excluding current portion	2,700.1	2,695.8
Deferred income taxes	218.7	172.5
Other noncurrent liabilities	200.6	211.9
Total long-term liabilities	3,119.4	3,080.2
Commitments and contingencies		
Stockholders' equity:		
Common stock of $1.00 par value, 600,000,000 shares authorized; 148,286,975 and 148,045,584 shares issued	148.3	148.0
Additional distributed capital	(796.9)	(813.3)
Retained earnings	1,501.8	1,305.5
Accumulated other comprehensive loss	(46.1)	(15.6)
Treasury stock, at cost, 4,456,388 and 3,974,156 common shares	(297.1)	(264.1)
Total stockholders' equity	510.0	360.5
Total liabilities and stockholders’ equity	$ 4,409.7	$ 4,139.8

See Condensed Notes to Consolidated Financial Statements.

Lamb Weston Holdings, Inc.
Consolidated Statements of Stockholders' Equity
(unaudited, dollars in millions, except share data)

	Thirteen Weeks Ended August 28, 2022 and August 29, 2021						
	Common Stock, net of Treasury Shares	Common Stock Amount	Treasury Stock Amount	Additional Paid-in (Distributed) Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
Balance at May 29, 2022	144,071,428	$ 148.0	$ (264.1)	$ (813.3)	$ 1,305.5	$ (15.6)	$ 360.5
Dividends declared, $0.245 per share	—	—	—	—	(35.2)	—	(35.2)
Common stock issued	241,391	0.3	—	0.2	—	—	0.5
Stock-settled, stock-based compensation expense	—	—	—	7.6	—	—	7.6
Repurchase of common stock and common stock withheld to cover taxes	(482,232)	—	(33.0)	—	—	—	(33.0)
Other	—	—	—	8.6	(0.4)	—	8.2
Comprehensive income	—	—	—	—	231.9	(30.5)	201.4
Balance at August 28, 2022	143,830,587	$ 148.3	$ (297.1)	$ (796.9)	$ 1,501.8	$ (46.1)	$ 510.0
Balance at May 30, 2021	146,191,864	$ 147.6	$ (104.3)	$ (836.8)	$ 1,244.6	$ 29.5	$ 480.6
Dividends declared, $0.235 per share	—	—	—	—	(34.4)	—	(34.4)
Common stock issued	376,001	0.4	—	1.5	—	—	1.9
Stock-settled, stock-based compensation expense	—	—	—	5.2	—	—	5.2
Repurchase of common stock and common stock withheld to cover taxes	(506,849)	—	(33.4)	—	—	—	(33.4)
Other	—	—	—	(0.1)	—	—	(0.1)
Comprehensive income	—	—	—	—	29.8	(22.2)	7.6
Balance at August 29, 2021	146,061,016	$ 148.0	$ (137.7)	$ (830.2)	$ 1,240.0	$ 7.3	$ 427.4

See Condensed Notes to Consolidated Financial Statements.

Lamb Weston Holdings, Inc.
Consolidated Statements of Cash Flows
(unaudited, dollars in millions)

	Thirteen Weeks Ended	
	August 28, 2022	August 29, 2021
Cash flows from operating activities		
Net income	$ 231.9	$ 29.8
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of intangibles and debt issuance costs	49.8	47.3
Stock-settled, stock-based compensation expense	7.6	5.2
Equity method investment (earnings) loss in excess of distributions	(174.6)	3.5
Deferred income taxes	34.5	1.7
Other	(2.8)	1.5
Changes in operating assets and liabilities, net of acquisition:		
Receivables	9.9	(35.1)
Inventories	(51.5)	43.4
Income taxes payable/receivable, net	42.3	9.7
Prepaid expenses and other current assets	45.5	33.0
Accounts payable	24.3	10.0
Accrued liabilities	(24.8)	11.8
Net cash provided by operating activities	$ 192.1	$ 161.8
Cash flows from investing activities		
Additions to property, plant and equipment	(101.2)	(78.9)
Acquisition of interest in joint venture, net	(42.3)	—
Additions to other long-term assets	(20.0)	—
Other	(3.4)	0.1
Net cash used for investing activities	$ (166.9)	$ (78.8)
Cash flows from financing activities		
Proceeds from issuance of debt	13.8	—
Repayments of debt and financing obligations	(8.0)	(7.9)
Dividends paid	(35.3)	(34.4)
Repurchase of common stock and common stock withheld to cover taxes	(34.4)	(33.4)
Other	0.4	(0.1)
Net cash used for financing activities	$ (63.5)	$ (75.8)
Effect of exchange rate changes on cash and cash equivalents	(1.4)	(1.0)
Net (decrease) increase in cash and cash equivalents	(39.7)	6.2
Cash and cash equivalents, beginning of period	525.0	783.5
Cash and cash equivalents, end of period	$ 485.3	$ 789.7

See Condensed Notes to Consolidated Financial Statements.

Lamb Weston Holdings, Inc.
Condensed Notes to Consolidated Financial Statements
(Unaudited)

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lamb Weston Holdings, Inc. ("we," "us," "our," the "Company," or "Lamb Weston"), along with our joint ventures, is a leading global producer, distributor, and marketer of value-added frozen potato products and is headquartered in Eagle, Idaho. We have four reportable segments: Global, Foodservice, Retail, and Other. See Note 13, Segments, for additional information on our reportable segments.

Basis of Presentation

The accompanying unaudited Consolidated Financial Statements present the financial results of Lamb Weston for the thirteen weeks ended August 28, 2022 and August 29, 2021, and have been prepared in accordance with generally accepted accounting principles ("GAAP") in the United States of America ("U.S").

These consolidated financial statements are unaudited, and include all adjustments that we consider necessary for a fair presentation of such financial statements and consist only of normal recurring adjustments. The preparation of financial statements involves the use of estimates and accruals. The actual results that we experience may differ materially from those estimates. Results for interim periods should not be considered indicative of results for our full fiscal year, which ends the last Sunday in May.

These financial statements and condensed notes should be read together with the consolidated financial statements and notes in our Annual Report on Form 10-K for the fiscal year ended May 29, 2022 (the "Form 10-K"), where we include additional information on our critical accounting estimates, policies, and the methods and assumptions used in our estimates. We filed the Form 10-K with the Securities and Exchange Commission on July 27, 2022.

There were no accounting pronouncements recently issued that had or are expected to have a material impact on our consolidated financial statements.

2. EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per common share for the periods presented:

(in millions, except per share amounts)	Thirteen Weeks Ended August 28, 2022	Thirteen Weeks Ended August 29, 2021
Numerator:		
Net income	$ 231.9	$ 29.8
Denominator:		
Basic weighted average common shares outstanding	144.0	146.3
Add: Dilutive effect of employee incentive plans (a)	0.6	0.6
Diluted weighted average common shares outstanding	144.6	146.9
Earnings per share:		
Basic	$ 1.61	$ 0.20
Diluted	$ 1.60	$ 0.20

(a) Potential dilutive shares of common stock under employee incentive plans are determined by applying the treasury stock method to the assumed exercise of outstanding stock options and the assumed vesting of outstanding restricted stock units and performance awards. As of August 28, 2022, 0.6 million shares of stock-based awards were excluded from the computation of diluted earnings per share because they would be antidilutive. As of August 29, 2021, an insignificant number of stock-based awards were excluded from the computation of diluted earnings per share because they would be antidilutive.

3. INCOME TAXES

Income tax expense was $73.7 million and $8.7 million for the thirteen weeks ended August 28, 2022 and August 29, 2021, respectively. The effective income tax rate (calculated as the ratio of income tax expense to pre-tax income, inclusive of equity method investment earnings) was 24.1% and 22.6% for the thirteen weeks ended August 28, 2022 and August 29, 2021, respectively, in our Consolidated Statements of Earnings. The effective tax rate varies from the U.S. statutory tax rate of 21% principally due to the impact of U.S. state taxes, foreign taxes, permanent differences, and discrete items. Excluding the impact of both the gain associated with the acquisition of an additional 40% interest in our Argentina joint venture, Lamb Weston Alimentos Modernos S.A. (“LWAMSA”), and the mark-to-market adjustments associated with changes in natural gas and electricity derivatives at our Lamb-Weston/Meijer v.o.f (“LWM”) joint venture, which are discussed at Note 6, Joint Venture Investments, and Note 13, Segments, respectively, our effective tax rate was 25.0%.

Income Taxes Paid

Income tax refunds, net of taxes paid, were $3.2 million and $2.9 million during the thirteen weeks ended August 28, 2022 and August 29, 2021, respectively.

4. INVENTORIES

Inventories are valued at the lower of cost (determined using the first-in, first-out method) or net realizable value and include all costs directly associated with manufacturing products: materials, labor, and manufacturing overhead. The components of inventories were as follows:

(in millions)	August 28, 2022	May 29, 2022
Raw materials and packaging	$ 89.3	$ 96.1
Finished goods	493.7	426.5
Supplies and other	52.5	51.8
Inventories	$ 635.5	$ 574.4

5. PROPERTY, PLANT AND EQUIPMENT

The components of property, plant and equipment were as follows:

(in millions)	August 28, 2022	May 29, 2022
Land and land improvements	$ 118.2	$ 114.1
Buildings, machinery, and equipment	2,982.7	2,919.0
Furniture, fixtures, office equipment, and other	98.2	92.1
Construction in progress	236.5	156.1
Property, plant and equipment, at cost	3,435.6	3,281.3
Less accumulated depreciation	(1,744.7)	(1,702.1)
Property, plant and equipment, net	$ 1,690.9	$ 1,579.2

Depreciation expense was $47.3 million and $44.5 million for the thirteen weeks ended August 28, 2022 and August 29, 2021, respectively. At August 28, 2022 and May 29, 2022, purchases of property, plant and equipment included in accounts payable were $64.4 million and $38.3 million, respectively.

Interest capitalized within construction in progress for the thirteen weeks ended August 28, 2022 and August 29, 2021, was $2.0 million and $1.2 million, respectively.

6. JOINT VENTURE INVESTMENTS

Consolidated Joint Ventures

In July 2022, we acquired an additional 40% interest in LWAMSA, which increased our total ownership from 50% to 90%. We recorded LWAMSA's assets and liabilities at fair value, which included remeasuring our previously held equity interest at fair value, and we recognized a $15.1 million gain in "Equity method investment earnings" in our Consolidated Statement of Earnings. The fair value was determined utilizing industry EBITDA multiples and control premium comparable information, which are unobservable inputs, or Level 3 in the fair value hierarchy. We recorded the preliminary fair values as of the date of acquisition.

In connection with the purchase of the additional interest in LWAMSA, we ceased equity method accounting and began consolidating LWAMSA's financial statements. The net sales, income from operations, and total assets acquired were not material to our consolidated net sales, income from operations, and total assets. LWAMSA's operating results are included in our Global segment.

On September 6, 2022, we announced an expansion of french fry processing capacity in Argentina with the planned construction of a new manufacturing facility in Mar del Plata. The new processing facility is expected to produce more than 200 million pounds of frozen french fries and other potato products per year. Construction of the new line is expected to be completed in fiscal 2025. The total investment is expected to be approximately $240 million. This investment will add to the capacity produced at LWAMSA's existing production facility in Buenos Aires.

Noncontrolling Interest

As of August 28, 2022, total LWAMSA interest not directly attributable to Lamb Weston, or NCI, was $8.2 million and was recorded in "Additional distributed capital" on our Consolidated Balance Sheet. For the thirteen weeks ended August 28, 2022, the net loss attributable to NCI was not significant and was recorded in "Selling, general and administrative expenses" in our Consolidated Statement of Earnings.

Unconsolidated Joint Ventures

Our equity method investments were as follows:

(in millions)	August 28, 2022	May 29, 2022
LWM (a)	$ 347.8	$ 211.2
Lamb-Weston/RDO Frozen ("Lamb Weston RDO") (b)	24.1	19.4
LWAMSA (c)	—	26.1
Other	0.6	0.7
	$ 372.5	$ 257.4

(a) We own 50% of LWM, a joint venture with Meijer Frozen Foods B.V., headquartered in the Netherlands that manufactures and sells frozen potato products principally in Europe and the Middle East. The investment balance includes $146.3 million of unrealized gains related to mark-to-market adjustments associated with changes in natural gas and electricity derivatives as commodity markets in Europe have experienced significant volatility during the thirteen weeks ended August 28, 2022. In September 2022, LWM completed the previously announced withdrawal from its joint venture in Russia.

(b) We own 50% of Lamb Weston RDO, a joint venture with RDO Frozen Co., that operates a potato processing facility in the U.S.

(c) In July 2022, we acquired an additional 40% interest in LWAMSA, increasing our total ownership to 90% and began consolidating the joint venture.

We have an agreement to share the costs of our global enterprise resource planning ("ERP") system and related software and services with LWM. Under the terms of the agreement, LWM will pay us for the majority of its portion of the ERP costs in five equal annual payments, plus interest, beginning in the period the system is deployed at LWM. At August 28, 2022 and May 29, 2022, LWM's portion of the ERP costs totaled $29.5 million and $23.4 million, respectively. We had $25.3 million and $20.5 million of receivables recorded in "Other assets" on our Consolidated Balance Sheets at August 28, 2022 and May 29, 2022, respectively. We expect the total receivable from LWM to increase as development and implementation of the next phase of our ERP system continues throughout fiscal 2023.

7. GOODWILL AND OTHER IDENTIFIABLE INTANGIBLE ASSETS

The following table presents changes in goodwill balances, by segment, during the thirteen weeks ended August 28, 2022:

(in millions)	Global	Foodservice	Retail	Other	Total
Balance at May 29, 2022	$ 259.8	$ 42.8	$ 10.9	$ 4.5	$ 318.0
Acquisition of interest in joint venture (a)	42.1	—	—	—	42.1
Foreign currency translation adjustment	(7.9)	—	—	—	(7.9)
Balance at August 28, 2022	$ 294.0	$ 42.8	$ 10.9	$ 4.5	$ 352.2

(a) In July 2022, we acquired an additional 40% interest in LWAMSA, which increased our total ownership from 50% to 90%, and we recorded $42.1 million of goodwill, that is not deductible for tax purposes, in our Global segment. See Note 6, Joint Venture Investments, for more information.

Other identifiable intangible assets were as follows:

	August 28, 2022				May 29, 2022			
(dollars in millions)	Weighted Average Useful Life (in years)	Gross Carrying Amount	Accumulated Amortization	Intangible Assets, Net	Weighted Average Useful Life (in years)	Gross Carrying Amount	Accumulated Amortization	Intangible Assets, Net
Non-amortizing intangible assets (a)	n/a	$ 18.0	$ —	$ 18.0	n/a	$ 18.0	$ —	$ 18.0
Amortizing intangible assets (b)	10	41.1	(26.3)	14.8	10	41.4	(25.7)	15.7
		$ 59.1	$ (26.3)	$ 32.8		$ 59.4	$ (25.7)	$ 33.7

(a) Non-amortizing intangible assets represent brands and trademarks.

(b) Amortizing intangible assets are principally composed of licensing agreements, brands, and customer relationships. Developed technology, which is excluded from this balance, is recorded as “Other assets” on our Consolidated Balance Sheets. Amortization expense, including developed technology amortization expense, was $1.4 million and $1.5 million for the thirteen weeks ended August 28, 2022 and August 29, 2021, respectively. Foreign intangible assets are affected by foreign currency translation.

8. ACCRUED LIABILITIES

The components of accrued liabilities were as follows:

(in millions)	August 28, 2022	May 29, 2022
Compensation and benefits	$ 84.6	$ 81.0
Accrued trade promotions	43.4	41.2
Income taxes payable	36.1	1.7
Dividends payable to shareholders	35.2	35.3
Current portion of operating lease obligations	22.8	22.4
Accrued interest	14.9	42.1
Franchise, property, and sales and use taxes	14.1	10.4
Other	25.2	30.2
Accrued liabilities	$ 276.3	$ 264.3

9. DEBT AND FINANCING OBLIGATIONS

The components of our debt, including financing obligations, were as follows:

(in millions)	August 28, 2022	May 29, 2022
Short-term borrowings:		
Other credit facilities	$ 9.1	$ —
Long-term debt:		
Term A-1 loan facility, due June 2024	255.0	258.7
Term A-2 loan facility, due April 2025	292.5	296.6
RMB loan facility, due February 2027 (a)	31.0	19.7
4.875% senior notes, due May 2028	500.0	500.0
4.125% senior notes, due January 2030	970.0	970.0
4.375% senior notes, due January 2032	700.0	700.0
	2,748.5	2,745.0
Financing obligations:		
Lease financing obligations due on various dates through 2040 (b)	7.0	7.0
Total debt and financing obligations	2,764.6	2,752.0
Debt issuance costs (c)	(23.2)	(24.0)
Short-term borrowings	(9.1)	—
Current portion of long-term debt and financing obligations	(32.2)	(32.2)
Long-term debt and financing obligations, excluding current portion	$ 2,700.1	$ 2,695.8

(a) The effective average interest rate on this facility was 4.60% as of August 28, 2022.

(b) The interest rates on our lease financing obligations ranged from 2.08% to 3.32% as of August 28, 2022 and May 29, 2022.

(c) Excludes debt issuance costs of $3.1 million and $3.3 million as of August 28, 2022 and May 29, 2022, respectively, related to our revolving credit facility, which are recorded in “Other assets” on our Consolidated Balance Sheets.

At August 28, 2022, we had no borrowings outstanding under our revolving credit facility and $994.6 million of availability under the facility, which is net of outstanding letters of credit of $5.4 million. For the thirteen weeks ended August 28, 2022, we had no borrowings under the facility.

For the thirteen weeks ended August 28, 2022 and August 29, 2021, we paid $56.8 million and $2.7 million of interest on debt, respectively.

For more information on our debt and financing obligations, interest rates, and debt covenants, see Note 7, Debt and Financing Obligations, of the Notes to Consolidated Financial Statements in “Part II, Item 8. Financial Statements and Supplementary Data” of the Form 10-K.

10. STOCK-BASED COMPENSATION

The Compensation and Human Capital Committee ("the Committee") of our Board of Directors administers our stock compensation plan. The Committee, in its discretion, authorizes grants of restricted stock units ("RSUs"), performance awards payable upon the attainment of specified performance goals ("Performance Shares"), stock options, dividend equivalents, and other stock-based awards. As of August 28, 2022, 6.2 million shares were available for future grant under the plan.

RSUs

We grant RSUs to eligible employees and non-employee directors. The employee RSUs generally vest over a three-year period while the non-employee director RSUs generally vest after one year. We estimate the fair value of the RSUs based upon the market price of our common stock on the date of grant. Compensation expense is recognized over the period the employee or non-employee director provides service in exchange for the award.

Performance Shares

Performance Shares are granted to certain executives and other key employees with vesting contingent upon meeting various Company-wide performance goals. Awards actually earned range from 0% to 200% of the targeted number of Performance Shares for each of the performance periods. Awards, if earned, would be paid in shares of our common stock. Subject to limited exceptions set forth in our stock plan, any shares earned will generally vest over a three-year service period. The value of these Performance Shares is adjusted based upon the market price of our common stock and the anticipated attainment of Company-wide performance goals at the end of each reporting period and amortized as compensation expense over the service period.

We have also granted Performance Shares with vesting contingent upon relative total shareholder return goals, and, under special circumstances, stock price growth goals. Awards actually earned range from 0% to 200%, in the case of awards contingent on total shareholder return goals, or 0% to 300%, in the case of awards contingent on stock price growth goals, of the targeted number of Performance Shares. These Performance Shares are equity-settled awards that vest over a three-year service period, and the number of units that actually vest is determined based on the achievement of the performance criteria set forth in the respective award agreement. The awards are measured based on estimated fair value as of the date of grant using a Monte Carlo simulation, and are amortized over the service period.

The weighted average Monte Carlo assumptions for Performance Shares granted during the thirteen weeks ended August 28, 2022 were:

	Assumptions
Dividend yield (%)	0.00 - 1.42
Expected volatility of stock (%)	42.99
Risk-free interest rate (%)	2.89
Expected life (years)	2.82
Weighted average grant date fair value per unit	$ 91.43 - $118.97

Stock Options

Under special circumstances, we have granted options to employees for the purchase of stock at exercise prices equal to the fair market value of the underlying stock on the grant date. Options generally become exercisable in three annual installments beginning on the first anniversary of the grant date and have a maximum term of seven years.

The weighted average Black-Sholes assumptions for stock options granted during the thirteen weeks ended August 28, 2022 were:

	Assumptions
Weighted average fair value	$ 25.90
Dividend yield (%)	1.22
Expected volatility of stock (%)	34.06
Risk-free interest rate (%)	2.82
Expected life of stock option (years)	5.75
Weighted average exercise price per share	$ 79.66

Stock Based Compensation Grants

During the thirteen weeks ended August 28, 2022, we granted 0.3 million, 0.3 million, and 0.6 million RSUs, Performance Shares, and stock options, respectively, at an average grant date fair value of $79.47, $92.85, and $25.90, respectively.

Compensation Expense

Our stock-based compensation expense is recorded in "Selling, general and administrative expenses." Compensation expense for stock-based awards recognized in the Consolidated Statements of Earnings, net of forfeitures, was as follows:

	Thirteen Weeks Ended	
(in millions)	August 28, 2022	August 29, 2021
Stock-settled RSUs	$ 4.7	$ 3.6
Performance Shares	2.4	1.6
Stock options	0.5	—
Total compensation expense	$ 7.6	$ 5.2
Income tax benefit (a)	(1.3)	(0.9)
Total compensation expense, net of tax benefit	$ 6.3	$ 4.3

(a) Income tax benefit represents the marginal tax rate, excluding non-deductible compensation.

Based on estimates at August 28, 2022, total unrecognized compensation expense related to stock-based awards was as follows:

(in millions, except data in years)	Unrecognized Compensation Expense	Remaining Weighted Average Recognition Period (in years)
Stock-settled RSUs	$ 44.6	1.9
Performance Shares	33.9	2.5
Stock options	13.8	2.0
Total unrecognized compensation expense	$ 92.3	

11. FAIR VALUE MEASUREMENTS

The fair values of cash equivalents, receivables, accounts payable, and short-term debt approximate their carrying amounts due to their short duration.

The following table presents our financial assets and liabilities measured at fair value on a recurring basis based upon the level within the fair value hierarchy in which the fair value measurements fall:

	As of August 28, 2022			
(in millions)	Level 1	Level 2	Level 3	Fair Value of Assets (Liabilities)
Derivative assets (a)	—	3.5	—	3.5
Derivative liabilities (a)	—	(0.5)	—	(0.5)
Deferred compensation liabilities (b)	—	(22.2)	—	(22.2)
Fair value, net	$ —	$ (19.2)	$ —	$ (19.2)

	As of May 29, 2022			
(in millions)	Level 1	Level 2	Level 3	Fair Value of Assets (Liabilities)
Derivative assets (a)	—	7.0	—	7.0
Deferred compensation liabilities (b)	—	(21.6)	—	(21.6)
Fair value, net	$ —	$ (14.6)	$ —	$ (14.6)

(a) Derivative assets and liabilities included in Level 2 primarily represent commodity swap and option contracts. The fair values of our Level 2 derivative assets and liabilities were determined using valuation models that use market observable inputs including both forward and spot prices for commodities. Derivative assets are presented within "Prepaid expenses and other current assets" and derivative liabilities are presented within "Accrued liabilities" on our Consolidated Balance Sheets.

(b) The fair values of our Level 2 deferred compensation liabilities were valued using third-party valuations, which are based on the net asset values of mutual funds in our retirement plans. While the underlying assets are actively traded on an exchange, the funds are not. Deferred compensation liabilities are primarily presented within "Other noncurrent liabilities" on our Consolidated Balance Sheets.

At August 28, 2022, we had $2,170.0 million of fixed-rate and $587.6 million of variable-rate debt outstanding. Based on current market rates, the fair value of our fixed-rate debt was estimated to be $2,006.2 million. Any differences between the book value and fair value are due to the difference between the period-end market interest rate and the stated rate of our fixed-rate debt. The fair value of our variable-rate term debt approximates the carrying amount as our cost of borrowing is variable and approximates current market prices.

12. STOCKHOLDERS' EQUITY

Share Repurchase Program

Our Board of Directors authorized a program, with no expiration date, to repurchase up to $500.0 million of our common stock. During the thirteen weeks ended August 28, 2022, we repurchased 404,476 shares for $28.4 million, or a weighted average price of $70.11 per share. As of August 28, 2022, $240.6 million remained authorized for repurchase under the program.

Dividends

During the thirteen weeks ended August 28, 2022, we paid $35.3 million of dividends to common stockholders. On September 2, 2022, we paid $35.2 million of dividends to stockholders of record as of the close of business on August 5, 2022. On September 28, 2022, our Board of Directors declared a dividend of $0.245 per share of common stock. The dividend will be paid on December 2, 2022, to stockholders of record as of the close of business on November 4, 2022.

Accumulated Other Comprehensive Income ("AOCI")

Changes in AOCI, net of taxes, as of August 28, 2022 were as follows:

(in millions)	Foreign Currency Translation Gains (Losses)	Pension and Post-Retirement Benefits	Other	Accumulated Other Comprehensive Income (Loss)
Balance as of May 29, 2022	$ (12.9)	$ (3.3)	$ 0.6	$ (15.6)
Other comprehensive income before reclassifications, net of tax	(30.7)	—	0.2	(30.5)
Amounts reclassified out of AOCI, net of tax	—	—	—	—
Net current-period other comprehensive income (loss)	(30.7)	—	0.2	(30.5)
Balance as of August 28, 2022	$ (43.6)	$ (3.3)	$ 0.8	$ (46.1)

13. SEGMENTS

We have four operating segments, each of which is a reportable segment: Global, Foodservice, Retail, and Other. Our chief operating decision maker receives periodic management reports under this structure that generally focus on the nature and scope of our customers' businesses, which enables operating decisions, performance assessment, and resource allocation decisions at the segment level. The reportable segments are each managed by a general manager and supported by a cross functional team assigned to support the segment.

	Thirteen Weeks Ended	
(in millions)	August 28, 2022	August 29, 2021
Net sales		
Global	$ 559.7	$ 501.2
Foodservice	366.3	321.4
Retail	169.6	132.5
Other	30.0	29.1
Total net sales	$ 1,125.6	$ 984.2
Product contribution margin (a)		
Global	$ 83.7	$ 42.6
Foodservice	138.2	96.4
Retail	48.7	14.8
Other (b)	(1.8)	(6.6)
	268.8	147.2
Add: Advertising and promotion expenses (a)	4.5	4.1
Gross profit	273.3	151.3
Selling, general and administrative expenses	116.3	91.1
Income from operations	157.0	60.2
Interest expense, net	26.0	27.9
Income tax expense	73.7	8.7
Equity method investment earnings (c)	174.6	6.2
Net income	$ 231.9	$ 29.8

(a) Product contribution margin represents net sales less cost of sales and advertising and promotion expenses. Product contribution margin includes advertising and promotion expenses because those expenses are directly associated with segment performance.

(b) The Other segment primarily includes our vegetable and dairy businesses and unrealized mark-to-market adjustments and realized settlements associated with commodity hedging contracts.

(c) Equity method investment earnings for the thirteen weeks ended August 28, 2022 and August 29, 2021 include a $146.3 million and $5.0 million unrealized gain, respectively, related to mark-to-market adjustments associated with changes in natural gas and electricity derivatives as commodity markets in Europe have experienced significant volatility.

In July 2022, we acquired an additional 40% interest in LWAMSA, increasing our total ownership from 50% to 90%. See Note 6, Joint Venture Investments, for more information.

14. COMMITMENTS, CONTINGENCIES, GUARANTEES AND LEGAL PROCEEDINGS

We have financial commitments and obligations that arise in the ordinary course of our business. These include long-term debt, lease obligations, purchase commitments for goods and services, and legal proceedings. There have been no material changes to the guarantees and indemnifications disclosed in Note 14, Commitments, Contingencies, Guarantees, and Legal Proceedings, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of the Form 10-K.

We are a party to legal actions arising in the ordinary course of our business. These claims, legal proceedings and litigation principally arise from alleged casualty, product liability, employment, and other disputes. In determining loss contingencies, we consider the likelihood of loss as well as the ability to reasonably estimate the amount of such loss or liability. An estimated loss is recognized when it is considered probable that a liability has been incurred and when the amount of loss can be reasonably estimated. While any claim, proceeding or litigation has an element of uncertainty, we believe the outcome of any of these matters that are pending or threatened will not have a material adverse effect on our financial condition, results of operations, or cash flows.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations, which we refer to as "MD&A," should be read in conjunction with our condensed consolidated financial statements and related notes included in "Financial Information" of this Quarterly Report on Form 10-Q (this "Form 10-Q") and in "Financial Statements and Supplementary Data" of the Company's Annual Report on Form 10-K for the fiscal year ended May 29, 2022 (the "Form 10-K"), which we filed with the United States ("U.S.") Securities and Exchange Commission ("SEC") on July 27, 2022.

Forward-Looking Statements

This report, including the MD&A, contains forward-looking statements within the meaning of the federal securities laws. Words such as "will," "continue," "may," "expect," "would," "believe," "increase," "implement," "mitigate," "manage," "grow," "improve," "outlook," and variations of such words and similar expressions are intended to identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements regarding our plans, execution, capital investments, operational costs, pricing actions, cash flows, liquidity, dividends, enterprise resource planning ("ERP") system implementation and business and financial outlook and prospects, as well as supply chain constraints, inflation, our industry, and the global economy. These forward-looking statements are based on management's current expectations and are subject to uncertainties and changes in circumstances. Readers of this report should understand that these statements are not guarantees of performance or results. Many factors could affect our actual financial results and cause them to vary materially from the expectations contained in the forward-looking statements, including those set forth in this report. These risks and uncertainties include, among other things: the availability and prices of raw materials; labor shortages and other operational challenges; disruptions in the global economy caused by the war in Ukraine and the possible related heightening of our other known risks; impacts on our business due to health pandemics or other contagious outbreaks, such as the COVID-19 pandemic, including impacts on demand for our products, increased costs, disruption of supply, other constraints in the availability of key commodities and other necessary services or restrictions imposed by public health authorities or governments; levels of pension, labor and people-related expenses; our ability to successfully execute our long-term value creation strategies; our ability to execute on large capital projects, including construction of new production lines or facilities; the competitive environment and related conditions in the markets in which we and our joint ventures operate; political and economic conditions of the countries in which we and our joint ventures conduct business and other factors related to our international operations; disruption of our access to export mechanisms; risks associated with possible acquisitions, including our ability to complete acquisitions or integrate acquired businesses; our debt levels; changes in our relationships with our growers or significant customers; the success of our joint ventures; actions of governments and regulatory factors affecting our businesses or joint ventures; the ultimate outcome of litigation or any product recalls; our ability to pay regular quarterly cash dividends and the amounts and timing of any future dividends; and other risks described in our reports filed from time to time with the SEC. We caution readers not to place undue reliance on any forward-looking statements included in this report, which speak only as of the date of this report. We undertake no responsibility for updating these statements, except as required by law.

Overview

Lamb Weston Holdings, Inc. ("we," "us," "our," "the Company," or "Lamb Weston"), along with our joint ventures, is a leading global producer, distributor, and marketer of value-added frozen potato products. We, along with our joint ventures, are the number one supplier of value-added frozen potato products in North America and a leading supplier of value-added frozen potato products internationally, with a strong and growing presence in high-growth emerging markets. We, along with our joint ventures, offer a broad product portfolio to a diverse channel and customer base in over 100 countries. French fries represent the majority of our value-added frozen potato product portfolio.

This MD&A is provided as a supplement to the consolidated financial statements and related condensed notes included elsewhere herein to help provide an understanding of our financial condition, changes in financial condition and results of our operations. Our MD&A is based on financial data derived from the financial statements prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and certain other financial data (including product contribution margin, on a consolidated basis, Adjusted EBITDA, Adjusted EBITDA including unconsolidated joint ventures, Adjusted Net Income, and Adjusted Diluted EPS) that is prepared using non-GAAP financial measures.

Refer to “Non-GAAP Financial Measures” below for the definitions of product contribution margin, Adjusted EBITDA, Adjusted EBITDA including unconsolidated joint ventures, Adjusted Net Income, and Adjusted Diluted EPS, and a reconciliation of these non-GAAP financial measures to gross profit, net income, or diluted earnings per share, as applicable.

Executive Summary

The following highlights our financial results in the first quarter of fiscal 2023, compared with the prior year quarter. For more information, refer to the “Results of Operations” section below.

- Net sales increased 14% to $1,125.6 million
- Income from operations increased 161% to $157.0 million
- Net income increased 678% to $231.9 million, and diluted earnings per share increased 700% to $1.60, including items impacting comparability of $161.4 million ($123.7 million after-tax, or $0.85 per share)
- Adjusted Net Income increased 315% to $108.2 million, and Adjusted Diluted EPS increased 317% to $0.75
- Adjusted EBITDA including unconsolidated joint ventures increased 92% to $227.8 million
- We returned $63.7 million of cash to stockholders, including $35.3 million in dividends and $28.4 million of share repurchases

We drove strong sales, earnings growth, and gross margin expansion in the quarter by executing pricing actions across each of our business segments and generating productivity savings to counter significant input, manufacturing, and supply chain cost inflation. The increase in net sales was partially offset by a decline in sales volume, primarily reflecting softer restaurant traffic and demand trends in the U.S., especially at casual dining and full-service restaurants, as consumers adjusted to the severe inflationary environment. Overall traffic at large quick service restaurants (“QSR”) in the U.S. remained solid. Our sales volume also reflects our inability to fully serve customer demand in our foodservice and retail channels due to widespread industry supply chain constraints, including labor and commodities shortages, that affected production run-rates and throughput in our factories.

The increase in our net income was driven by higher income from operations as well as sharply higher equity method investment earnings, which include our share of earnings from our unconsolidated joint ventures. In the first quarter of fiscal 2023, the increase in equity method investment earnings included a $146.3 million unrealized gain ($108.6 million after-tax, or $0.75 per share) on derivatives for natural gas and electricity contracts in Europe, reflecting the volatility of those energy markets in that region. Equity method investment earnings also included a $15.1 million gain (before and after-tax, or $0.10 per share) recognized in connection with our acquisition of an additional 40% interest in Lamb Weston Alimentos Modernos S.A. (“LWAMSA”). The gain related to the remeasuring of our previously held 50% ownership interest to fair value. The net sales, income from operations, and total assets acquired were not material to our consolidated net sales, income from operations, and total assets. We have identified both of these gains as items impacting comparability and have excluded their impact when providing Adjusted Net Income, Adjusted Diluted EPS, and Adjusted EBITDA including unconsolidated joint ventures.

In September 2022, Lamb-Weston/Meijer v.o.f. ("LWM"), our joint venture in Europe, completed the previously announced withdrawal from its joint venture in Russia.

Outlook

In the remainder of fiscal 2023, we expect price/mix to increase versus the prior year largely due to carryover benefits of pricing actions taken in the prior year as well as earlier in fiscal 2023 to counter manufacturing and distribution cost inflation. We expect demand and sales volumes growth will continue to be volatile as consumers respond to the current inflationary environment, and that our volume will be affected by production capacity and logistics constraints due to disruptions in the global supply chain network. We expect the rate of recovery of demand in our key international markets will be mixed, and that our international shipments will continue to be tempered by limited shipping container availability and disruptions to ocean freight networks, as well as efforts to divert the production volumes to higher-margin sales channels in the U.S.

During the first half of fiscal 2023, we expect our gross margins will be pressured as compared to normalized seasonal rates as we continue to manage through significant inflation as well as higher raw potato costs on a per pound basis due to the impact of extreme summer heat that negatively affected the yield and quality of potato crops in the Pacific Northwest in the fall of 2021. We also expect our gross margins in the first half of fiscal 2023 will be pressured by ongoing industrywide operational challenges, including labor and commodities shortages, resulting from volatility in the broader supply chain.

During the second half of fiscal 2023, we expect our gross margins to approach normalized annual levels based on our continued successful implementation of our pricing actions to offset input and transportation costs inflation, as well as our preliminary assessment that the overall quality of the 2022 potato crop will be in line with historical averages, although significant heat waves late in the season affected yields in our growing regions in the Pacific Northwest. We expect LWM's earnings will be affected by a below-average potato crop in Europe resulting from high temperatures and drought conditions, as well as likely production disruptions resulting from energy constraints.

While the near-term global demand trends may be volatile as consumers navigate this inflationary environment, our recent announcement to expand capacity in Argentina, along with our ongoing investments in Idaho and China, demonstrate our confidence in the long-term health and growth outlook of the frozen potato category.

Results of Operations

We have four reportable segments: Global, Foodservice, Retail, and Other. We report net sales and product contribution margin by segment and on a consolidated basis. Product contribution margin, when presented on a consolidated basis, is a non-GAAP financial measure. Net sales and product contribution margin are the primary measures reported to our chief operating decision maker for purposes of allocating resources to our segments and assessing their performance. Product contribution margin represents net sales less cost of sales and A&P expenses. Product contribution margin includes A&P expenses because those expenses are directly associated with the performance of the Company's segments. For additional information on our reportable segments and product contribution margin, see "Non-GAAP Financial Measures" below and Note 13, Segments, of the Condensed Notes to Consolidated Financial Statements in "Part I, Item 1. Financial Statements" of this report.

Thirteen Weeks Ended August 28, 2022 compared to Thirteen Weeks Ended August 29, 2021

Net Sales, Gross Profit, and Product Contribution Margin

(dollars in millions)	Thirteen Weeks Ended August 28, 2022	August 29, 2021	% Inc/(Dec)
Segment net sales			
Global	$ 559.7	$ 501.2	12%
Foodservice	366.3	321.4	14%
Retail	169.6	132.5	28%
Other	30.0	29.1	3%
	$ 1,125.6	$ 984.2	14%
Segment product contribution margin			
Global	$ 83.7	$ 42.6	96%
Foodservice	138.2	96.4	43%
Retail	48.7	14.8	229%
Other	(1.8)	(6.6)	(73%)
	268.8	147.2	83%
Add: Advertising and promotion expenses	4.5	4.1	10%
Gross profit	$ 273.3	$ 151.3	81%

Net Sales

Compared to the prior year quarter, Lamb Weston's net sales for the first quarter of fiscal 2023 increased $141.4 million, or 14%, to $1,125.6 million. Price/mix increased 19%, reflecting the benefit of pricing actions across each of our core business segments to offset input, manufacturing, and transportation cost inflation. Volume declined 5%, primarily reflecting softer casual dining and full-service restaurant traffic in the U.S. as well as the timing of shipments to large chain restaurant customers. Shipments into foodservice and retail channels in the U.S. continued to be affected by an inability to fully serve customer demand due to widespread industry supply chain constraints, including labor and commodities shortages, that impacted production run-rates and throughput in our production facilities.

Global segment net sales increased $58.5 million, or 12%, to $559.7 million. Price/mix increased 14% while volume decreased 2%. The benefit of domestic and international product and freight pricing actions to offset inflation, as well as favorable mix, drove the increase in price/mix. The timing of shipments to large QSR chain customers in the U.S., including the effect of lapping a notable limited time product offering in the prior year quarter, largely drove the decline in volume. Export shipments declined modestly, primarily due to production volumes being diverted to higher-margin sales channels in the U.S.

Foodservice segment net sales increased $44.9 million, or 14%, to $366.3 million. Price/mix increased 26% and volume decreased 12%. The carryover benefits of product and freight pricing actions taken in the prior year as well as early in fiscal 2023 to offset inflation drove the increase in price/mix. Demand in the segment's restaurant and non-commercial channels (such as lodging and hospitality, healthcare, schools and universities, sports and entertainment, and workplace environments) softened along with restaurant traffic as consumers adjusted to the severe inflationary environment. The slowdown in restaurant traffic and consumer demand was more pronounced in casual dining and other full-service restaurants than in QSRs. Shipments were also affected by an inability to fully serve customer demand due to widespread industry supply chain constraints, including labor and commodities shortages, that impacted production run-rates and throughput in our production facilities, as well as incremental losses of certain low-margin non-commercial business.

Retail segment net sales increased $37.1 million, or 28%, to $169.6 million. Price/mix increased 32% while volume decreased 4%. The carryover benefits of pricing actions across the branded and private label portfolios taken in the prior year as well as earlier in fiscal 2023 to offset inflation drove the increase in price/mix. Lower shipments of private label products, resulting from incremental losses of certain low-margin business, drove the sales volume decline. Shipments of branded products increased, although growth was tempered by an inability to fully serve customer demand due to constrained production run-rates and throughput in our production facilities.

Net sales in our Other segment increased $0.9 million, or 3%, to $30.0 million. Price/mix increased 11% while volume decreased 8%. The increase in price/mix was driven by higher prices in our vegetable business, while the decrease in volume reflected the negative effect of the extreme summer heat on the yield and quality of the vegetable crops.

Gross Profit and Product Contribution Margin

Gross profit increased $122.0 million, or 81%, to $273.3 million, as the benefits from higher price/mix and productivity initiatives more than offset the impact of higher manufacturing and distribution costs on a per-pound basis, as well as lower sales volumes. The higher costs per pound primarily reflected double-digit cost inflation from key inputs, including: edible oils, ingredients such as grains and starches used in product coatings, labor costs, and transportation costs. The increase in costs per pound also reflected higher costs associated with the impact of extreme summer heat that negatively affected the yield and quality of potato crops in the Pacific Northwest in fall 2021, as well as the effects of labor and commodities shortages on production run-rates. The increase in gross profit also included a $2.8 million increase in unrealized mark-to-market adjustments associated with commodity hedging contracts, which includes a $4.0 million loss in the first quarter, compared with a $6.8 million loss related to these items in the prior year quarter.

Lamb Weston's overall product contribution margin, defined as gross profit less A&P expenses, increased $121.6 million, or 83%, to $268.8 million. The increase was largely due to higher gross profit (as described above).

Global segment product contribution margin increased $41.1 million, or 96%, to $83.7 million. Favorable price/mix, primarily reflecting the benefit of pricing actions, drove the increase, more than offsetting higher manufacturing and distribution costs per pound. Global segment cost of sales was $475.1 million, up 4% compared to the first quarter of fiscal 2022, primarily due to higher manufacturing and distribution costs, partially offset by lower sales volumes.

Foodservice segment product contribution margin increased $41.8 million, or 43%, to $138.2 million. Favorable price drove the increase, and was partially offset by higher manufacturing and distribution costs per pound, and the impact of lower sales volumes. Foodservice segment cost of sales was $226.9 million, up 1% compared to the first quarter of fiscal 2022, primarily due to higher manufacturing and distribution costs, partially offset by lower sales volumes.

Retail segment product contribution margin increased $33.9 million, or 229%, to $48.7 million. The benefits of pricing actions and favorable mix drove the increase, partially offset by higher manufacturing and distribution costs per pound. Retail segment cost of sales was $118.6 million, a 3% increase compared to the first quarter of fiscal 2022, primarily due to higher manufacturing and distribution costs, partially offset by lower sales volumes.

Other segment product contribution margin increased $4.8 million to a loss of $1.8 million in the first quarter of fiscal 2023, as compared to a loss of $6.6 million in the first quarter of fiscal 2022. These amounts include a $8.8 million loss related to unrealized mark-to-market adjustments and realized settlements associated with commodity hedging contracts reported in the Other segment in fiscal 2023, and a $8.2 million loss related to the contracts in fiscal 2022. Excluding these mark-to-market adjustments and realized settlements, Other segment product contribution margin increased $5.4 million, largely due to favorable price in our vegetable business.

Selling, General and Administrative Expenses

SG&A increased $25.2 million to $116.3 million in the first quarter of fiscal 2023, as compared to $91.1 million in the first quarter of fiscal 2022, primarily due to higher compensation and benefits expense, and higher expenses related to improving our information and technology services infrastructure.

Interest Expense, Net

Compared with the prior year quarter, interest expense, net decreased $1.9 million to $26.0 million, primarily reflecting higher capitalized interest and higher interest income. For more information see “Liquidity and Capital Resources” in this MD&A.

Income Tax Expense

Income tax expense for the first quarter of fiscal 2023 and 2022 was $73.7 million and $8.7 million, respectively. The effective income tax rate (calculated as the ratio of income tax expense to pre-tax income, inclusive of equity method investment earnings) was 24.1% and 22.6% for the first quarter of fiscal 2023 and 2022, respectively. The effective tax rate varies from the U.S. statutory tax rate of 21%, principally due to the impact of U.S. state taxes, foreign taxes, permanent differences, and discrete items. Excluding items impacting comparability, our effective tax rate for the first quarter of fiscal 2023 was 25.0%.

Equity Method Investment Earnings

We conduct business through unconsolidated joint ventures in Europe and the U.S. and include our share of the earnings based on our economic ownership interest in them. Our share of earnings from our equity method investments was $174.6 million and $6.2 million for the first quarter of fiscal 2023 and 2022, respectively. Equity method investment earnings included a $144.6 million unrealized gain related to mark-to-market adjustments associated with currency and commodity hedging contracts in the first quarter of fiscal 2023, of which $146.3 million ($108.6 million after-tax, or $0.75 per share) related to changes in natural gas and electricity derivatives as commodity markets in Europe have experienced significant volatility. Equity method investment earnings in the prior year quarter included a $4.3 million unrealized gain for mark-to-market adjustments, of which $5.0 million related to changes in natural gas and electricity derivatives. Equity method investment earnings in the first quarter of fiscal 2023 also included a $15.1 million gain (before and after-tax, or

$0.10 per share) recognized in connection with the Company's acquisition of an additional 40% interest in LWAMSA. The gain related to remeasuring our previously held 50% ownership interest to fair value.

Excluding the items impacting comparability noted above and the other mark-to-market adjustments, earnings from equity method investments increased $13.0 million compared to the prior year quarter, reflecting favorable price/mix, partially offset by higher manufacturing and distribution costs in both Europe and the U.S.

Liquidity and Capital Resources

Sources and Uses of Cash

We ended the first quarter of fiscal 2023 with $485.3 million of cash and cash equivalents and $994.6 million of availability under our revolving credit facility, net of letters of credit. At the end of the first quarter of fiscal 2023, no borrowings were outstanding under the revolving credit facility.

We believe we have sufficient liquidity to meet projected capital expenditures, service existing debt and meet working capital requirements for at least the next 12 months with current cash balances and cash from operations, and in the longer term, supplemented as necessary by available borrowings under our currently undrawn revolving credit facility.

Cash Flows

Below is a summary table of our cash flows, followed by a discussion of the sources and uses of cash through operating, investing, and financing activities:

	Thirteen Weeks Ended	
(in millions)	August 28, 2022	August 29, 2021
Net cash flows provided by (used for):		
Operating activities	$ 192.1	$ 161.8
Investing activities	(166.9)	(78.8)
Financing activities	(63.5)	(75.8)
	(38.3)	7.2
Effect of exchange rate changes on cash and cash equivalents	(1.4)	(1.0)
Net (decrease) increase in cash and cash equivalents	$ (39.7)	$ 6.2

Operating Activities

In the first quarter of fiscal 2023, cash provided by operating activities increased $30.3 million to $192.1 million, compared with $161.8 million in the same period a year ago. The increase related to a $57.4 million increase in income from operations, adjusted for non-cash income and expenses, offset by $27.1 million of cash used for unfavorable changes in working capital. See "Results of Operations" in this MD&A for more information related to the increase in income from operations. Unfavorable changes in working capital primarily related to higher-cost finished goods inventories, due primarily to increased potato and input cost inflation, and a decrease in accrued liabilities due to a shift in the timing of interest payments for our senior notes due 2030 and 2032, which were issued in fiscal 2022. These unfavorable changes were partially offset by a decrease in receivables due to timing of collections, and an increase in income taxes payable due to higher taxable income in the first quarter of fiscal 2023, compared with the prior year quarter.

Investing Activities

Investing activities used $166.9 million of cash in the first quarter of fiscal 2023, compared with $78.8 million in the same period in the prior year. The increase primarily relates to our investments in our chopped and formed capacity expansion, our french fry processing line in American Falls, Idaho, and our greenfield french fry processing facility in Ulanqab, Inner Mongolia, China. We expect to use approximately $475 million to $525 million for capital expenditures, excluding acquisitions, in fiscal 2023. We also used $42.3 million to acquire an additional ownership interest in our joint

venture in Argentina and used $20.0 million to acquire assets associated with the improvement of our information and technology services infrastructure.

Financing Activities

During the first quarter of fiscal 2023, cash used for financing activities decreased $12.3 million to $63.5 million, compared with $75.8 million used during the same period a year ago. During the first quarter of fiscal 2023, financing activities primarily related to additional borrowings under the RMB-denominated loan facility for net proceeds of $13.8 million, offset by $8.0 million of debt and financing obligation repayments, and the payment of $35.3 million of cash dividends to common stockholders. In addition, we used $28.4 million of cash to repurchase 404,476 shares of our common stock at an average price of $70.11 and withheld 77,756 shares from employees to cover income and payroll taxes on equity awards that vested during the period.

During the first quarter of fiscal 2022, financing activities primarily related to the payment of $34.4 million of cash dividends to common stockholders, and $7.9 million of debt and financing obligations repayments. We also used $26.0 million of cash to repurchase 395,361 shares of our common stock at an average price of $65.86 and withheld 111,488 shares from employees to cover income and payroll taxes on equity awards that vested during the period.

For more information about our debt, interest rates, maturity dates, and covenants, see Note 9, Debt and Financing Obligations, of the Condensed Notes to Consolidated Financial Statements in “Part I, Item 1. Financial Statements” of this report and Note 7, Debt and Financing Obligations of the Notes to Consolidated Financial Statements in “Part II, Item 8. Financial Statements and Supplementary Data” of the Form 10-K. At August 28, 2022, we were in compliance with the financial covenant ratios and other covenants contained in our credit agreements.

Obligations and Commitments

There have been no material changes to the contractual obligations disclosed in “Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Form 10-K.

Non-GAAP Financial Measures

To supplement the financial information included in this report, we have presented product contribution margin on a consolidated basis, Adjusted EBITDA, Adjusted EBITDA including unconsolidated joint ventures, Adjusted Net Income, and Adjusted Diluted EPS, each of which is considered a non-GAAP financial measure.

Product contribution margin is one of the primary measures reported to our chief operating decision maker for purposes of allocating resources to our segments and assessing their performance. Product contribution margin represents net sales less cost of sales and A&P expenses. Product contribution margin includes A&P expenses because those expenses are directly associated with the performance of our segments. Our management also uses Adjusted EBITDA and Adjusted EBITDA including unconsolidated joint ventures to evaluate our performance excluding the impact of certain non-cash charges and other special items in order to have comparable financial results to analyze changes in our underlying business between reporting periods. We include these non-GAAP financial measures because management believes they provide useful information to investors in that they provide for greater transparency with respect to supplemental information used by management in its financial and operational decision making. We believe that the presentation of these non-GAAP financial measures, when used in conjunction with GAAP financial measures, is a useful financial analysis tool that can assist investors in assessing our operating performance and underlying prospects. These non-GAAP financial measures should be viewed in addition to, and not as alternatives for, financial measures prepared in accordance with GAAP. These measures are not a substitute for their comparable GAAP financial measures, such as gross profit, net income (loss), or diluted earnings per share, and there are limitations to using non-GAAP financial measures. These non-GAAP financial measures may differ from similarly titled non-GAAP financial measures presented by other companies, and other companies may not define these non-GAAP financial measures the same way.

See "Results of Operations – Thirteen Weeks Ended August 28, 2022 compared to Thirteen Weeks Ended August 29, 2021 – Net Sales, Gross Profit, and Product Contribution Margin" above for a reconciliation of product contribution margin on a consolidated basis to gross profit.

The following table reconciles net income to Adjusted EBITDA and Adjusted EBITDA including unconsolidated joint ventures:

	Thirteen Weeks Ended	
(in millions)	August 28, 2022	August 29, 2021
Net income	$ 231.9	$ 29.8
Equity method investment earnings	(174.6)	(6.2)
Interest expense, net	26.0	27.9
Income tax expense	73.7	8.7
Income from operations	157.0	60.2
Depreciation and amortization	48.7	46.0
Adjusted EBITDA	205.7	106.2
Unconsolidated Joint Ventures		
Equity method investment earnings	174.6	6.2
Interest expense, income tax expense, and depreciation and amortization included in equity method investment earnings	8.9	11.0
Items impacting comparability		
Impact of LWM natural gas and electricity derivatives (a)	(146.3)	(5.0)
Gain on acquisition of interest in joint venture (b)	(15.1)	—
Add: Adjusted EBITDA from unconsolidated joint ventures	22.1	12.2
Adjusted EBITDA including unconsolidated joint ventures	$ 227.8	$ 118.4

(a) Equity method investment earnings for the thirteen weeks ended August 28, 2022 and August 29, 2021 included a $146.3 million ($108.6 million after-tax, or $0.75 per share) and $5.0 million ($3.7 million after-tax, or $0.02 per share) unrealized gain, respectively, related to mark-to-market adjustments associated with changes in natural gas and electricity derivatives as commodity markets in Europe have experienced significant volatility.

(b) Equity method investment earnings for the thirteen weeks ended August 28, 2022 included a $15.1 million gain (before and after-tax, or $0.10 per share) recognized in connection with our acquisition of an additional 40% interest in our Argentina joint venture, increasing our ownership from 50% to 90%. The gain related to the remeasuring of our previously held 50% ownership interest to fair value.

The following table reconciles net income to Adjusted Net Income, and diluted EPS to Adjusted Diluted EPS:

	For the Thirteen Weeks Ended			
	August 28, 2022	August 29, 2021	August 28, 2022 (a)	August 29, 2021 (a)
(in millions, except per share amounts)	Net Income		Diluted EPS	
As reported	$ 231.9	$ 29.8	$ 1.60	$ 0.20
Items impacting comparability:				
Impact of LWM natural gas and electricity derivatives (b)	(108.6)	(3.7)	(0.75)	(0.02)
Gain on acquisition of interest in joint venture (c)	(15.1)	—	(0.10)	—
Total items impacting comparability	(123.7)	(3.7)	(0.85)	(0.02)
Adjusted	$ 108.2	$ 26.1	$ 0.75	$ 0.18

(a) Diluted weighted average common shares were 144.6 million and 146.9 million for the thirteen weeks ended August 28, 2022 and August 29, 2021, respectively.

(b) See footnote (a) to the reconciliation of net income to Adjusted EBITDA and Adjusted EBITDA including unconsolidated joint ventures above for a discussion of the item impacting comparability.

(c) There was no tax impact associated with the gain of an additional 40% interest in our Argentina joint venture. See footnote (b) to the reconciliation of net income to Adjusted EBITDA and Adjusted EBITDA including unconsolidated joint ventures above for a discussion of the item impacting comparability.

Off-Balance Sheet Arrangements

There have been no material changes to the off-balance sheet arrangements disclosed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Form 10-K.

Critical Accounting Policies and Estimates

A discussion of our critical accounting policies and estimates can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Form 10-K. There were no material changes to these critical accounting policies and estimates during the first quarter of fiscal 2023.

New and Recently Adopted Accounting Pronouncements

For a list of our new and recently adopted accounting pronouncements, see Note 1, Nature of Operations and Summary of Significant Accounting Policies, of the Condensed Notes to Consolidated Financial Statements in "Part I, Item 1. Financial Statements" of this report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our operations are exposed to market risks from adverse changes in commodity prices affecting the cost of raw materials and energy, foreign currency exchange rates, and interest rates. In the normal course of business, we may periodically enter into derivatives to minimize these risks, but not for trading purposes. The disruptions in the global economy caused by the war in Ukraine have resulted in volatility and uncertainty in the markets in which we operate. At the time of this filing, we are unable to predict or determine the impacts that these events may continue to have on our exposure to market risk from commodity prices, foreign currency exchange rates, and interest rates, among other factors.

Based on our open commodity contract hedge positions as of August 28, 2022 and August 29, 2021, a hypothetical 10 percent decline in market prices applied to the fair value of the instruments would result in a charge to "Cost of sales" of approximately $5.1 million ($4.0 million after-tax) and $5.7 million ($4.4 million after-tax), respectively. Additionally, based on our LWM joint venture's open commodity contract hedge positions as of August 28, 2022 and August 29, 2021, a hypothetical 10 percent decline in market prices applied to the fair value of the instruments would result in a charge to "Equity method investment earnings" of approximately $26.3 million ($19.5 million after-tax) and $1.7 million ($1.3 million after-tax), respectively. It should be noted that any change in the fair value of these contracts, real or hypothetical, would be substantially offset by an inverse change in the value of the underlying hedged item.

We transact business in multiple currencies and are subject to currency exchange rate risk through investments and businesses owned and operated in foreign countries. At August 28, 2022, we had no financial instruments to hedge foreign currency risk.

At August 28, 2022, we had $2,170.0 million of fixed-rate and $587.6 million of variable-rate debt outstanding. At August 29, 2021, we had $2,166.0 million of fixed-rate and $578.8 million of variable-rate debt outstanding. We have interest rate risk associated with our variable-rate debt. A one percent increase in interest rates related to variable-rate debt would have resulted in an increase in interest expense and a corresponding decrease in income before taxes of approximately $6.0 million annually ($4.6 million after-tax) and $5.9 million annually ($4.5 million after-tax) at August 28, 2022 and August 29, 2021, respectively.

For more information about our market risks, see Note 9, Debt and Financing Obligations, of the Condensed Notes to Consolidated Financial Statements in "Part I, Item 1. Financial Statements" of this report.

ITEM 4. CONTROLS AND PROCEDURES

Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of the effectiveness of controls to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of August 28, 2022. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer, concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in reports we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

Changes in Internal Control over Financial Reporting

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated any change in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during the quarter covered by this report and determined that there was no change in our internal control over financial reporting during the quarter ended August 28, 2022 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See Note 14, Commitments, Contingencies, Guarantees and Legal Proceedings, of the Condensed Notes to Consolidated Financial Statements in "Part I, Item 1. Financial Statements" of this report for information regarding our legal proceedings.

ITEM 1A. RISK FACTORS

We are subject to various risks and uncertainties in the course of our business. The discussion of these risks and uncertainties may be found under "Part I, Item 1A. Risk Factors" in the Form 10-K. There have been no material changes to the risk factors discussed in the Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Total shares of Lamb Weston common stock purchased by the Company during the thirteen weeks ended August 28, 2022 were as follows:

Period	Total Number of Shares (or Units) Purchased (a)	Average Price Paid Per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs (b)	Approximate Dollar Value of Maximum Number of Shares that May Yet be Purchased Under Plans or Programs (in millions) (b)
May 30, 2022 through June 26, 2022	195,225	$ 66.59	194,753	$ 255.9
June 27, 2022 through July 24, 2022	206,283	$ 73.28	181,791	$ 242.6
July 25, 2022 through August 28, 2022	80,724	$ 78.15	27,932	$ 240.6
Total	482,232			

(a) Represents repurchased shares of our common stock under our publicly announced share repurchase program, which were repurchased at a weighted average price of $70.11, and shares withheld from employees to cover income and payroll taxes on equity awards that vested during the period.

(b) On December 20, 2018, we announced that our Board of Directors had authorized a $250.0 million share repurchase program, with no expiration date. On December 17, 2021, we announced that our Board of Directors had authorized the repurchase of an additional $250.0 million of our common stock under this program. Repurchases may be made at our discretion from time to time on the open market, subject to applicable laws, including pursuant to a repurchase plan administered in accordance with Rule 10b5-1 under the Securities Exchange Act of 1934, or through privately negotiated transactions.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description
10.1	Form of Lamb Weston Holdings, Inc. Restricted Stock Unit Agreement (Stock-settled) (post-July 20, 2022)
10.2	Form of Lamb Weston Holdings, Inc. Performance Share Agreement (post-July 20, 2022)
10.3	Form of Lamb Weston Holdings, Inc. Nonqualified Stock Option Agreement for Employees (post-July 20, 2022)
10.4	Form of Lamb Weston Holdings, Inc. Leveraged Performance Share Agreement
31.1	Section 302 Certificate of Chief Executive Officer
31.2	Section 302 Certificate of Chief Financial Officer
32.1	Section 906 Certificate of Chief Executive Officer
32.2	Section 906 Certificate of Chief Financial Officer
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101.*)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LAMB WESTON HOLDINGS, INC.

By: /s/ BERNADETTE M. MADARIETA
BERNADETTE M. MADARIETA
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

Dated this 5th day of October, 2022.

Form of Lamb Weston Holdings, Inc.
Restricted Stock Unit Agreement (Stock-settled) (post-July 20, 2022)

NOTICE OF GRANT
RESTRICTED STOCK UNITS (STOCK-SETTLED)
LAMB WESTON HOLDINGS, INC. 2016 STOCK PLAN
(AS AMENDED AND RESTATED AS OF JULY 20, 2017)

Lamb Weston Holdings, Inc., a Delaware corporation (the "***Company***"), has awarded to the Participant, as identified below, the number of Restricted Stock Units (the "***RSUs***", and each such unit, an "***RSU***") set forth below. The RSUs are subject to all of the terms and conditions as set forth in this Notice of Grant (the "***Notice***") as well as in the Company's 2016 Stock Plan (as amended and restated as of July 20, 2017) (the "***Plan***") and the Restricted Stock Unit Agreement (Stock-Settled) (the "***Agreement***"), both of which are attached hereto and incorporated in their entirety. Capitalized terms not explicitly defined in this Notice but defined in the Plan or the Agreement will have the same definitions as in the Plan or the Agreement. In the event of any conflict between the terms of the Award and the Plan, the terms of the Plan will control.

Participant:	/$ParticipantName$/
Employee ID:	/$OptioneeID$/
Number of RSUs:	/$AwardsGranted$/
Date of Grant:	/$GrantDate$/ (the "Date of Grant")
Vesting Dates:	33%, 33%, and 34%, respectively, of the RSUs shall vest on each of the first three anniversaries of the Date of Grant (each, a "***Vesting Date***"), with any fractional shares being rounded down to the nearest whole share and vesting with the next vesting installment (if applicable) and subject to the terms and conditions set forth in the Agreement
Dividend Equivalents:	Dividend equivalents with respect to the RSUs will be accumulated for the benefit of the Participant if and when regular cash dividends are declared and paid on the Stock in accordance with **Section 7** of the Agreement, and will be paid in shares of Stock to the Participant upon any settlement of the RSUs.

By the Company's signature below and by the Participant's clicking the "Accept" button online, the Company and the Participant agree that the RSUs are governed by this Notice and by the provisions of the Plan and the Agreement, both of which are attached to and made a part of this document. The Participant acknowledges receipt of copies of the Plan and the Agreement, represents that the Participant has read and is familiar with their provisions, and hereby accepts the RSUs subject to all of their terms and conditions.

The Company has caused this Notice and the Agreement to be effective as of the Date of Grant.

LAMB WESTON HOLDINGS, INC.

By: _____

Date: _____

RESTRICTED STOCK UNIT AGREEMENT (STOCK-SETTLED)
LAMB WESTON HOLDINGS, INC. 2016 STOCK PLAN
(AS AMENDED AND RESTATED AS OF JULY 20, 2017)

Lamb Weston Holdings, Inc., a Delaware corporation (the "Company"), has awarded the Participant, as named in the Notice of Grant (the "Notice"), to which this Restricted Stock Unit Agreement (Stock-Settled) (this "Agreement") is attached, a Restricted Stock Unit Award (the "RSUs") that is subject to the Company's 2016 Stock Plan (as amended and restated as of July 20, 2017) (the "Plan"), the Notice, and this Agreement, for the number of RSUs indicated in the Notice. In the event of any conflict between the terms in this Agreement and the Plan, the terms of the Plan will control.

1. **Definitions.** Capitalized terms used herein without definition have the meanings set forth in the Plan. The following terms shall have the respective meanings set forth below:

(a) *"Change of Control"* shall mean the occurrence of any of the following events:

(i) Individuals who, as of the effective date of the Plan, constitute the Board (the "*Incumbent Board*") cease for any reason to constitute at least a majority of the Board; provided, however, that any person becoming a member of the Board subsequent to the effective date of the Plan whose election, or nomination for the election by the Company's stockholders, was approved by a vote of at least a majority of the Board members then comprising the Incumbent Board shall be, for purposes of this clause (i), considered as though such person were a member of the Incumbent Board as of the effective date of the Plan;

(ii) Consummation of a reorganization, merger or consolidation, in each case, with respect to which persons who were the stockholders of the Company immediately prior to such reorganization, merger or consolidation do not, immediately thereafter, own more than 50% of the Voting Power of the reorganized, merged or consolidated entity;

(iii) Any person becomes the beneficial owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such person, any securities acquired directly from the Company or its affiliates) representing 30% or more of the Voting Power of the Company's then outstanding securities;

(iv) A liquidation or dissolution of the Company; or

(v) The sale of all or substantially all of the assets of the Company.

(b) *"Continuous Employment*" shall mean the absence of any interruption or termination of employment with the Company and its Subsidiaries and the performance of substantial services. Continuous Employment shall not be considered interrupted or terminated in the case of sick leave, short-term disability (as defined in the Company's sole discretion), military leave or any other leave of absence approved by the Company unless and until there is a Separation from Service (as defined in **Section 1(f)** below).

(c) "*Divestiture*" shall mean a permanent disposition to a person other than the Company of a plant or other facility or property at which the Participant performs a majority of the Participant's services, whether such disposition is effected by means of a sale of assets, a sale of Subsidiary stock or otherwise.

(d) "*Early Retirement*" shall mean a Separation from Service with the Company and its Subsidiaries when the Participant (i) is at least age 55, and (ii) has at least ten years of credited service with the Company and its Subsidiaries.

(e) "*Normal Retirement*" shall mean a Separation from Service with the Company and its Subsidiaries on or after attaining age 65.

(f) "*Separation from Service,*" *"termination of employment" and similar terms* shall mean the date that the Participant incurs a "separation from service" within the meaning of Section 409A of the Code. As used in connection with the definition of "Separation from Service," the term "Company" includes Lamb Weston Holdings, Inc. and any other entity that with Lamb Weston Holdings, Inc. constitutes a controlled group of corporations (as defined in Section 414(b) of the Code), or a group of trades or businesses (whether or not incorporated) under common control (as defined in Section 414(c) of the Code), substituting 25% for the 80% ownership level for purposes of both Sections 414(b) and Section 414(c) of

the Code.

(g) "*Specified Employee*" is as defined under Section 409A of the Code and Treasury Regulation Section 1.409A-1(i).

(h) "*Successors*" shall mean the beneficiaries, executors, administrators, heirs, successors and assigns of a person.

2. **Vesting of RSUs**.

(a) **Normal Vesting**. Subject to the Plan and this Agreement, if the Participant has been in Continuous Employment through each of the Vesting Dates as set forth in the Notice, then the RSUs subject to such Vesting Date will become nonforfeitable ("Vest" or similar terms).

(b) **Termination of Employment**. If, prior to the last Vesting Date set forth in the Notice, the Participant's employment with the Company and its Subsidiaries shall terminate:

(i) by reason of death, then all unvested RSUs evidenced by this Agreement shall, to the extent such RSUs have not previously been forfeited, become 100% Vested;

(ii) by reason of Normal Retirement occurring on or after the date that is 12 months after the Date of Grant, then all unvested RSUs evidenced by this Agreement shall, to the extent such RSUs have not previously been forfeited, become 100% Vested;

(iii) by reason of Early Retirement or involuntary termination due to disability, position elimination, reduction in force (each as defined in the Company's sole discretion), or Divestiture, in each case, on or after the date that is 12 months after the Date of Grant, the Participant will Vest in a pro rata portion of the RSUs determined by (A) multiplying the number of RSUs evidenced by this Agreement by a fraction, the numerator of which is the total number of calendar days during which the Participant was employed by the Company or a Subsidiary during the period beginning on the Date of Grant and ending on the Separation from Service and the denominator of which is the total number of calendar days beginning on the Date of Grant and ending on the last Vesting Date, rounded to the nearest whole number of RSUs and (B) subtracting any RSUs that have previously Vested or been forfeited from the number of RSUs determined in the immediately preceding clause (A); and

(iv) for Cause prior to any Vesting Date, then all RSUs, whether Vested or unvested prior to such Vesting Date, shall be immediately forfeited without further consideration to the Participant.

(c) **Accelerated Vesting in Connection with a Change of Control**.

(i) If a Change of Control occurs prior to the last Vesting Date, and the Participant has been in Continuous Employment between the Date of Grant and the date of such Change of Control, then all unvested RSUs evidenced by this Agreement shall become 100% Vested, except (A) to the extent such RSUs have previously been forfeited, or (B) to the extent that a Replacement Award is provided to the Participant to replace, continue or adjust the outstanding RSUs (the "Replaced Award"). If the Participant's employment with the Company or a Subsidiary (or any of its or their successors after the Change of Control) (as applicable, the "Successor Company") is terminated prior to the last Vesting Date (x) by the Participant for Good Reason or by the Successor Company other than for Cause, in each case within a period of two years after the Change of Control or (y) due to Early Retirement or Normal Retirement at any time following a Change of Control that qualifies as a permissible date of distribution under Section 409A(a)(2)(A) of the Code, then, in each case, to the extent that the Replacement Award has not previously been Vested or forfeited, the Replacement Award will become 100% Vested (and become entitled to settlement as specified in **Section 3(b)(ii)**).

(ii) For purposes of this Agreement, a "Replacement Award" means an award (A) of the same type (*i.e.*, time-based restricted stock units) as the Replaced Award, (B) that has a value at least equal to the value of the Replaced Award, (C) that relates to publicly traded equity securities of the Successor Company in the Change of Control (or another entity that is affiliated with the Successor Company following the Change of Control), (D)

the tax consequences of which for such Participant under the Code, if the Participant is subject to U.S. federal income tax under the Code, are not less favorable to the Participant than the tax consequences of the Replaced Award, and (E) the other terms and conditions of which are not less favorable to the Participant than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent change of control). A Replacement Award may be granted only to the extent it does not result in the Replaced Award or Replacement Award failing to comply with or ceasing to be exempt from Section 409A of the Code. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the preceding two sentences are satisfied. The determination of whether the conditions of this **Section 2(c)(ii)** are satisfied will be made in good faith by the Committee, as constituted immediately before the Change of Control, in its sole discretion.

(iii) For purposes of this Agreement, "Cause" means: (A) the willful and continued failure by the Participant to substantially perform the Participant's duties with the Successor Company (other than any such failure resulting from termination by the Participant for Good Reason) after a demand for substantial performance is delivered to the Participant that specifically identifies the manner in which the Successor Company believes that the Participant has not substantially performed the Participant's duties, and the Participant has failed to resume substantial performance of the Participant's duties on a continuous basis within five days of receiving such demand; (B) the willful engaging by the Participant in conduct which is demonstrably and materially injurious to the Successor Company, monetarily or otherwise; or (C) the Participant's conviction of, or plea of nolo contendere to, (I) a felony or (II) a misdemeanor which impairs the Participant's ability substantially to perform the Participant's duties with the Successor Company. For the purposes of this definition, no act, or failure to act, on the Participant's part shall be deemed "willful" unless done, or omitted to be done, by the Participant not in good faith and without reasonable belief that the Participant's action or omission was in the best interest of the Successor Company.

(iv) For purposes of this Agreement, "Good Reason" means: (A) any material failure of the Successor Company to comply with and satisfy any of the terms of any employment or change in control (or similar) agreement between the Successor Company and the Participant pursuant to which the Participant provides services to the Successor Company; (B) any significant involuntary reduction of the authority, duties or responsibilities held by the Participant immediately prior to the Change of Control (and, for the avoidance of doubt, involuntary removal of the Participant from an officer position that the Participant holds immediately prior to the Change of Control will not, by itself, constitute a significant involuntary reduction of the authority, duties or responsibilities held by the Participant immediately prior to the Change of Control); (C) any material involuntary reduction in the aggregate target cash remuneration opportunity of the Participant as in effect immediately prior to the Change of Control; or (D) requiring the Participant to become based at any office or location more than 50 miles from the office or location at which the Participant was based immediately prior to such Change of Control, except for travel reasonably required in the performance of the Participant's responsibilities; provided, however, that no termination shall be deemed to be for Good Reason unless (x) the Participant provides the Successor Company with written notice setting forth the specific facts or circumstances constituting Good Reason within ninety days after the initial existence of the occurrence of such facts or circumstances, (y) the Successor Company fails to cure such facts or circumstances within thirty days of its receipt of such written notice, and (z) the Participant actually terminates employment within thirty (30) days following the end of the Successor Company's thirty-day cure period, if such event or circumstance has not been cured.

(v) If a Replacement Award is provided, notwithstanding anything in this Agreement to the contrary, any outstanding RSUs which at the time of the Change of Control are not subject to a "substantial risk of forfeiture" (within the meaning of Section 409A of the Code) will be deemed to be Vested at the time of such Change of Control (and such

Vested RSUs shall be settled in accordance with **Section 3(b)(iii)** below).

(d) **Forfeiture of RSUs**. Subject to **Section 2(b)(iv)**, any RSUs that have not Vested pursuant to **Section 2(a)**, **Section 2(b)**, or **Section 2(c)** as of any Vesting Date will be forfeited automatically and without further notice on such date (or earlier if, and on such date that, the Participant ceases to be in Continuous Employment prior to such Vesting Date for any reason other than as described in **Section 2(b)** or **Section 2(c)**).

3. **Settlement of RSUs.**

(a) **Normal**. Subject to **Section 3(b)**, the Company will issue to the Participant one share of Stock on each Vesting Date for each RSU that is a Vested RSU on such Vesting Date to the extent the RSU has not previously been Vested, forfeited or settled.

(b) **Other Settlement Events**. Notwithstanding **Section 3(a)**, to the extent the RSUs are Vested RSUs on the dates set forth below and to the extent the Vested RSUs have not previously been Vested, forfeited or settled, the Company will settle such Vested RSUs as follows:

(i) **Death**. If there are such Vested RSUs on the Participant's death, within thirty days of the Participant's death, one share of Stock will be issued for each such Vested RSU.

(ii) **Separation from Service**. If there are such Vested RSUs upon the Participant's Separation from Service by reason of involuntary termination due to disability, position elimination, reduction in force or Divestiture pursuant to **Section 2(b)(iii)** or for any of the reasons set forth in **Section 2(c)(i)** hereof, within thirty days of the Participant's Separation from Service, one share of Stock will be issued for each such Vested RSU. If there are such Vested RSUs upon the Participant's Separation from Service by reason of the Participant's Normal Retirement or Early Retirement in any circumstance other than as set forth in **Section 2(c)(i)**, the settlement of such Vested RSUs will not be accelerated and one share of Stock will be issued for each such Vested RSU on the applicable Vesting Date, and with respect to Early Retirement, the amount settled on such Vesting Date shall be a pro-rated amount of the originally scheduled installment using the pro-ration factor determined under **Section 2(b)(iii)** hereof. Notwithstanding anything in this Agreement to the contrary, if any Vested RSUs under the immediately preceding sentence are outstanding as of a Change of Control, then such Vested RSUs shall be settled in accordance with **Section 3(b)(iii)** below.

(iii) **Change of Control**. If there are such Vested RSUs upon a Change of Control, one share of Stock will be issued for each such Vested RSU as of the date of the Change of Control; provided, however, that if such Change of Control would not qualify as a permissible date of distribution under Section 409A(a)(2)(A) of the Code, and the regulations thereunder, and where Section 409A of the Code applies to such distribution, the Participant is entitled to receive the corresponding payment on the date that would have otherwise applied pursuant to **Section 3** as though such Change of Control had not occurred.

(c) **Payment of Taxes Upon Settlement.** As a condition of the issuance of shares of Stock upon settlement of RSUs hereunder, the Participant agrees to remit to the Company at the time of settlement any taxes or other amounts required to be withheld by the Company under Federal, State or local law as a result of the settlement of the RSUs. As a condition of the issuance of shares of Stock upon settlement of RSUs hereunder, the Participant agrees that the Company will deduct from the total shares to be issued as a result of the Vesting of the RSUs a sufficient number of shares to satisfy the required statutory withholding amount, which may exceed the minimum statutory tax withholding amount permissible only if it would not cause adverse accounting or tax consequences for the Company or a Subsidiary.

(d) **Specified Employee**. Notwithstanding anything (including any provision of the Agreement or the Plan) to the contrary, if a Participant is a Specified Employee and if the RSUs are subject to Section 409A of the Code, payment to the Participant on account of a Separation from Service shall, to the extent required to comply with Treasury Regulation Section 1.409A-3(i)(2), be made to the Participant on the earlier of (i) the Participant's death or (ii) the first business day (or within 30 days after such first business day) that is more than six months after the date of Separation from Service. Notwithstanding anything contained herein to the contrary, the Participant shall not be considered to have terminated employment

with the Company or any Subsidiary for purposes of any payments under this Agreement which are subject to Section 409A of the Code until the Participant has incurred a Separation from Service. In the Company's sole and absolute discretion, interest may be paid due to such delay. Further, any interest will be calculated in the manner determined by the Company in its sole and absolute discretion in a manner that qualifies any interest as reasonable earnings under Section 409A of the Code. Dividend equivalents will not be paid with respect to any dividends that would have been paid during the delay if the Stock had been issued. To the extent required for purposes of Section 409A of the Code, each installment that vests under this Agreement shall be construed as a separate identified payment for purposes of Section 409A of the Code.

4. **Non-Transferability of RSUs.** The RSUs may not be assigned, transferred, pledged or hypothecated in any manner (otherwise than by will or the laws of descent or distribution) nor may the Participant enter into any transaction for the purpose of, or which has the effect of, reducing the market risk of holding the RSUs by using puts, calls or similar financial techniques. The RSUs subject to this Agreement may be settled during the lifetime of the Participant only with the Participant or the Participant's guardian or legal representative. Upon any attempt to transfer, assign, pledge, hypothecate, or otherwise dispose of the RSUs or any related rights to the RSUs that is contrary to the provisions of this Agreement or the Plan, or upon the levy of any attachment or similar process upon the RSUs or such rights, the RSUs and such rights shall immediately become null and void. The terms of this Agreement, shall be binding upon the Successors of the Participant.

5. **Stock Subject to the RSUs; Compliance with Law.** The Company will not be required to issue or deliver any shares of Stock or any certificate or certificates for shares of Stock with respect to the Participant's RSUs until such shares have been listed (or authorized for listing upon official notice of issuance) upon each stock exchange on which outstanding shares of the same class are then listed and until the Company has taken such steps as may, in the opinion of counsel for the Company, be required by law and applicable regulations, including the rules and regulations of the Securities and Exchange Commission, and state securities laws and regulations, in connection with the issuance of such shares, and the listing of such shares on each such exchange.

6. **Rights as Stockholder.** The Participant or his/her Successors shall have no rights as stockholder with respect to any RSUs or underlying shares of Stock covered by this Agreement until the Participant or his/her Successors shall have become the beneficial owner of such shares, and, except as provided in **Section 7** and **Section 8** of this Agreement, no adjustment shall be made for dividends or distributions or other rights in respect of such shares for which the record date is prior to the date on which the Participant or his/her Successors shall have become the beneficial owner thereof.

7. **Dividend Equivalents.** From and after the Date of Grant and until the earlier of (a) the time when the RSUs become Vested and are settled in accordance with **Section 2** and **Section 3** of this Agreement or (b) the time when the Participant's right to receive shares of Stock in settlement of the RSUs is forfeited in accordance with **Section 2** of this Agreement, on the date that the Company pays a cash dividend (if any) to holders of Stock generally, the Participant shall be entitled to a number of additional RSUs determined by dividing (i) the product of (x) the dollar amount of the cash dividend paid per share of Stock on such date and (y) the total number of RSUs (including dividend equivalents paid thereon) previously credited to the Participant as of such date, by (ii) the Fair Market Value of the Stock on such date. Such dividend equivalents (if any) shall be subject to the same terms and conditions and shall be paid, in the aggregate rounded down to the nearest whole number, or forfeited in the same manner and at the same time as the RSUs to which the dividend equivalents were credited.

8. **Adjustments Upon Changes in Capitalization; Change of Control.** In the event of any change in corporate capitalization, corporate transaction, sale or other disposition of assets or similar corporate transaction or event involving the Company as described in Section 5.5 of the Plan, the Committee shall make equitable adjustment as it determines necessary and appropriate in the number and type of shares subject to this Agreement; provided, however, that no fractional share shall be issued upon subsequent settlement of the RSUs. No adjustment shall be made if such adjustment is prohibited by Section 5.5 of the Plan (relating to Section 409A of the Code).

9. **Notices.** Each notice relating to this Agreement shall be deemed to have been given on the date it is received. Each notice to the Company shall be addressed to its principal Office in Eagle, Idaho, Attention: Compensation. Each notice to the Participant or any other person or persons entitled to shares issuable upon settlement of the RSUs shall be addressed to the Participant's address and may be in written

or electronic form. Anyone to whom a notice may be given under this Agreement may designate a new address by giving notice to the effect.

10. **Benefits of Agreement.** This Agreement shall inure to the benefit of and be binding upon each successor of the Company. All obligations imposed upon the Participant and all rights granted to the Company under this Agreement shall be binding upon the Participant's Successors. This Agreement shall be the sole and exclusive source of any and all rights which the Participant or his/her Successors may have in respect to the Plan or this Agreement.

11. **No Right to Continued Employment**. Nothing in this Agreement shall interfere with or affect the rights of the Company or the Participant under any employment agreement or confer upon the Participant any right to continued employment with the Company or a Subsidiary.

12. **Resolution of Disputes.** Any dispute or disagreement which should arise under or as a result of or in any way related to the interpretation, construction or application of this Agreement will be determined by the Committee. Any determination made hereunder shall be final, binding and conclusive for all purposes. This Agreement and the legal relations between the parties hereto shall be governed by and construed in accordance with the laws of the state of Delaware.

13. **Section 409A of the Code.** To the extent applicable, this Agreement is intended to comply with Section 409A of the Code and any regulations or notices provided thereunder. This Agreement and the Plan shall be interpreted in a manner consistent with this intent. The Company reserves the unilateral right to amend this Agreement on written notice to the Participant in order to comply with Section 409A of the Code. The Company makes no representation that any or all of the payments described in this Agreement will be exempt from or comply with Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to any such payment. None of the Company or any Subsidiary, or any of its or their contractors, agents and employees, nor the Board or any member of the Board, shall be liable for any consequences of any failure to follow the requirements of Section 409A of the Code or any guidance or regulations thereunder.

14. **Clawback Policy and Stock Ownership Guidelines.** Shares of Stock issued upon settlement of the RSUs shall be subject to any stock ownership guidelines of the Company applicable to the Participant. In addition to the clawback described in **Section 18(c)** of this Agreement, this Agreement and the RSUs are subject to the Company's clawback policy applicable to the Participant as may be in effect from time to time, including, as applicable, being subject to recoupment or clawback by the Company on the terms and conditions as provided for under Section 10D of the Act and any applicable rules or regulations promulgated by the Securities and Exchange Commission or any national securities exchange or national securities association on which the Stock may be traded.

15. **Amendment.** Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto.

16. **Severability**. If any provision of this Agreement or the application of any provision hereof to any person or circumstances is held invalid, unenforceable or otherwise illegal, the remainder of this Agreement and the application of such provision to any other person or circumstances shall not be affected, and the provisions so held to be invalid, unenforceable or otherwise illegal shall be reformed to the extent (and only to the extent) necessary to make it enforceable, valid and legal.

17. **Electronic Delivery**. The Company may, in its sole discretion, deliver any documents related to the RSUs and the Participant's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

18. **Restrictive Covenants**.

(a) **Confidentiality**. It is a condition to the Participant's receipt of the RSUs that the Participant execute and agree to the terms of the Company or a Subsidiary's current and applicable Confidentiality Agreement (the "Confidentiality Agreement"). By electronically accepting this Agreement, the Participant acknowledges that the Participant has either already entered into such Confidentiality Agreement with the Company or a Subsidiary as of the date of acceptance or will enter into such agreement within 30

days of the Participant's receipt of this grant of RSUs. If such execution is required and the Participant does not sign and return the Confidentiality Agreement as prompted by the Workday HR system within 30 days of the Participant's receipt of this grant of RSUs, this grant of RSUs and any rights to the RSUs will terminate and become null and void. The Participant further acknowledges that as consideration for the Participant's agreement to the terms of the Confidentiality Agreement, the Company is providing the Participant with the opportunity to participate in this grant of RSUs under the Plan and receive the RSUs evidenced by this Agreement. The Participant understands that this acknowledgment shall be deemed a part of the Confidentiality Agreement and is to be interpreted in a manner consistent with its terms.

(b) **Non-Competition and Non-Solicitation**. By electronically accepting this Agreement, the Participant acknowledges that the Participant has received or will receive specialized training, trade secrets and confidential information from the Company and, in consideration thereof, agrees to the non-competition and non-solicitation provisions set forth in Exhibit A to this Agreement (the "Non-Competition and Non-Solicitation Obligations"). The Participant further acknowledges that as consideration for the Participant's agreement to the terms of the Non-Competition and Non-Solicitation Obligations, the Company is providing the Participant with the opportunity to participate in this grant of RSUs under the Plan and receive the RSUs evidenced by this Agreement. Notwithstanding the foregoing, if the Participant is a resident of the state of California, the Participant will not be bound by the Non-Competition and Non-Solicitation Obligations.

(c) **Violation of Restrictive Covenants**. Notwithstanding anything herein to the contrary, if the Participant breaches the Confidentiality Agreement or, if applicable, any of the Non-Competition and Non-Solicitation Obligations, (i) the Participant shall forfeit all RSUs and related dividend equivalents evidenced by this Agreement, effective on the date on which the Participant first breached such agreement or obligation(s) and (ii) if such breach occurs within 1 year following (A) the last Vesting Date or (B) to the extent **Section 3(b)** applies, the applicable settlement date, all shares of Stock issued or transferred to the Participant pursuant to this Agreement shall be returned by the Participant to the Company within 30 days after the Company has provided notice to the Participant of such breach and, if such shares of Stock have been sold by the Participant, an amount equal to the proceeds from such sale (determined without regard to any taxes paid) shall become due and payable by the Participant to the Company within 30 days after the Company has provided notice to the Participant of such breach. Notwithstanding the foregoing, the Committee, in its sole discretion, may waive the Participant obligations described in clause (i) and (ii) at any time if deemed to be in the best interests of the Company. The Participant acknowledges and agrees that it would be inequitable for the Participant to benefit from the RSUs should the Participant breach the Confidentiality Agreement or, if applicable, any of the Non-Competition and Non-Solicitation Obligations.

(d) **Remedies; Government Investigations; DTSA**. The Participant acknowledges and agrees that the rights and remedies set forth in this **Section 18** are in addition to and are not intended to limit any other rights or remedies the Company may have available to it, both during and at any time after the termination of the Participant's employment with the Company, including, without limitation, any rights or remedies the Company may have under the Confidentiality Agreement or other similar agreements. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement prevents the Participant from providing, without prior notice to the Company, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations, and, for purpose of clarity, the Participant is not prohibited from providing information voluntarily to the Securities and Exchange Commission pursuant to Section 21F of the Act. Furthermore, the U.S. Defend Trade Secrets Act of 2016 ("DTSA") provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, the DTSA provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (x) files any document containing the trade secret under seal and (y) does not disclose the trade secret, except pursuant to court order.

Exhibit A

Non-Competition and Non-Solicitation Provisions

1. **Definitions**. Unless otherwise defined, capitalized terms used in this Exhibit A shall have the meanings given to them in the Agreement or the Plan, as applicable. As used in this Exhibit A:

   (a) "*Company"* shall include all Subsidiaries of the Company.

   (b) "*Competing Organization"* is defined as any organization that researches, develops, manufactures, markets, distributes and/or sells one or more Competing Products/Services.

   (c) "*Competing Products/Services*" means any products, services or activities (including, without limitation, products, services or activities in the planning or development stage during the Non-Compete Period) that compete, directly or indirectly, in whole or in part, with one or more of the material products, services or activities (including, without limitation, products, services or activities in the planning or development stage during the Non-Compete Period) produced, provided, or engaged in by the Company or its affiliates at the time of the Participant's termination of employment with the Company and with which the Participant worked or about which the Participant obtained any trade secret or other Confidential and Proprietary Information at any time during the five (5) years immediately preceding the Participant's termination of employment with the Company. "Material products, services or activities" means the development, manufacture or production of packaged potato, sweet potato, appetizer and vegetable products for the retail, foodservice or institutional channels. If the products manufactured, sold or marketed by the Company are expanded at any time during the Participant's employment, such additional products will be deemed to be "material products, services or activities" for all purposes under this Agreement.

   (d) "*Confidential and Proprietary Information"* is defined as information and data of any kind, in any form, not generally available to the public, concerning any matters affecting or relating to the Company, including but not limited to: names, addresses, and any other characteristics identifying information or aspects of existing or potential Company customers, employees, vendors or suppliers; the business or operations of the Company and/or the financials, products, drawings, plans, processes; or other data of the Company not generally known or available outside of the Company. This definition also includes derivations of Confidential and Proprietary Information, including any information derived, summarized or extracted from any of the foregoing whether observed in writing, electronically, mechanically, and/or orally during the Participant's employment with the Company.

   (e) "*Employee*" (including its plural) means any person employed by the Company.

   (f) "*Non-Compete Period*" means the period from the date of the Agreement through the twelve-month period following the Participant's termination of employment with the Company for any reason.

   (g) "*Prohibited Capacity"* is defined as (i) any same or similar capacity to that the Participant held at any time during the last three years of employment with the Company prior to the date of the Participant's termination of employment from the Company; (ii) any executive or managerial capacity; (iii) any marketing or sales capacity; or (iv) any capacity in which the Participant's knowledge of Confidential and Proprietary Information would render the Participant's assistance to a Competing Organization a competitive advantage.

   (h) "*Restricted Geographic Area*" is defined as all countries, territories, parishes, municipalities and states in which the Company is doing business or is selling its products at the time of the Participant's termination of employment with the Company, including, but not limited to,

every parish and municipality in the state of Louisiana.[1] The Participant acknowledges that this geographic scope is reasonable given the Participant's position with the Company, the international scope of the Company's business, and the fact that the Participant could compete with the Company from anywhere the Company does business.

(i) "*Trade Secret*" means information possessed by or developed for the Company, including, without limitation, any compilation of data, program, device, method, system, technique or process, where: (i) the information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, (ii) the information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances, or (iii) information that constitutes a "trade secret" under the Idaho Trade Secrets Act, IDAHO STAT. § 48-801(5) and/or under the DTSA.

2. **Non-Competition**. During the Non-Compete Period, the Participant agrees that he or she will not, within the Restricted Geographic Area, be employed by, work for, consult with, provide services to, or lend assistance to any Competing Organization in a Prohibited Capacity.

3. **Non-Solicitation**. The Participant recognizes and agrees that the Company has a legitimate business interest in restricting potential competitors from hiring Employees who possess or otherwise may have or had access to the Company's or any of its affiliates' Confidential and Proprietary Information or Trade Secrets. Therefore, the Participant agrees that during the Participant's employment with the Company and through the twelve-month period following the termination of the Participant's employment with the Company, the Participant shall not directly or indirectly through any other person or entity recruit, induce, or attempt to induce any Employee to terminate his or her employment with the Company or otherwise interfere in any way with the employment relationship between the Company and its Employees. This restriction includes, but is not limited to: (a) identifying Employees as potential candidates for employment by name, background or qualifications; (b) recruiting or soliciting Employees; and/or (c) participating in any pre-employment interviews with Employees.

4. **California Residents**. Notwithstanding anything in the Agreement or in this Exhibit A, if the Participant is a resident of the state of California, the non-competition and non-solicitation obligations described in this Exhibit A shall not apply.

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[1] These Louisiana parishes currently include Acadia, Allen, Ascension, Assumption, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Claiborne, Concordia, De Soto, East Baton Rouge, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson, Jefferson Davis, La Salle, Lafayette, Lafourche, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Plaquemines, Pointe Coupee, Rapides, Red River, Richland, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John The Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Tensas, Terrebonne, Union, Vermilion, Vernon, Washington, Webster, West Baton Rouge, West Carroll, West Feliciana and Winn.

Form of Lamb Weston Holdings, Inc.
Performance Share Agreement (post-July 20, 2022)

NOTICE OF GRANT
PERFORMANCE SHARES
LAMB WESTON HOLDINGS, INC. 2016 STOCK PLAN
(AS AMENDED AND RESTATED AS OF JULY 20, 2017)

Lamb Weston Holdings, Inc., a Delaware corporation (the "***Company***"), has awarded to the Participant, as identified below, the number of Performance Shares (the "***Performance Shares***") set forth below. The Performance Shares are subject to all of the terms and conditions as set forth in this Notice of Grant (the "***Notice***") as well as in the Company's 2016 Stock Plan (as amended and restated as of July 20, 2017) (the "***Plan***") and the Performance Share Agreement (the "***Agreement***"), both of which are attached hereto and incorporated in their entirety. Each Performance Share represents the right to receive one share of Stock on the Payment Date (as defined in the Agreement), subject to achievement of the Performance Targets (as defined in the Agreement) and the other terms and conditions of this award. The number of Performance Shares that may be earned, if any, may range from 25% of the Target Number of Performance Shares, if the minimum Performance Targets and other conditions are met, to 200% of the Target Number of Performance Shares (the "***Maximum Number of Performance Shares***"), if the maximum Performance Targets and other conditions are met. Capitalized terms not explicitly defined in this Notice but defined in the Plan or the Agreement will have the same definitions as in the Plan or the Agreement. In the event of any conflict between the terms of the Award and the Plan, the terms of the Plan will control.

Participant:	/$ParticipantName$/
Employee ID:	/$ParticipantID$/
Target Number of Performance Shares:	/$TargetAwardsGranted$/
Maximum Number of Performance Shares:	/$MaxAwardsGranted$/
Date of Grant:	[_____], 2022
Vesting Date:	May 25, 2025, subject to the terms and conditions set forth in **Section 2** of the Agreement and Exhibit A to the Agreement.
Dividend Equivalents:	Yes, dividend equivalents will be accumulated on earned Performance Shares, but no amounts are paid, until the Payment Date of the Performance Shares, in accordance with **Section 7** of the Agreement.

By the Company's signature below and by the Participant's clicking the "Accept" button online, the Company and the Participant agree that the Performance Shares are governed by this Notice and by the provisions of the Plan and the Agreement, both of which are attached to and made a part of this document. The Participant acknowledges receipt of copies of the Plan and the Agreement, represents that the Participant has read and is familiar with their provisions, and hereby accepts the Performance Shares subject to all of their terms and conditions.

The Company has caused this Notice and the Agreement to be effective as of the Date of Grant.

LAMB WESTON HOLDINGS, INC.	**PARTICIPANT**
By: _____	/$ParticipantName$/
Date: _____	Date: /$CurrentDate$/

PERFORMANCE SHARE AGREEMENT
LAMB WESTON HOLDINGS, INC. 2016 STOCK PLAN
(AS AMENDED AND RESTATED AS OF JULY 20, 2017)

Lamb Weston Holdings, Inc., a Delaware corporation (the "*Company*"), has awarded the Participant, as named in the Notice of Grant (the "*Notice*"), to which this Performance Share Agreement (this "*Agreement*") is attached, a Performance Share Award (the "*Performance Shares*") that is subject to the Company's 2016 Stock Plan (as amended and restated as of July 20, 2017) (the "*Plan*"), the Notice, and this Agreement, for the number of Performance Shares indicated in the Notice. In the event of any conflict between the terms in this Agreement and the Plan, the terms of the Plan will control.

1. **Definitions.** Capitalized terms used herein without definition have the meanings set forth in the Plan. The following terms shall have the respective meanings set forth below:

(a) *"Change of Control"* shall mean the occurrence of any of the following events:

(i) Individuals who, as of the effective date of the Plan, constitute the Board (the "*Incumbent Board*") cease for any reason to constitute at least a majority of the Board; provided, however, that any person becoming a member of the Board subsequent to the effective date of the Plan whose election, or nomination for the election by the Company's stockholders, was approved by a vote of at least a majority of the Board members then comprising the Incumbent Board shall be, for purposes of this clause (i), considered as though such person were a member of the Incumbent Board as of the effective date of the Plan;

(ii) Consummation of a reorganization, merger or consolidation, in each case, with respect to which persons who were the stockholders of the Company immediately prior to such reorganization, merger or consolidation do not, immediately thereafter, own more than 50% of the Voting Power of the reorganized, merged or consolidated entity;

(iii) Any person becomes the beneficial owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such person, any securities acquired directly from the Company or its affiliates) representing 30% or more of the Voting Power of the Company's then outstanding securities;

(iv) A liquidation or dissolution of the Company; or

(v) The sale of all or substantially all of the assets of the Company.

(b) *"Continuous Employment*" shall mean the absence of any interruption or termination of employment with the Company and its Subsidiaries and the performance of substantial services. Continuous Employment shall not be considered interrupted or terminated in the case of sick leave, short-term disability (as defined in the Company's sole discretion), military leave or any other leave of absence approved by the Company unless and until there is a Separation from Service (as defined in **Section 1(f)** below).

(c) "*Divestiture*" shall mean a permanent disposition to a person other than the Company of a plant or other facility or property at which the Participant performs a majority of the Participant's services, whether such disposition is effected by means of a sale of assets, a sale of Subsidiary stock or otherwise.

(d) "*Early Retirement*" shall mean Separation from Service with the Company and its Subsidiaries when the Participant (i) is at least age 55, and (ii) has at least ten years of credited service with the Company and its Subsidiaries.

(e) "*Normal Retirement*" shall mean a Separation from Service with the Company and its Subsidiaries on or after attaining age 65.

(f) "*Performance Period*" shall mean the three-year period commencing on May 30, 2022 and ending on May 25, 2025, which is comprised of the following three annual sub-periods (or "Sub-Periods"): May 30, 2022 through May 28, 2023, May 29, 2023 through May 26, 2024, and May 27, 2024 through May 25, 2025.

(g) "*Performance Targets*" shall mean the applicable performance goals set forth on Exhibit A.

(h) "*Separation from Service,*" *"termination of employment" and similar terms* shall mean the date

that the Participant incurs a "separation from service" within the meaning of Section 409A of the Code. As used in connection with the definition of "Separation from Service," the term "Company" includes Lamb Weston Holdings, Inc. and any other entity that, with Lamb Weston Holdings, Inc., constitutes a controlled group of corporations (as defined in Section 414(b) of the Code), or a group of trades or businesses (whether or not incorporated) under common control (as defined in Section 414(c) of the Code), substituting 25% for the 80% ownership level for purposes of both Sections 414(b) and Section 414(c) of the Code.

(i) "*Specified Employee*" is as defined under Section 409A of the Code and Treasury Regulation Section 1.409A-1(i).

(j) "*Successors*" shall mean the beneficiaries, executors, administrators, heirs, successors and assigns of a person.

2. **Vesting of Performance Shares**.

(a) **Normal Vesting**. Subject to the terms and conditions of the Notice, the Plan, this Agreement and Exhibit A to this Agreement, the Performance Shares covered by this Agreement shall become nonforfeitable ("*Vest*" or similar terms) to the extent that:

(i) Except as provided in **Section 2(b)** or **Section 2(c)** below, the Participant remains Continuously Employed by the Company or a Subsidiary through the Vesting Date; and

(ii) The applicable Performance Targets set forth on Exhibit A for the Performance Period are achieved, which level of achievement must be certified by the Committee in writing within 90 days after the end of the Performance Period (the "*Committee Determination Date*"). For the avoidance of doubt, references in this Agreement to determinations and/or payments to be made after or following "the end of the Performance Period" shall be applied only to the Performance Period collectively comprised of all three Sub-Periods (and not to any Sub-Period individually).

Any Performance Shares that do not satisfy both **Section 2(a)(i)** and **Section 2(a)(ii)** will be forfeited.

(b) **Termination of Employment**. If, prior to the Vesting Date, the Participant's employment with the Company and its Subsidiaries shall terminate:

(i) by reason of (A) Normal Retirement occurring on or after the date that is 12 months after the Date of Grant or (B) death, the Performance Shares shall remain subject to performance through the end of the Performance Period and shall become Vested (based upon actual achievement of the applicable Performance Targets set forth in Exhibit A) in accordance with the terms and conditions of this Section 2 as if the Participant had remained Continuously Employed from the Date of Grant until the Vesting Date (or, if earlier, the occurrence of a Change of Control to the extent a Replacement Award is not provided).

(ii) by reason of Early Retirement or involuntary termination due to disability, position elimination, reduction in force (each as defined in the Company's sole discretion), or Divestiture, in each case, occurring on or after the date that is 12 months after the Date of Grant, the Performance Shares shall remain subject to performance through the end of the Performance Period and shall become Vested (based upon actual achievement of the applicable Performance Targets set forth in Exhibit A) in accordance with the terms and conditions of this Section 2 on a pro-rata basis in an amount equal to the product of (A) the number of Performance Shares in which the Participant would have Vested in accordance with the terms and conditions of this **Section 2** if the Participant had remained Continuously Employed from the Date of Grant until the Vesting Date (or, if earlier, the occurrence of a Change of Control to the extent a Replacement Award is not provided), multiplied by (B) a fraction, the numerator of which is the total number of calendar days during which the Participant was employed by the Company or a Subsidiary during the period beginning on May 30, 2022 and ending on the Separation from Service and the denominator of which is the total number of calendar days beginning on May 30, 2022 and ending on May 25, 2025, rounded to the nearest whole number of Performance Shares.

(iii) for Cause or any reason other than as described in **Sections 2(b)(i)** or **2(b)(ii)** prior to the Vesting Date, then all Performance Shares, whether Vested or unvested prior to the Vesting

Date, shall be immediately forfeited without further consideration to the Participant.

For the avoidance of doubt, any Vested Performance Shares pursuant to **Sections 2(b)(i)** or **2(b)(ii)** will be settled pursuant to **Section 3(a)** hereof.

(c) **Accelerated Vesting in Connection with a Change of Control**.

(i) If a Change of Control occurs prior to the end of the Performance Period, and the Participant has been in Continuous Employment between the Date of Grant and the date of such Change of Control, then the Participant shall Vest in a number of Performance Shares equal to the greater of (A) the number of Performance Shares in which the Participant would Vest based on actual performance through the most recent date prior to the Change of Control for which achievement of Performance Targets can reasonably be determined, as certified by the Committee as constituted immediately prior to the Change of Control and (B) the target number of Performance Shares subject to this Agreement, rounded to the nearest whole number of Performance Shares, except to the extent that (I) such Performance Shares have previously been forfeited, or (II) a Replacement Award is provided to the Participant to replace, continue or adjust the outstanding Performance Shares (the "*Replaced Award*").

(ii) If a Change of Control occurs after the end of the Performance Period but before the Committee Determination Date, then all Performance Shares earned based on performance (to be measured on or prior to the date of the Change of Control) will become 100% Vested, except to the extent that (A) such Performance Shares have previously been forfeited, or (B) a Replacement Award is provided to the Participant to replace, continue or adjust the outstanding Performance Shares.

(iii) Notwithstanding any other provision of this Agreement, if, (x) within a period of two years following a Change of Control, the Participant's employment with the Company, a Subsidiary or any of its or their successors after the Change of Control (as applicable, the "*Successor Company*") is terminated by the Participant for Good Reason or by the Successor Company other than for Cause prior to the Vesting Date or (y) at any time following a Change of Control, the Participant's employment terminates due to Early Retirement or Normal Retirement prior to the Vesting Date, then to the extent that the Replacement Award has not previously been Vested or forfeited, the Replacement Award will become 100% Vested (and become entitled to settlement as specified in **Section 3(b)(i)**).

(iv) For purposes of this Agreement, a "*Replacement Award*" means an award (A) of the same type as the Replaced Award (*i.e.*, restricted stock or restricted stock units) but with any remaining performance conditions of the Replaced Award deemed satisfied at the greater of (I) the actual level of performance as of the Change of Control, if reasonably measurable, and (II) the target level of performance, in each case without proration, and subject to continued service through the Vesting Date, (B) that has a value at least equal to the value of the Replaced Award, including at the deemed level of performance as determined in clause (A) above, as applicable, (C) that relates to publicly traded equity securities of the Successor Company in the Change of Control (or another entity that is affiliated with the Successor Company following the Change of Control), (D) the tax consequences of which for such Participant under the Code, if the Participant is subject to U.S. federal income tax under the Code, are not less favorable to the Participant than the tax consequences of the Replaced Award, and (E) the other terms and conditions of which are not less favorable to the Participant than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent change of control). A Replacement Award may be granted only to the extent it does not result in the Replaced Award or Replacement Award failing to comply with or ceasing to be exempt from Section 409A of the Code. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the preceding two sentences are satisfied. The determination of whether the conditions of this **Section 2(c)(iv)** are satisfied will be made in good faith by the Committee, as constituted immediately before the Change of Control, in its sole discretion.

(v) For purposes of this Agreement, "*Cause*" means: (A) the willful and continued failure by the Participant to substantially perform the Participant's duties with the Successor Company (other than any such failure resulting from termination by the Participant for Good Reason) after a demand for substantial performance is delivered to the Participant that specifically identifies the manner in which the Successor Company believes that the Participant has not substantially performed the Participant's duties, and the Participant has failed to resume substantial performance of the Participant's duties on a continuous basis within five days of receiving such demand; (B) the willful engaging by the Participant in conduct which is demonstrably and materially injurious to the Successor Company, monetarily or otherwise; or (C) the Participant's conviction of, or plea of nolo contendere to, (I) a felony or (II) a misdemeanor which impairs the Participant's ability substantially to perform the Participant's duties with the Successor Company. For the purposes of this definition, no act, or failure to act, on the Participant's part shall be deemed "willful" unless done, or omitted to be done, by the Participant not in good faith and without reasonable belief that the Participant's action or omission was in the best interest of the Successor Company.

(vi) For purposes of this Agreement, "*Good Reason*" means: (A) any material failure of the Successor Company to comply with and satisfy any of the terms of any employment or change in control (or similar) agreement between the Successor Company and the Participant pursuant to which the Participant provides services to the Successor Company; (B) any significant involuntary reduction of the authority, duties or responsibilities held by the Participant immediately prior to the Change of Control (and, for the avoidance of doubt, involuntary removal of the Participant from an officer position that the Participant holds immediately prior to the Change of Control will not, by itself, constitute a significant involuntary reduction of the authority, duties or responsibilities held by the Participant immediately prior to the Change of Control); (C) any material involuntary reduction in the aggregate target cash remuneration opportunity of the Participant as in effect immediately prior to the Change of Control; or (D) requiring the Participant to become based at any office or location more than 50 miles from the office or location at which the Participant was based immediately prior to such Change of Control, except for travel reasonably required in the performance of the Participant's responsibilities; provided, however, that no termination shall be deemed to be for Good Reason unless (I) the Participant provides the Successor Company with written notice setting forth the specific facts or circumstances constituting Good Reason within ninety days after the initial existence of the occurrence of such facts or circumstances, (II) the Successor Company fails to cure such facts or circumstances within thirty days of its receipt of such written notice, and (III) the Participant actually terminates employment within thirty days following the end of the Successor Company's thirty-day cure period, if such event or circumstance has not been cured.

(vii) If a Replacement Award is provided, notwithstanding anything in this Agreement to the contrary, any outstanding Performance Shares which at the time of the Change of Control are not subject to a "substantial risk of forfeiture" (within the meaning of Section 409A of the Code) will be deemed to be Vested at the time of such Change of Control (and such Vested Performance Shares shall be settled in accordance with **Section 3(b)(ii)** below).

(d) **Forfeiture of Performance Shares**. Subject to **Section 2(b)(iii)**, any Performance Shares that have not Vested pursuant to **Section 2(a)**, **Section 2(b)**, or **Section 2(c)** will be forfeited automatically and without further notice (including if the Participant ceases to be in Continuous Employment prior to the Vesting Date for any reason other than as described in **Section 2(b)** or **Section 2(c)**).

3. **Settlement of Performance Shares.**

(a) **Normal**. Subject to **Section 3(b)**, the Company will issue to the Participant one share of Stock for each earned Performance Share as soon as practicable following the later of (x) the Committee Determination Date and (y) the Vesting Date, but in no event later than 60 days following the later such time (the "*Payment Date*").

(b) **Other Settlement Events**. Notwithstanding **Section 3(a)**, to the extent the Performance Shares are Vested Performance Shares on the dates set forth below and to the extent the Vested Performance

Shares have not previously been Vested, forfeited or settled, the Company will settle such Vested Performance Shares as follows:

(i) **Separation from Service**. If there are such Vested Performance Shares upon the Participant's Separation from Service following a Change of Control pursuant to **Section 2(c)(iii)** hereof, within thirty days of the Participant's Separation from Service, one share of Stock will be issued for each such Vested Performance Share; provided, that such Change of Control qualifies as a permissible date of distribution under Section 409A(a)(2)(A) of the Code and the regulations thereunder. If such Change of Control does not qualify, the Participant is entitled to receive the corresponding payment on the date that would have otherwise applied pursuant to **Section 3** as though such Change of Control had not occurred.

(ii) **Change of Control**. If there are such Vested Performance Shares upon a Change of Control, one share of Stock will be issued for each such Vested Performance Share as of the date of the Change of Control; provided, however, that if such Change of Control would not qualify as a permissible date of distribution under Section 409A(a)(2)(A) of the Code, and the regulations thereunder, and where Section 409A of the Code applies to such distribution, the Participant is entitled to receive the corresponding payment on the date that would have otherwise applied pursuant to **Section 3** as though such Change of Control had not occurred.

(c) **Payment of Taxes Upon Settlement.** As a condition of the issuance of shares of Stock upon settlement of Performance Shares hereunder, the Participant agrees to remit to the Company at the time of settlement any taxes or other amounts required to be withheld by the Company under Federal, State or local law as a result of the settlement of the Performance Shares. As a condition of the issuance of shares of Stock upon settlement of Performance Shares hereunder, the Participant agrees that the Company will deduct from the total shares to be issued as a result of the Vesting of the Performance Shares a sufficient number of shares to satisfy the required statutory withholding amount, which may exceed the minimum statutory tax withholding amount only if it would not cause adverse accounting or tax consequences for the Company or a Subsidiary.

(d) **Specified Employee**. Notwithstanding anything (including any provision of the Agreement or the Plan) to the contrary, if a Participant is a Specified Employee and if the Performance Shares are subject to Section 409A of the Code, payment to the Participant on account of a Separation from Service shall, to the extent required to comply with Treasury Regulation Section 1.409A-3(i)(2), be made to the Participant on the earlier of (i) the Participant's death or (ii) the first business day (or within 30 days after such first business day) that is more than six months after the date of Separation from Service. Notwithstanding anything contained herein to the contrary, the Participant shall not be considered to have terminated employment with the Company or any Subsidiary for purposes of any payments under this Agreement which are subject to Section 409A of the Code until the Participant has incurred a Separation from Service. In the Company's sole and absolute discretion, interest may be paid due to such delay. Further, any interest will be calculated in the manner determined by the Company in its sole and absolute discretion in a manner that qualifies any interest as reasonable earnings under Section 409A of the Code. Dividend equivalents will not be paid with respect to any dividends that would have been paid during the delay if the Stock had been issued. To the extent required for purposes of Section 409A of the Code, each installment that vests under this Agreement shall be construed as a separate identified payment for purposes of Section 409A of the Code.

4. **Non-Transferability of Performance Shares.** The Performance Shares may not be assigned, transferred, pledged or hypothecated in any manner (otherwise than by will or the laws of descent or distribution) nor may the Participant enter into any transaction for the purpose of, or which has the effect of, reducing the market risk of holding the Performance Shares by using puts, calls or similar financial techniques. The Performance Shares subject to this Agreement may be settled during the lifetime of the Participant only with the Participant or the Participant's guardian or legal representative. Upon any attempt to transfer, assign, pledge, hypothecate, or otherwise dispose of the Performance Shares or any related rights to the Performance Shares that is contrary to the provisions of this Agreement or the Plan, or upon the levy of any attachment or similar process upon the Performance Shares or such rights, the Performance Shares and such rights shall immediately become null and void. The terms of this Agreement shall be binding upon the Successors of the Participant.

5. **Stock Subject to the Performance Shares; Compliance with Law.** The Company will not be required to issue or deliver any shares of Stock or any certificate or certificates for shares of Stock with respect to the Participant's Performance Shares until such shares have been listed (or authorized for listing upon official notice of issuance) upon each stock exchange on which outstanding shares of the same class are then listed and until the Company has taken such steps as may, in the opinion of counsel for the Company, be required by law and applicable regulations, including the rules and regulations of the Securities and Exchange Commission, and state securities laws and regulations, in connection with the issuance of such shares, and the listing of such shares on each such exchange.

6. **Rights as Stockholder.** The Participant or his/her Successors shall have no rights as stockholder with respect to any Performance Shares or underlying shares covered by this Agreement until the Participant or his/her Successors shall have become the beneficial owner of such shares on the Payment Date.

7. **Dividend Equivalents.** Upon the payment of earned Performance Shares as of the Payment Date, the Participant shall receive additional shares of Stock equal in value to the accrued dividend equivalents. The amount of dividend equivalents for each Performance Share earned shall equal the dividends paid on one share of Stock for each dividend whose record date occurs during the period between the Date of Grant and the Payment Date.

8. **Adjustments Upon Changes in Capitalization; Change of Control.** In the event of any change in corporate capitalization, corporate transaction, sale or other disposition of assets or similar corporate transaction or event involving the Company as described in Section 5.5 of the Plan, the Committee shall make equitable adjustment as it determines necessary and appropriate in the number and type of shares subject to this Agreement; provided, however, that no fractional share shall be issued upon subsequent settlement of the Performance Shares. No adjustment shall be made if such adjustment is prohibited by Section 5.5 of the Plan (relating to Section 409A of the Code).

9. **Notices.** Each notice relating to this Agreement shall be deemed to have been given on the date it is received. Each notice to the Company shall be addressed to its principal Office in Eagle, Idaho, Attention: Compensation. Each notice to the Participant or any other person or persons entitled to shares issuable upon settlement of the Performance Shares shall be addressed to the Participant's address and may be in written or electronic form. Anyone to whom a notice may be given under this Agreement may designate a new address by giving notice to the effect.

10. **Benefits of Agreement.** This Agreement shall inure to the benefit of and be binding upon each successor of the Company. All obligations imposed upon the Participant and all rights granted to the Company under this Agreement shall be binding upon the Participant's Successors. This Agreement shall be the sole and exclusive source of any and all rights which the Participant or his/her Successors may have in respect to the Plan or this Agreement.

11. **No Right to Continued Employment**. Nothing in this Agreement shall interfere with or affect the rights of the Company or the Participant under any employment agreement or confer upon the Participant any right to continued employment with the Company or a Subsidiary.

12. **Resolution of Disputes.** Any dispute or disagreement which should arise under or as a result of or in any way related to the interpretation, construction or application of this Agreement will be determined by the Committee. Any determination made hereunder shall be final, binding and conclusive for all purposes. This Agreement and the legal relations between the parties hereto shall be governed by and construed in accordance with the laws of the state of Delaware.

13. **Section 409A of the Code.** To the extent applicable, this Agreement is intended to comply with Section 409A of the Code and any regulations or notices provided thereunder. This Agreement and the Plan shall be interpreted in a manner consistent with this intent. The Company reserves the unilateral right to amend this Agreement on written notice to the Participant in order to comply with Section 409A of the Code. The Company makes no representation that any or all of the payments described in this Agreement will be exempt from or comply with Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to any such payment. None of the Company or any Subsidiary, or any of its or their contractors, agents and employees, nor the Board or any member of the Board, shall be liable for any consequences of any failure to follow the requirements of Section 409A of the Code or any guidance or regulations thereunder.

14. **Clawback Policy and Stock Ownership Guidelines**. Shares of Stock issued upon settlement of the Performance Shares shall be subject to any stock ownership guidelines of the Company applicable to the Participant. In addition to the clawback described in Section 18(c) of this Agreement, this Agreement and the Performance Shares are subject to the Company's clawback policy as may be in effect from time to time, including, as applicable, being subject to recoupment or clawback by the Company on the terms and conditions as provided for under Section 10D of the Act and any applicable rules or regulations promulgated by the Securities and Exchange Commission or any national securities exchange or national securities association on which the Stock may be traded.

15. **Amendment.** Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto.

16. **Severability**. If any provision of this Agreement or the application of any provision hereof to any person or circumstances is held invalid, unenforceable or otherwise illegal, the remainder of this Agreement and the application of such provision to any other person or circumstances shall not be affected, and the provisions so held to be invalid, unenforceable or otherwise illegal shall be reformed to the extent (and only to the extent) necessary to make it enforceable, valid and legal.

17. **Electronic Delivery**. The Company may, in its sole discretion, deliver any documents related to the Performance Shares and the Participant's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

18. **Restrictive Covenants**.

(a) **Confidentiality**. It is a condition to the Participant's receipt of the Performance Shares that the Participant execute and agree to the terms of the Company or a Subsidiary's current and applicable Confidentiality Agreement (the "*Confidentiality Agreement*"). By electronically accepting this Agreement, the Participant acknowledges that the Participant has either already entered into such Confidentiality Agreement with the Company or a Subsidiary as of the date of acceptance or will enter into such agreement within 30 days of the Participant's receipt of this grant of Performance Shares. If such execution is required and the Participant does not sign and return the Confidentiality Agreement as prompted by the Workday HR system within 30 days of the Participant's receipt of this grant of Performance Shares, this grant of Performance Shares and any rights to the Performance Shares will terminate and become null and void. The Participant further acknowledges that as consideration for the Participant's agreement to the terms of the Confidentiality Agreement, the Company is providing the Participant with the opportunity to participate in this grant of Performance Shares under the Plan and receive the Performance Shares evidenced by this Agreement. The Participant understands that this acknowledgment shall be deemed a part of the Confidentiality Agreement and is to be interpreted in a manner consistent with its terms.

(b) **Non-Competition and Non-Solicitation**. By electronically accepting this Agreement, the Participant acknowledges that the Participant has received or will receive specialized training, trade secrets and confidential information from the Company and, in consideration thereof, agrees to the non-competition and non-solicitation provisions set forth in Exhibit B to this Agreement (the "*Non-Competition and Non-Solicitation Obligations*"). The Participant further acknowledges that as consideration for the Participant's agreement to the terms of the Non-Competition and Non-Solicitation Obligations, the Company is providing the Participant with the opportunity to participate in this grant of Performance Shares under the Plan and receive the Performance Shares evidenced by this Agreement. Notwithstanding the foregoing, if the Participant is a resident of the state of California, the Participant will not be bound by the Non-Competition and Non-Solicitation Obligations.

(c) **Violation of Restrictive Covenants**. Notwithstanding anything herein to the contrary, if the Participant breaches the Confidentiality Agreement or, if applicable, any of the Non-Competition and Non-Solicitation Obligations, (i) the Participant shall forfeit all Performance Shares and related dividend equivalents evidenced by this Agreement, effective on the date on which the Participant first breached such agreement or obligation(s) and (ii) if such breach occurs within 1 year following (A) the Vesting Date or (B) to the extent **Section 3(b)** applies, the applicable settlement date, all shares of Stock issued or transferred to the Participant pursuant to this Agreement shall be returned by the Participant to the Company within 30 days after the Company has provided notice to the Participant of such breach and, if

such shares of Stock have been sold by the Participant, an amount equal to the proceeds from such sale (determined without regard to any taxes paid) shall become due and payable by the Participant to the Company within 30 days after the Company has provided notice to the Participant of such breach. Notwithstanding the foregoing, the Committee, in its sole discretion, may waive the Participant obligations described in clause (i) and (ii) at any time if deemed to be in the best interests of the Company. The Participant acknowledges and agrees that it would be inequitable for the Participant to benefit from the Performance Shares should the Participant breach the Confidentiality Agreement or, if applicable, any of the Non-Competition and Non-Solicitation Obligations.

(d) **Remedies; Government Investigations; DTSA**. The Participant acknowledges and agrees that the rights and remedies set forth in this **Section 18** are in addition to and are not intended to limit any other rights or remedies the Company may have available to it, both during and at any time after the termination of the Participant's employment with the Company, including, without limitation, any rights or remedies the Company may have under the Confidentiality Agreement or other similar agreements. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement prevents the Participant from providing, without prior notice to the Company, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations, and, for purpose of clarity, the Participant is not prohibited from providing information voluntarily to the Securities and Exchange Commission pursuant to Section 21F of the Act. Furthermore, the U.S. Defend Trade Secrets Act of 2016 ("*DTSA*") provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, the DTSA provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (x) files any document containing the trade secret under seal and (y) does not disclose the trade secret, except pursuant to court order.

Exhibit B

Non-Competition and Non-Solicitation Provisions

1. **Definitions**. Unless otherwise defined, capitalized terms used in this Exhibit B shall have the meanings given to them in the Agreement or the Plan, as applicable. As used in this Exhibit B:

   (a) "*Company"* shall include all Subsidiaries of the Company.

   (b) "*Competing Organization"* is defined as any organization that researches, develops, manufactures, markets, distributes and/or sells one or more Competing Products/Services.

   (c) "*Competing Products/Services*" means any products, services or activities (including, without limitation, products, services or activities in the planning or development stage during the Non-Compete Period) that compete, directly or indirectly, in whole or in part, with one or more of the material products, services or activities (including, without limitation, products, services or activities in the planning or development stage during the Non-Compete Period) produced, provided, or engaged in by the Company or its affiliates at the time of the Participant's termination of employment with the Company and with which the Participant worked or about which the Participant obtained any trade secret or other Confidential and Proprietary Information at any time during the five (5) years immediately preceding the Participant's termination of employment with the Company. "Material products, services or activities" means the development, manufacture or production of packaged potato, sweet potato, appetizer and vegetable products for the retail, foodservice or institutional channels. If the products manufactured, sold or marketed by the Company are expanded at any time during the Participant's employment, such additional products will be deemed to be "material products, services or activities" for all purposes under this Agreement.

   (d) "*Confidential and Proprietary Information"* is defined as information and data of any kind, in any form, not generally available to the public, concerning any matters affecting or relating to the Company, including but not limited to: names, addresses, and any other characteristics identifying information or aspects of existing or potential Company customers, employees, vendors or suppliers; the business or operations of the Company and/or the financials, products, drawings, plans, processes; or other data of the Company not generally known or available outside of the Company. This definition also includes derivations of Confidential and Proprietary Information, including any information derived, summarized or extracted from any of the foregoing whether observed in writing, electronically, mechanically, and/or orally during the Participant's employment with the Company.

   (e) "*Employee*" (including its plural) means any person employed by the Company.

   (f) "*Non-Compete Period*" means the period from the date of the Agreement through the twelve-month period following the Participant's termination of employment with the Company for any reason.

   (g) "*Prohibited Capacity"* is defined as (i) any same or similar capacity to that the Participant held at any time during the last three years of employment with the Company prior to the date of the Participant's termination of employment from the Company; (ii) any executive or managerial capacity; (iii) any marketing or sales capacity; or (iv) any capacity in which the Participant's knowledge of Confidential and Proprietary Information would render the Participant's assistance to a Competing Organization a competitive advantage.

   (h) "*Restricted Geographic Area*" is defined as all countries, territories, parishes, municipalities and states in which the Company is doing business or is selling its products at the time of the Participant's termination of employment with the Company, including, but not limited to,

every parish and municipality in the state of Louisiana.[1] The Participant acknowledges that this geographic scope is reasonable given the Participant's position with the Company, the international scope of the Company's business, and the fact that the Participant could compete with the Company from anywhere the Company does business.

(i) "*Trade Secret*" means information possessed by or developed for the Company, including, without limitation, any compilation of data, program, device, method, system, technique or process, where: (i) the information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, (ii) the information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances, or (iii) information that constitutes a "trade secret" under the Idaho Trade Secrets Act, IDAHO STAT. § 48-801(5) and/or under the DTSA.

2. **Non-Competition**. During the Non-Compete Period, the Participant agrees that he or she will not, within the Restricted Geographic Area, be employed by, work for, consult with, provide services to, or lend assistance to any Competing Organization in a Prohibited Capacity.

3. **Non-Solicitation**. The Participant recognizes and agrees that the Company has a legitimate business interest in restricting potential competitors from hiring Employees who possess or otherwise may have or had access to the Company's or any of its affiliates' Confidential and Proprietary Information or Trade Secrets. Therefore, the Participant agrees that during the Participant's employment with the Company and through the twelve-month period following the termination of the Participant's employment with the Company, the Participant shall not directly or indirectly through any other person or entity recruit, induce, or attempt to induce any Employee to terminate his or her employment with the Company or otherwise interfere in any way with the employment relationship between the Company and its Employees. This restriction includes, but is not limited to: (a) identifying Employees as potential candidates for employment by name, background or qualifications; (b) recruiting or soliciting Employees; and/or (c) participating in any pre-employment interviews with Employees.

4. **California Residents**. Notwithstanding anything in the Agreement or in this Exhibit A, if the Participant is a resident of the state of California, the non-competition and non-solicitation obligations described in this Exhibit A shall not apply.

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[1] These Louisiana parishes currently include Acadia, Allen, Ascension, Assumption, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Claiborne, Concordia, De Soto, East Baton Rouge, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson, Jefferson Davis, La Salle, Lafayette, Lafourche, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Plaquemines, Pointe Coupee, Rapides, Red River, Richland, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John The Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Tensas, Terrebonne, Union, Vermilion, Vernon, Washington, Webster, West Baton Rouge, West Carroll, West Feliciana and Winn.

Form of Lamb Weston Holdings, Inc.
Nonqualified Stock Option Agreement for Employees (post-July 20, 2022)

NOTICE OF GRANT
NONQUALIFIED STOCK OPTION
LAMB WESTON HOLDINGS, INC. 2016 STOCK PLAN
(AS AMENDED AND RESTATED AS OF JULY 20, 2017)

Lamb Weston Holdings, Inc., a Delaware corporation (the "***Company***"), has awarded to the Optionee, as identified below, an option (the "***Option***") to purchase the number of shares of the Company's common stock (the "***Common Stock***") set forth below. The Option is subject to all of the terms and conditions as set forth in this Notice of Grant (the "***Notice***") as well as in the Company's 2016 Stock Plan (as amended and restated as of July 20, 2017) (the "***Plan***") and the Nonqualified Stock Option Agreement (the "***Agreement***"), both of which are attached hereto and incorporated in their entirety. Capitalized terms not explicitly defined in this Notice but defined in the Plan or the Agreement will have the same definitions as in the Plan or the Agreement. In the event of any conflict between the terms of the Award and the Plan, the terms of the Plan will control.

Optionee:	/$ParticipantName$/
Employee ID:	/$OptioneeID$/
Number of Shares of Common Stock:	/$AwardsGranted$/
Exercise Price Per Share:	$_____
Date of Grant:	_____
Type of Option:	Nonqualified
Expiration Date:	[INSERT 7th anniversary of Date of Grant]
Vesting Dates:	33%, 33% and 34%, respectively, of the shares of Common Stock subject to the Option will vest and become exercisable on each of the first three anniversaries of the Date of Grant (each, a "***Vesting Date***"), with any fractional shares being rounded down to the nearest whole share and vesting with the next vesting installment (if applicable) and subject to the terms and conditions set forth in the Agreement

By the Company's signature below and by the Optionee's clicking the "Accept" button online, the Company and the Optionee agree that the Option is governed by this Notice and by the provisions of the Plan and the Agreement, both of which are attached to and made a part of this document. The Optionee acknowledges receipt of copies of the Plan and the Agreement, represents that the Optionee has read and is familiar with their provisions, and hereby accepts the Option subject to all of its terms and conditions. For the avoidance of doubt, the Option is intended to constitute a nonqualified stock option and shall not be treated as an "incentive stock option."

The Company has caused this Notice and the Agreement to be effective as of the Date of Grant.

LAMB WESTON HOLDINGS, INC.

By: _____

Date: _____

NONQUALIFIED OPTION AGREEMENT
LAMB WESTON HOLDINGS, INC. 2016 STOCK PLAN
(AS AMENDED AND RESTATED AS OF JULY 20, 2017)

Lamb Weston Holdings, Inc., a Delaware corporation (the "Company"), has awarded the Optionee, as named in the Notice of Grant (the "Notice"), to which this Nonqualified Option Agreement (this "Agreement") is attached, an Option that is subject to the Company's 2016 Stock Plan (as amended and restated as of July 20, 2017) (the "Plan"), the Notice, and this Agreement, to purchase the number of shares of Common Stock indicated in the Notice. In the event of any conflict between the terms in this Agreement and the Plan, the terms of the Plan will control.

1. **Definitions**. Capitalized terms used herein without definition have the meanings set forth in the Plan. The following terms shall have the respective meanings set forth below:

a. "*Change of Control*" shall mean the occurrence of any of the following events:

i. Individuals who, as of the effective date of the Plan, constitute the Board (the "*Incumbent Board*") cease for any reason to constitute at least a majority of the Board; provided, however, that any person becoming a member of the Board subsequent to the effective date of the Plan whose election, or nomination for the election by the Company's stockholders, was approved by a vote of at least a majority of the Board members then comprising the Incumbent Board shall be, for purposes of this clause (i), considered as though such person were a member of the Incumbent Board as of the effective date of the Plan;

ii. Consummation of a reorganization, merger or consolidation, in each case, with respect to which persons who were the stockholders of the Company immediately prior to such reorganization, merger or consolidation do not, immediately thereafter, own more than 50% of the Voting Power of the reorganized, merged or consolidated entity;

iii. Any person becomes the beneficial owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such person, any securities acquired directly from the Company or its affiliates) representing 30% or more of the Voting Power of the Company's then outstanding securities;

iv. A liquidation or dissolution of the Company; or

v. The sale of all or substantially all of the assets of the Company.

b. "*Continuous Employment*" shall mean the absence of any interruption or termination of employment with the Company and its Subsidiaries. Continuous Employment shall not be considered interrupted in the case of sick leave, short-term disability (as defined in the Company's sole discretion), military leave or any other leave of absence approved by the Company.

c. "*Divestiture*" shall mean a permanent disposition to a person other than the Company of a plant or other facility or property at which the Optionee performs a majority of the Optionee's services, whether such disposition is effected by means of a sale of assets, a sale of Subsidiary stock or otherwise.

d. "*Early Retirement*" shall mean terminating employment with the Company and its Subsidiaries when the Optionee (i) is at least age 55, and (ii) has at least ten years of credited service with the Company and its Subsidiaries.

e. "*Exercise Price*" shall mean the per share purchase price payable on exercise of the Option.

f. "*Normal Retirement*" shall mean terminating employment with the Company and its Subsidiaries on or after attaining age 65.

2. **Exercise of Option**.

a. **Normal Vesting**. A portion of this Option shall become vested and exercisable, on each Vesting Date as set forth in the Notice, if the Optionee remains in Continuous Employment until such Vesting Date.

b. **Accelerated Vesting Upon Termination of Employment**. If, prior to the last Vesting Date set forth in the Notice, the Optionee's employment with the Company and its Subsidiaries shall terminate:

i. by reason of Normal Retirement on or after the date that is 12 months following the Date of Grant, then this Option shall, to the extent it has not previously been forfeited, become 100% vested and exercisable; or

ii. by reason of the Optionee's death or disability, by the Optionee for Good Reason, by the Company other than for Cause, or by reason of Early Retirement, then an additional portion of this Option shall vest and become exercisable (the "Additional Portion"), with the number of shares of Common Stock subject to the Additional Portion determined by (A) *multiplying* the total number of shares of Common Stock that are subject to the Option by a fraction, the numerator of which is the total number of calendar days during which the Optionee was employed by the Company or a Subsidiary during the period beginning on the Date of Grant and ending on the date of such termination, and the denominator of which is the total number of calendar days beginning with the Date of Grant and ending on the last Vesting Date set forth in the Notice, rounded to the nearest whole number of shares, and (B) *subtracting* the number of shares subject to the portion of the Option that is vested pursuant to **Section 2(a)** (the Additional Portion, together with the portion of the Option that is vested pursuant to **Section 2(a)**, the "Pro Rata Vested Option"), and the Optionee will forfeit all rights to any portions of the Option other than those included in the Pro Rata Vested Option; provided, however, that such Additional Portion shall not vest in the event of an Early Retirement that occurs less than 12 months following the Date of Grant.

For the avoidance of doubt, if the Optionee's employment with the Company and its Subsidiaries shall terminate for any reason other than as described in **Sections 2(b)(i)** and **2(b)(ii)** above, then any portion of this Option that remains unvested at the time of such termination shall be immediately forfeited without further consideration to the Optionee.

c. **Accelerated Vesting in Connection with a Change of Control**.

i. Upon a Change of Control occurring prior to the last Vesting Date set forth in the Notice, if the Optionee has been in Continuous Employment between the Date of Grant and the date of such Change of Control, to the extent that this Option has not previously been forfeited, this Option will fully vest and become fully exercisable, except to the extent that a Replacement Award is provided to the Optionee to replace, continue or adjust the outstanding Option (the "Replaced Award"). If the Optionee is provided with a Replacement Award in connection with the Change of Control, then if, upon or after receiving the Replacement Award, the Optionee's employment with the Company and its Subsidiaries (or any of its or their successors after the Change of Control) (as applicable, the "Successor Company") is terminated by the Optionee for Good Reason or by the Successor Company other than for Cause, in each case within a period of two years after the Change of Control and prior to the last Vesting Date set forth in the Notice, to the extent that the Replacement Award has not previously been forfeited, (A) the Replacement Award will become fully vested and immediately exercisable in full, and (B) the Replacement Award will remain exercisable for a period of 90 days following such termination or until the expiration of the stated term of such Replacement Award, whichever period is shorter.

ii. For purposes of this Agreement, a "Replacement Award" means an award (A) of the same type (*i.e.*, stock option) as the Replaced Award, (B) that has a value at least equal to the value of the Replaced Award, (C) that relates to publicly traded equity securities of the Successor Company in the Change of Control (or another entity that is affiliated with the Successor Company following the Change of Control), (D) the tax consequences of which for such Optionee under the Code, if the Optionee is subject to U.S. federal income tax under the Code, are not less favorable to the Optionee than the tax consequences of the Replaced Award, and (E) the other terms and conditions of which are not less favorable to the Optionee than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent change of control). A Replacement Award may be granted only to the extent it does not result in the Replaced Award or Replacement Award failing to comply with or ceasing to be exempt from Section 409A of the Code. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the preceding two sentences are satisfied. The determination of whether the conditions of this **Section 2(c)(ii)** are satisfied will be made in good faith by the Committee, as constituted immediately before the Change of Control, in its sole discretion.

iii. For purposes of this Agreement, "Cause" means: (A) the willful and continued failure by the Optionee to substantially perform the Optionee's duties with the Successor Company (other than any such failure resulting from termination by the Optionee for Good Reason) after a demand for substantial performance is delivered to the Optionee that specifically identifies the manner in which the Successor Company believes that the Optionee has not substantially performed the Optionee's duties, and the Optionee has failed to resume substantial performance of the Optionee's duties on a continuous basis within five days of receiving such demand; (B) the willful engaging by the Optionee in conduct which is demonstrably and materially injurious to the Successor Company, monetarily or otherwise; or (C) the Optionee's conviction of, or plea of nolo contendere to, (I) a felony or (II) a misdemeanor which impairs the Optionee's ability substantially to perform the Optionee's duties with the Successor Company. For the purposes of this definition, no act, or failure to act, on the Optionee's part shall be deemed "willful" unless done, or omitted to be done, by the Optionee not in good faith and without reasonable belief that the Optionee's action or omission was in the best interest of the Successor Company.

iv. For purposes of this Agreement, "Good Reason" means: (A) any material failure of the Successor Company to comply with and satisfy any of the terms of any employment or change in control (or similar) agreement between the Successor Company and the Optionee pursuant to which the Optionee provides services to the Successor Company; (B) any significant involuntary reduction of the authority, duties or responsibilities held by the Optionee immediately prior to the Change of Control (and, for the avoidance of doubt, involuntary removal of the Optionee from an officer position that the Optionee holds immediately prior to the Change of Control will not, by itself, constitute a significant involuntary reduction of the authority, duties or responsibilities held by the Optionee immediately prior to the Change of Control); (C) any material involuntary reduction in the aggregate target cash remuneration opportunity of the Optionee as in effect immediately prior to the Change of Control; or (D) requiring the Optionee to become based at any office or location more than 50 miles from the office or location at which the Optionee was based immediately prior to such Change of Control, except for travel reasonably required in the performance of the Optionee's responsibilities; provided, however, that no termination shall be deemed to be for Good Reason unless (x) the Optionee

provides the Successor Company with written notice setting forth the specific facts or circumstances constituting Good Reason within 90 days after the initial existence of the occurrence of such facts or circumstances, (y) the Successor Company has failed to cure such facts or circumstances within thirty days of its receipt of such written notice, and (z) the Optionee actually terminates employment within 30 days following the end of the Successor Company's 30-day cure period, if such event or circumstance has not been cured.

d. **Right to Exercise**. Each vested portion of this Option shall be exercisable beginning on the applicable Vesting Date or vesting event and ending at the conclusion of the applicable Option Expiration Date (as hereinafter defined), all in accordance with the terms of this Agreement and the Plan. To the extent this Option is exercisable, it may be exercised in whole or in part. Subject to **Section 2(i)** below, this Option shall terminate on the earliest of the following dates (such earliest date, the "Option Expiration Date"):

i. the date on which the Optionee's Continuous Employment terminates for Cause;

ii. subject to the exercise period specified as applicable in **Section 2(c)** above, 12 months after the date on which the Optionee's Continuous Employment is terminated by the Company other than for Cause, by the Optionee for Good Reason, or due to the Optionee's death or involuntary termination due to disability. The Option may be exercised as to the portion of the Option that is vested (and not previously exercised) at the time such termination of employment occurs;

iii. three years after the date of the Optionee's Early Retirement; provided, however, that the Company, at the sole and absolute discretion of the Committee, may shorten or eliminate such period. The Option may be exercised as to the portion of the Option that is vested (and not previously exercised) at the time such Early Retirement occurs;

iv. three years after the date of the Optionee's Normal Retirement;

v. 90 days after the date of any other type of termination not described above; and

vi. the Expiration Date.

e. **Method of Exercise**. This Option shall be exercisable by delivering to the Company a notice (in accordance with **Section 7**) which shall state the election to exercise the Option, identify the portion of the Option being exercised and be accompanied by such additional information and documents as the Company in its discretion may prescribe. Such notice shall be accompanied by the payment of the full Exercise Price of the shares then to be purchased, except as provided below. The Exercise Price of any shares of Common Stock with respect to which the Option is being exercised shall be paid by one or any combination of the following:

i. cash,

ii. check,

iii. wire transfer,

iv. certified or cashier's check,

v. subject to the provisions of any applicable insider trading policy, by delivering previously owned shares of Common Stock held by the Optionee for at least six months valued at Fair Market Value in accordance with Section 6.4 of the Plan,

vi. subject to the provisions of any applicable insider trading policy, by electing to have the Company retain shares of Common Stock that would otherwise be issued upon exercise of the Option valued at Fair Market Value in accordance with Section 6.4 of the Plan, or

vii. subject to the provisions of any applicable insider trading policy and applicable law, by irrevocably authorizing a third party to sell shares of Common Stock (or a sufficient portion thereof) acquired upon exercise of the Option and remitting to the Company a sufficient portion of the sale proceeds to pay both the entire Exercise Price and amounts owed under **Section 2(g)** of this Agreement.

f. **Restrictions on Exercise**. As a condition to exercise of this Option, the Company may require the person exercising this Option to make any representation and warranty to the Company as may be required by any applicable law or regulation.

g. **Payment of Taxes Upon Exercise**. As a condition of the issuance of shares of Common Stock upon exercise hereunder, the Optionee agrees to remit to the Company at the time of exercise of this Option any taxes required to be withheld by the Company under Federal, state or local law (the "Withholding Taxes") as a result of the exercise. The Withholding Taxes may be paid by one or any combination of the following:

i. cash,

ii. check,

iii. wire transfer,

iv. certified or cashier's check,

v. subject to the provisions of any applicable insider trading policy, by delivering previously owned shares of Common Stock held by the Optionee for at least six months valued at Fair Market Value in accordance with Section 12.4 of the Plan,

vi. subject to the provisions of any applicable insider trading policy, by electing to have the Company retain shares of Common Stock that would otherwise be issued upon exercise of the Option valued at Fair Market Value in accordance with Section 12.4 of the Plan, or

vii. subject to the provisions of any applicable insider trading policy and subject to applicable law, by irrevocably authorizing a third party to sell shares of Common Stock (or a sufficient portion thereof) acquired upon exercise of the Option and remitting to the Company a sufficient portion of the sale proceeds to pay both the entire Exercise Price and amounts owed under this **Section 2(g)**.

In addition, the Optionee may deliver previously acquired shares of Common Stock held by the Optionee for at least six months in order to satisfy additional tax withholding above the minimum statutory tax withholding amount permissible; provided, however, that the Optionee shall not be entitled to deliver such additional shares if it would cause adverse accounting consequences for the Company.

h. **Cancellation of Option**. Except as set forth in **Section 2(a)**, **Section 2(b)**, or **Section 2(c)**, upon the Optionee's termination of employment, any unvested portion of the Option shall immediately terminate and any vested portion of the Option not exercised during the exercise period set forth in **Section 2(d)** shall automatically terminate at the end of such exercise period.

i. **Automatic Exercise**. Notwithstanding anything in this Agreement to the contrary, but subject to applicable law, if and only if, at 4:15 p.m. ET on the applicable Option Expiration Date, (i) the product of (A) the closing sale price of one share of Common Stock on the principal stock exchange on which the Common Stock is then listed (or, if there are no sales of Common Stock on the Option Expiration Date, on the next preceding trading day during which a sale of Common Stock occurred), multiplied by (B) the number of shares of Common Stock subject to the exercisable portion of the Option, exceeds the product of (X) the Exercise Price, multiplied by (Y) the number of shares of Common Stock subject to the exercisable portion of the Option, by at least $500; (ii) to the extent the Option is exercisable and the Optionee has not yet exercised the Option; and (iii) to the extent the Option has not otherwise expired, terminated, or been cancelled or forfeited, then the Company will deem such remaining exercisable portion of the Option to have been exercised by the Optionee on the Option Expiration Date (and prior to the Option's termination) at such time ("Automatic Exercise"). Further to such Automatic Exercise, payment of the aggregate Exercise Price for such Automatic Exercise and any applicable withholding taxes in connection with such Automatic Exercise will be deemed to have been made by the Company withholding a number of shares of Common Stock otherwise issuable in connection with such Automatic Exercise that are equal in value to the amount necessary to satisfy such aggregate Exercise Price payment and applicable Withholding Taxes. To clarify, upon Automatic Exercise, the Company will deliver to the Optionee the number of whole shares of Common Stock resulting from such Automatic Exercise less a number of shares of Common Stock equal in value to (x) the aggregate Exercise Price plus (y) any applicable Withholding Taxes; provided, however, that any fractional share otherwise deliverable to the Optionee will be cancelled for no consideration.

3. **Non-Transferability of Option**. This Option may not be assigned, transferred, pledged or hypothecated in any manner (otherwise than by will or the laws of descent or distribution) nor may the Optionee enter into any transaction for the purpose of, or which has the effect of, reducing the market risk of holding the Option by using puts, calls or similar financial techniques. This Option may be exercised during the lifetime of the Optionee only by the Optionee or the Optionee's guardian or legal representative. Upon any attempt to assign, transfer, pledge, hypothecate, or otherwise dispose of the Option or any related rights to the Option that is contrary to the provisions of this Agreement or the Plan, or upon the levy of any attachment or similar process upon the Option or such rights, the Option and such rights shall immediately become null and void. The terms of this Option shall be binding upon the beneficiaries, executors, administrators, heirs, successors and assigns ("Successors") of the Optionee.

4. **Stock Subject to the Option**. The Company will not be required to issue or deliver any shares of Common Stock or certificate or certificates for shares of Common Stock to be issued upon exercise of any vested portion of the Option hereunder until such shares have been listed (or authorized for listing upon official notice of issuance) upon each stock exchange on which outstanding shares of the same class are then listed and until the Company has taken such steps as may, in the opinion of counsel for the Company, be required by law and applicable regulations, including the rules and regulations of the Securities and Exchange Commission, and state securities laws and regulations, in connection with the issuance or sale of such shares, and the listing of such shares on each such exchange.

5. **Rights as Stockholder**. The Optionee or his/her Successors shall have no rights as a stockholder with respect to any shares covered by this Option until the Optionee or his/her Successors shall have become the beneficial owner of such shares, and, except as provided in **Section 6** of this Agreement, no adjustment shall be made for dividends or distributions or other rights in respect of such shares for which the record date is prior to the date on which the Optionee or his/her Successors shall have become the beneficial owner thereof.

6. **Adjustments Upon Changes in Capitalization; Change of Control**. In the event of any change in corporate capitalization, corporate transaction, sale or other disposition of assets or similar corporate transaction or event involving the Company as described in Section 5.5 of the Plan, the Committee shall make such equitable adjustments as it determines necessary and appropriate, including in the number and type of shares subject to this Option and adjustment in the Exercise Price; provided, however, that no fractional share shall be issued upon subsequent exercise of the Option and the aggregate price paid shall be appropriately reduced on account of any fractional share not issued. No adjustment shall be made if such adjustment is prohibited by Section 5.5 of the Plan (relating to Section 409A of the Code).

7. **Notices**. Each notice relating to this Agreement shall be deemed to have been given on the date it is received. Each notice to the Company shall be addressed to its principal office in Eagle, Idaho, Attention: Compensation. Each notice to the Optionee or any other person or persons entitled to exercise the Option shall be addressed to the Optionee's address and may be in written or electronic form. Anyone to whom a notice may be given under this Agreement may designate a new address by notice to the effect.

8. **Benefits of Agreement**. This Agreement shall inure to the benefit of and be binding upon each successor of the Company. All obligations imposed upon the Optionee and all rights granted to the Company under this Agreement shall be binding upon the Optionee's Successors. This Agreement shall be the sole and exclusive source of any and all rights which the Optionee or his/her Successors may have in respect to the Plan or this Agreement.

9. **No Right to Continued Employment**. Nothing in this Agreement shall interfere with or affect the rights of the Company or the Optionee under any employment agreement or confer upon the Optionee any right to continued employment with the Company or a Subsidiary.

10. **Compliance with Section 409A of the Code**. It is intended that this Agreement comply with or be exempt from the provisions of Section 409A of the Code. This Agreement shall be administered in a manner consistent with this intent. Reference to Section 409A of the Code is to Section 409A of the Internal Revenue Code of 1986, as amended, and will also include any regulations or other formal guidance promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service.

11. **Resolution of Disputes**. Any dispute or disagreement which should arise under or as a result of or in any way related to the interpretation, construction or application of this Agreement will be determined

by the Committee. Any determination made hereunder shall be final, binding and conclusive for all purposes. This Agreement and the legal relations between the parties hereto shall be governed by and construed in accordance with the laws of the state of Delaware.

12. **Clawback Policy and Stock Ownership Guidelines**. Shares of Common Stock issued upon the exercise of the Option (or any portion thereof) shall be subject to any stock ownership guidelines of the Company applicable to the Optionee. In addition to the clawback described in **Section 16(c)** of this Agreement, this Agreement and the Option are subject to the Company's clawback policy applicable to the Optionee as may be in effect from time to time, including, as applicable, being subject to recoupment or clawback by the Company on the terms and conditions as provided for under Section 10D of the Act and any applicable rules or regulations promulgated by the Securities and Exchange Commission or any national securities exchange or national securities association on which the Common Stock may be traded.

13. **Amendment**. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto.

14. **Severability**. If any provision of this Agreement or the application of any provision hereof to any person or circumstances is held invalid, unenforceable or otherwise illegal, the remainder of this Agreement and the application of such provision to any other person or circumstances shall not be affected, and the provisions so held to be invalid, unenforceable or otherwise illegal shall be reformed to the extent (and only to the extent) necessary to make it enforceable, valid and legal.

15. **Electronic Delivery**. The Company may, in its sole discretion, deliver any documents related to the Option and the Optionee's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request the Optionee's consent to participate in the Plan by electronic means. The Optionee hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

16. **Restrictive Covenants**.

(a) **Confidentiality**. It is a condition to the Optionee's receipt of the Option that the Optionee execute and agree to the terms of the Company or a Subsidiary's current and applicable Confidentiality Agreement (the "Confidentiality Agreement"). By electronically accepting this Agreement, the Optionee acknowledges that the Optionee has either already entered into such Confidentiality Agreement with the Company or a Subsidiary as of the date of acceptance or will enter into such agreement within 30 days of the Optionee's receipt of this Option grant. If such execution is required and the Optionee does not sign and return the Confidentiality Agreement as prompted by the Workday HR system within 30 days of the Optionee's receipt of this Option grant, this Option grant and any rights to the Option will terminate and become null and void. The Optionee further acknowledges that as consideration for the Optionee's agreement to the terms of the Confidentiality Agreement, the Company is providing the Optionee with the opportunity to participate in this Option grant under the Plan and receive the Option evidenced by this Agreement. The Optionee understands that this acknowledgment shall be deemed a part of the Confidentiality Agreement and is to be interpreted in a manner consistent with its terms.

(b) **Non-Competition and Non-Solicitation**. By electronically accepting this Agreement, the Optionee acknowledges that the Optionee has received or will receive specialized training, trade secrets and confidential information from the Company and, in consideration thereof, agrees to the non-competition and non-solicitation provisions set forth in Exhibit A to this Agreement (the "Non-Competition and Non-Solicitation Obligations"). The Optionee further acknowledges that as consideration for the Optionee's agreement to the terms of the Non-Competition and Non-Solicitation Obligations, the Company is providing the Optionee with the opportunity to participate in this Option grant under the Plan and receive the Option evidenced by this Agreement. Notwithstanding the foregoing, if the Optionee is a resident of the state of California, the Optionee will not be bound by the Non-Competition and Non-Solicitation Obligations.

(c) **Violation of Restrictive Covenants**. Notwithstanding anything herein to the contrary, if the Optionee breaches the Confidentiality Agreement or, if applicable, any of the Non-Competition and Non-Solicitation Obligations, (i) the Optionee shall forfeit the entire Option evidenced by this Agreement, effective on the date on which the Optionee first breached such agreement or obligation(s) and (ii) if such breach occurs within one year following any date on which the Option or a portion thereof is exercised,

all shares of Common Stock issued or transferred to the Optionee pursuant to this Agreement shall be returned by the Optionee to the Company within 30 days after the Company has provided notice to the Optionee of such breach and, if such shares of Common Stock have been sold by the Optionee, an amount equal to the proceeds from such sale (determined without regard to any taxes paid) shall become due and payable by the Optionee to the Company within 30 days after the Company has provided notice to the Optionee of such breach. Notwithstanding the foregoing, the Committee, in its sole discretion, may waive the Optionee's obligations described in clause (i) and (ii) at any time if deemed to be in the best interests of the Company. The Optionee acknowledges and agrees that it would be inequitable for the Optionee to benefit from the Option should the Optionee breach the Confidentiality Agreement or, if applicable, any of the Non-Competition and Non-Solicitation Obligations.

(d) **Remedies; Government Investigations; DTSA**. The Optionee acknowledges and agrees that the rights and remedies set forth in this **Section 16** are in addition to and are not intended to limit any other rights or remedies the Company may have available to it, both during and at any time after the termination of the Optionee's employment with the Company, including, without limitation, any rights or remedies the Company may have under the Confidentiality Agreement or other similar agreements. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement prevents the Optionee from providing, without prior notice to the Company, information to governmental authorities regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations, and, for purpose of clarity, the Optionee is not prohibited from providing information voluntarily to the Securities and Exchange Commission pursuant to Section 21F of the Act. Furthermore, the U.S. Defend Trade Secrets Act of 2016 ("DTSA") provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, the DTSA provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (x) files any document containing the trade secret under seal and (y) does not disclose the trade secret, except pursuant to court order.

Exhibit A

Non-Competition and Non-Solicitation Provisions

1. **Definitions**. Unless otherwise defined, capitalized terms used in this Exhibit A shall have the meanings given to them in the Agreement or the Plan, as applicable. As used in this Exhibit A:

   (a) "*Company"* shall include all Subsidiaries of the Company.

   (b) "*Competing Organization"* is defined as any organization that researches, develops, manufactures, markets, distributes and/or sells one or more Competing Products/Services.

   (c) "*Competing Products/Services*" means any products, services or activities (including, without limitation, products, services or activities in the planning or development stage during the Non-Compete Period) that compete, directly or indirectly, in whole or in part, with one or more of the material products, services or activities (including, without limitation, products, services or activities in the planning or development stage during the Non-Compete Period) produced, provided, or engaged in by the Company or its affiliates at the time of the Optionee's termination of employment with the Company and with which the Optionee worked or about which the Optionee obtained any trade secret or other Confidential and Proprietary Information at any time during the five years immediately preceding the Optionee's termination of employment with the Company. "Material products, services or activities" means the development, manufacture or production of packaged potato, sweet potato, appetizer and vegetable products for the retail, foodservice or institutional channels. If the products manufactured, sold or marketed by the Company are expanded at any time during the Optionee's employment, such additional products will be deemed to be "material products, services or activities" for all purposes under this Agreement.

   (d) "*Confidential and Proprietary Information"* is defined as information and data of any kind, in any form, not generally available to the public, concerning any matters affecting or relating to the Company, including but not limited to: names, addresses, and any other characteristics identifying information or aspects of existing or potential Company customers, employees, vendors or suppliers; the business or operations of the Company and/or the financials, products, drawings, plans, processes; or other data of the Company not generally known or available outside of the Company. This definition also includes derivations of Confidential and Proprietary Information, including any information derived, summarized or extracted from any of the foregoing whether observed in writing, electronically, mechanically, and/or orally during the Optionee's employment with the Company.

   (e) "*Employee*" (including its plural) means any person employed by the Company.

   (f) "*Non-Compete Period*" means the period from the date of the Agreement through the twelve-month period following the Optionee's termination of employment with the Company for any reason.

   (g) "*Prohibited Capacity"* is defined as (i) any same or similar capacity to that the Optionee held at any time during the last three years of employment with the Company prior to the date of the Optionee's termination of employment from the Company; (ii) any executive or managerial capacity; (iii) any marketing or sales capacity; or (iv) any capacity in which the Optionee's knowledge of Confidential and Proprietary Information would render the Optionee's assistance to a Competing Organization a competitive advantage.

   (h) "*Restricted Geographic Area*" is defined as all countries, territories, parishes, municipalities and states in which the Company is doing business or is selling its products at the time of the Optionee's termination of employment with the Company, including, but not limited to, every

parish and municipality in the state of Louisiana.[1] The Optionee acknowledges that this geographic scope is reasonable given the Optionee's position with the Company, the international scope of the Company's business, and the fact that the Optionee could compete with the Company from anywhere the Company does business.

(i) "*Trade Secret*" means information possessed by or developed for the Company, including, without limitation, any compilation of data, program, device, method, system, technique or process, where: (i) the information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, (ii) the information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances, or (iii) information that constitutes a "trade secret" under the Idaho Trade Secrets Act, IDAHO STAT. § 48-801(5) and/or under the DTSA.

2. **Non-Competition**. During the Non-Compete Period, the Optionee agrees that he or she will not, within the Restricted Geographic Area, be employed by, work for, consult with, provide services to, or lend assistance to any Competing Organization in a Prohibited Capacity.

3. **Non-Solicitation**. The Optionee recognizes and agrees that the Company has a legitimate business interest in restricting potential competitors from hiring Employees who possess or otherwise may have or had access to the Company's or any of its affiliates' Confidential and Proprietary Information or Trade Secrets. Therefore, the Optionee agrees that during the Optionee's employment with the Company and through the twelve-month period following the termination of the Optionee's employment with the Company, the Optionee shall not directly or indirectly through any other person or entity recruit, induce, or attempt to induce any Employee to terminate his or her employment with the Company or otherwise interfere in any way with the employment relationship between the Company and its Employees. This restriction includes, but is not limited to: (a) identifying Employees as potential candidates for employment by name, background or qualifications; (b) recruiting or soliciting Employees; and/or (c) participating in any pre-employment interviews with Employees.

4. **California Residents**. Notwithstanding anything in the Agreement or in this Exhibit A, if the Optionee is a resident of the state of California, the non-competition and non-solicitation obligations described in this Exhibit A shall not apply.

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[1] These Louisiana parishes currently include Acadia, Allen, Ascension, Assumption, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Claiborne, Concordia, De Soto, East Baton Rouge, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson, Jefferson Davis, La Salle, Lafayette, Lafourche, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Plaquemines, Pointe Coupee, Rapides, Red River, Richland, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John The Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Tensas, Terrebonne, Union, Vermilion, Vernon, Washington, Webster, West Baton Rouge, West Carroll, West Feliciana and Winn.

Form of Lamb Weston Holdings, Inc. Leveraged Performance Share Agreement

NOTICE OF GRANT
PERFORMANCE SHARES
LAMB WESTON HOLDINGS, INC. 2016 STOCK PLAN
(AS AMENDED AND RESTATED AS OF JULY 20, 2017)

Lamb Weston Holdings, Inc., a Delaware corporation (the "***Company***"), has awarded to the Participant, as identified below, the number of Performance Shares (the "***Performance Shares***") set forth below. The Performance Shares are subject to all of the terms and conditions as set forth in this Notice of Grant (the "***Notice***") as well as in the Company's 2016 Stock Plan (as amended and restated as of July 20, 2017) (the "***Plan***") and the Performance Share Agreement (the "***Agreement***"), both of which are attached hereto and incorporated in their entirety. Each Performance Share represents the right to receive one share of Stock on the Payment Date (as defined in the Agreement), subject to achievement of the Performance Targets (as defined in the Agreement) and the other terms and conditions of this award. The number of Performance Shares that may be earned, if any, may range from 50% of the Target Number of Performance Shares, if the minimum Performance Targets and other conditions are met, to 300% of the Target Number of Performance Shares (the "***Maximum Number of Performance Shares***"), if the maximum Performance Targets and other conditions are met. Capitalized terms not explicitly defined in this Notice but defined in the Plan or the Agreement will have the same definitions as in the Plan or the Agreement. In the event of any conflict between the terms of the Award and the Plan, the terms of the Plan will control.

Participant:	/$ParticipantName$/
Employee ID:	/$ParticipantID$/
Target Number of Performance Shares:	/$TargetAwardsGranted$/
Maximum Number of Performance Shares:	/$MaxAwardsGranted$/
Date of Grant:	[_____], 2022
Vesting Date:	May 25, 2025, subject to the terms and conditions set forth in **Section 2** of the Agreement and Exhibit A to the Agreement.
Dividend Equivalents:	Yes, dividend equivalents will be accumulated on earned Performance Shares, but no amounts are paid, until the Payment Date of the Performance Shares, in accordance with **Section 7** of the Agreement.

By the Company's signature below and by the Participant's clicking the "Accept" button online, the Company and the Participant agree that the Performance Shares are governed by this Notice and by the provisions of the Plan and the Agreement, both of which are attached to and made a part of this document. The Participant acknowledges receipt of copies of the Plan and the Agreement, represents that the Participant has read and is familiar with their provisions, and hereby accepts the Performance Shares subject to all of their terms and conditions.

The Company has caused this Notice and the Agreement to be effective as of the Date of Grant.

LAMB WESTON HOLDINGS, INC.	**PARTICIPANT**
By: _____	/$ParticipantName$/
Date: _____	Date: /$CurrentDate$/

PERFORMANCE SHARE AGREEMENT
LAMB WESTON HOLDINGS, INC. 2016 STOCK PLAN
(AS AMENDED AND RESTATED AS OF JULY 20, 2017)

Lamb Weston Holdings, Inc., a Delaware corporation (the "*Company*"), has awarded the Participant, as named in the Notice of Grant (the "*Notice*"), to which this Performance Share Agreement (this "*Agreement*") is attached, a Performance Share Award (the "*Performance Shares*") that is subject to the Company's 2016 Stock Plan (as amended and restated as of July 20, 2017) (the "*Plan*"), the Notice, and this Agreement, for the number of Performance Shares indicated in the Notice. In the event of any conflict between the terms in this Agreement and the Plan, the terms of the Plan will control.

1. **Definitions.** Capitalized terms used herein without definition have the meanings set forth in the Plan. The following terms shall have the respective meanings set forth below:

(a) *"Change of Control"* shall mean the occurrence of any of the following events:

(i) Individuals who, as of the effective date of the Plan, constitute the Board (the "*Incumbent Board*") cease for any reason to constitute at least a majority of the Board; provided, however, that any person becoming a member of the Board subsequent to the effective date of the Plan whose election, or nomination for the election by the Company's stockholders, was approved by a vote of at least a majority of the Board members then comprising the Incumbent Board shall be, for purposes of this clause (i), considered as though such person were a member of the Incumbent Board as of the effective date of the Plan;

(ii) Consummation of a reorganization, merger or consolidation, in each case, with respect to which persons who were the stockholders of the Company immediately prior to such reorganization, merger or consolidation do not, immediately thereafter, own more than 50% of the Voting Power of the reorganized, merged or consolidated entity;

(iii) Any person becomes the beneficial owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such person, any securities acquired directly from the Company or its affiliates) representing 30% or more of the Voting Power of the Company's then outstanding securities;

(iv) A liquidation or dissolution of the Company; or

(v) The sale of all or substantially all of the assets of the Company.

(b) *"Continuous Employment*" shall mean the absence of any interruption or termination of employment with the Company and its Subsidiaries and the performance of substantial services. Continuous Employment shall not be considered interrupted or terminated in the case of sick leave, short-term disability (as defined in the Company's sole discretion), military leave or any other leave of absence approved by the Company unless and until there is a Separation from Service (as defined in **Section 1(f)** below).

(c) "*Early Retirement*" shall mean Separation from Service with the Company and its Subsidiaries when the Participant (i) is at least age 55, and (ii) has at least ten years of credited service with the Company and its Subsidiaries.

(d) "*Normal Retirement*" shall mean a Separation from Service with the Company and its Subsidiaries on or after attaining age 65.

(e) "*Performance Period*" shall mean the three-year period commencing on May 30, 2022 and ending on May 25, 2025.

(f) "*Performance Targets*" shall mean the applicable performance goals set forth on Exhibit A.

(g) "*Separation from Service,*" *"termination of employment" and similar terms* shall mean the date that the Participant incurs a "separation from service" within the meaning of Section 409A of the Code. As used in connection with the definition of "Separation from Service," the term "Company" includes Lamb Weston Holdings, Inc. and any other entity that, with Lamb Weston Holdings, Inc., constitutes a controlled group of corporations (as defined in Section 414(b) of the Code), or a group of trades or businesses

(whether or not incorporated) under common control (as defined in Section 414(c) of the Code), substituting 25% for the 80% ownership level for purposes of both Sections 414(b) and Section 414(c) of the Code.

(h) "*Specified Employee*" is as defined under Section 409A of the Code and Treasury Regulation Section 1.409A-1(i).

(i) "*Successors*" shall mean the beneficiaries, executors, administrators, heirs, successors and assigns of a person.

2. **Vesting of Performance Shares**.

(a) **Normal Vesting**. Subject to the terms and conditions of the Notice, the Plan, this Agreement and Exhibit A to this Agreement, the Performance Shares covered by this Agreement shall become nonforfeitable ("*Vest*" or similar terms) to the extent that:

(i) Except as provided in **Section 2(b)** or **Section 2(c)** below, the Participant remains Continuously Employed by the Company or a Subsidiary through the Vesting Date; and

(ii) The applicable Performance Targets set forth on Exhibit A for the Performance Period are achieved, which level of achievement must be certified by the Committee in writing within 90 days after the end of the Performance Period (the "*Committee Determination Date*").

Any Performance Shares that do not satisfy both **Section 2(a)(i)** and **Section 2(a)(ii)** will be forfeited.

(b) **Termination of Employment**. If, prior to the Vesting Date, the Participant's employment with the Company and its Subsidiaries shall terminate:

(i) by reason of Normal Retirement on or after the date that is 12 months following the Date of Grant, the Performance Shares shall remain subject to performance through the end of the Performance Period and shall become fully Vested (based upon actual achievement of the applicable Performance Targets set forth in Exhibit A).

(ii) by reason of Early Retirement, by the Participant for Good Reason, by the Company other than for Cause, or due to the Participant's death or disability, the Performance Shares shall remain subject to performance through the end of the Performance Period and shall become Vested (based upon actual achievement of the applicable Performance Targets set forth in Exhibit A) in accordance with the terms and conditions of this **Section 2** on a pro-rata basis in an amount equal to the product of (A) the number of Performance Shares in which the Participant would have Vested in accordance with the terms and conditions of this **Section 2** if the Participant had remained Continuously Employed from the Date of Grant until the Vesting Date (or, if earlier, the occurrence of a Change of Control to the extent a Replacement Award is not provided), multiplied by (B) a fraction, the numerator of which is the total number of calendar days during which the Participant was employed by the Company or a Subsidiary during the period beginning on May 30, 2022 and ending on the Separation from Service and the denominator of which is the total number of calendar days beginning on May 30, 2022 and ending on May 25, 2025, rounded to the nearest whole number of Performance Shares; provided, however, that such Performance Shares shall not vest in the event of an Early Retirement that occurs less than 12 months following the Date of Grant.

(iii) for Cause or any reason other than as described in **Sections 2(b)(i)** or **2(b)(ii)** prior to the Vesting Date, then all Performance Shares, whether Vested or unvested prior to the Vesting Date, shall be immediately forfeited without further consideration to the Participant.

For the avoidance of doubt, any Vested Performance Shares pursuant to **Sections 2(b)(i)** or **2(b)(ii)** will be settled pursuant to **Section 3(a)** hereof.

(c) **Accelerated Vesting in Connection with a Change of Control**.

(i) If a Change of Control occurs prior to the end of the Performance Period, and the Participant has been in Continuous Employment between the Date of Grant and the date of such Change of Control, then the Participant shall Vest in a number of Performance Shares equal to the greater of (A) the number of Performance Shares in which the

Participant would Vest based on actual performance through the most recent date prior to the Change of Control for which achievement of Performance Targets can reasonably be determined, as certified by the Committee as constituted immediately prior to the Change of Control and (B) the target number of Performance Shares subject to this Agreement, rounded to the nearest whole number of Performance Shares, except to the extent that (I) such Performance Shares have previously been forfeited, or (II) a Replacement Award is provided to the Participant to replace, continue or adjust the outstanding Performance Shares (the "*Replaced Award*").

(ii) If a Change of Control occurs after the end of the Performance Period but before the Committee Determination Date, then all Performance Shares earned based on performance (to be measured on or prior to the date of the Change of Control) will become 100% Vested, except to the extent that (A) such Performance Shares have previously been forfeited, or (B) a Replacement Award is provided to the Participant to replace, continue or adjust the outstanding Performance Shares.

(iii) If, within a period of two years following a Change of Control, the Participant's employment with the Company, a Subsidiary or any of its or their successors after the Change of Control (as applicable, the "*Successor Company*") is terminated by the Participant for Good Reason or by the Successor Company other than for Cause prior to the Vesting Date, to the extent that the Replacement Award has not previously been Vested or forfeited, the Replacement Award will become 100% Vested (and become entitled to settlement as specified in **Section 3(b)(i)**).

(iv) For purposes of this Agreement, a "*Replacement Award*" means an award (A) of the same type as the Replaced Award (*i.e.*, restricted stock or restricted stock units) but with any remaining performance conditions of the Replaced Award deemed satisfied at the greater of (I) the actual level of performance as of the Change of Control, and (II) the target level of performance, in each case without proration, and subject to continued service through the Vesting Date, (B) that has a value at least equal to the value of the Replaced Award, including at the deemed level of performance as determined in clause (A) above, as applicable, (C) that relates to publicly traded equity securities of the Successor Company in the Change of Control (or another entity that is affiliated with the Successor Company following the Change of Control), (D) the tax consequences of which for such Participant under the Code, if the Participant is subject to U.S. federal income tax under the Code, are not less favorable to the Participant than the tax consequences of the Replaced Award, and (E) the other terms and conditions of which are not less favorable to the Participant than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent change of control). A Replacement Award may be granted only to the extent it does not result in the Replaced Award or Replacement Award failing to comply with or ceasing to be exempt from Section 409A of the Code. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the preceding two sentences are satisfied. The determination of whether the conditions of this **Section 2(c)(iv)** are satisfied will be made in good faith by the Committee, as constituted immediately before the Change of Control, in its sole discretion.

(v) For purposes of this Agreement, "*Cause*" means: (A) the willful and continued failure by the Participant to substantially perform the Participant's duties with the Successor Company (other than any such failure resulting from termination by the Participant for Good Reason) after a demand for substantial performance is delivered to the Participant that specifically identifies the manner in which the Successor Company believes that the Participant has not substantially performed the Participant's duties, and the Participant has failed to resume substantial performance of the Participant's duties on a continuous basis within five days of receiving such demand; (B) the willful engaging by the Participant in conduct which is demonstrably and materially injurious to the Successor Company, monetarily or otherwise; or (C) the Participant's conviction of, or plea of nolo contendere to, (I) a felony or (II) a misdemeanor which impairs the Participant's ability substantially to perform the Participant's duties with the Successor Company. For the

purposes of this definition, no act, or failure to act, on the Participant's part shall be deemed "willful" unless done, or omitted to be done, by the Participant not in good faith and without reasonable belief that the Participant's action or omission was in the best interest of the Successor Company.

(vi) For purposes of this Agreement, "*Good Reason*" means: (A) any material failure of the Successor Company to comply with and satisfy any of the terms of any employment or change in control (or similar) agreement between the Successor Company and the Participant pursuant to which the Participant provides services to the Successor Company; (B) any significant involuntary reduction of the authority, duties or responsibilities held by the Participant immediately prior to the Change of Control (and, for the avoidance of doubt, involuntary removal of the Participant from an officer position that the Participant holds immediately prior to the Change of Control will not, by itself, constitute a significant involuntary reduction of the authority, duties or responsibilities held by the Participant immediately prior to the Change of Control); (C) any material involuntary reduction in the aggregate target cash remuneration opportunity of the Participant as in effect immediately prior to the Change of Control; or (D) requiring the Participant to become based at any office or location more than 50 miles from the office or location at which the Participant was based immediately prior to such Change of Control, except for travel reasonably required in the performance of the Participant's responsibilities; provided, however, that no termination shall be deemed to be for Good Reason unless (I) the Participant provides the Successor Company with written notice setting forth the specific facts or circumstances constituting Good Reason within ninety days after the initial existence of the occurrence of such facts or circumstances, (II) the Successor Company fails to cure such facts or circumstances within thirty days of its receipt of such written notice, and (III) the Participant actually terminates employment within thirty days following the end of the Successor Company's thirty-day cure period, if such event or circumstance has not been cured.

(vii) If a Replacement Award is provided, notwithstanding anything in this Agreement to the contrary, any outstanding Performance Shares which at the time of the Change of Control are not subject to a "substantial risk of forfeiture" (within the meaning of Section 409A of the Code) will be deemed to be Vested at the time of such Change of Control (and such Vested Performance Shares shall be settled in accordance with **Section 3(b)(ii)** below).

(d) **Forfeiture of Performance Shares**. Subject to **Section 2(b)(iii)**, any Performance Shares that have not Vested pursuant to **Section 2(a)**, **Section 2(b)**, or **Section 2(c)** will be forfeited automatically and without further notice (including if the Participant ceases to be in Continuous Employment prior to the Vesting Date for any reason other than as described in **Section 2(b)** or **Section 2(c)**).

3. **Settlement of Performance Shares.**

(a) **Normal**. Subject to **Section 3(b)**, the Company will issue to the Participant one share of Stock for each Vested Performance Share as soon as practicable following the later of (x) the Committee Determination Date and (y) the Vesting Date, but in no event later than 30 days following the later such time (the "*Payment Date*").

(b) **Other Settlement Events**. Notwithstanding **Section 3(a)**, to the extent the Performance Shares are Vested Performance Shares on the dates set forth below and to the extent the Vested Performance Shares have not previously been Vested, forfeited or settled, the Company will settle such Vested Performance Shares as follows:

(i) **Separation from Service**. If there are such Vested Performance Shares upon the Participant's Separation from Service (including after taking into account any Performance Shares that become Vested Performance Shares following certain terminations described in **Section 2(b)(ii)** or **(2(c)**), within 60 days of the Participant's Separation from Service, one share of Stock will be issued for each such Vested Performance Share

(ii) **Change of Control**. If there are such Vested Performance Shares upon a Change of Control, one share of Stock will be issued for each such Vested Performance Share as

of the date of the Change of Control; provided, however, that if such Change of Control would not qualify as a permissible date of distribution under Section 409A(a)(2)(A) of the Code, and the regulations thereunder, and where Section 409A of the Code applies to such distribution, the Participant is entitled to receive the corresponding payment on the date that would have otherwise applied pursuant to **Section 3** as though such Change of Control had not occurred.

(c) **Payment of Taxes Upon Settlement.** As a condition of the issuance of shares of Stock upon settlement of Performance Shares hereunder, the Participant agrees to remit to the Company at the time of settlement any taxes or other amounts required to be withheld by the Company under Federal, State or local law as a result of the settlement of the Performance Shares. As a condition of the issuance of shares of Stock upon settlement of Performance Shares hereunder, the Participant agrees that the Company will deduct from the total shares to be issued as a result of the Vesting of the Performance Shares a sufficient number of shares to satisfy the required statutory withholding amount, which may exceed the minimum statutory tax withholding amount only if it would not cause adverse accounting or tax consequences for the Company or a Subsidiary.

(d) **Specified Employee**. Notwithstanding anything (including any provision of the Agreement or the Plan) to the contrary, if a Participant is a Specified Employee and if the Performance Shares are subject to Section 409A of the Code, payment to the Participant on account of a Separation from Service shall, to the extent required to comply with Treasury Regulation Section 1.409A-3(i)(2), be made to the Participant on the earlier of (i) the Participant's death or (ii) the first business day (or within 30 days after such first business day) that is more than six months after the date of Separation from Service. Notwithstanding anything contained herein to the contrary, the Participant shall not be considered to have terminated employment with the Company or any Subsidiary for purposes of any payments under this Agreement which are subject to Section 409A of the Code until the Participant has incurred a Separation from Service. In the Company's sole and absolute discretion, interest may be paid due to such delay. Further, any interest will be calculated in the manner determined by the Company in its sole and absolute discretion in a manner that qualifies any interest as reasonable earnings under Section 409A of the Code. Dividend equivalents will not be paid with respect to any dividends that would have been paid during the delay if the Stock had been issued. To the extent required for purposes of Section 409A of the Code, each installment that vests under this Agreement shall be construed as a separate identified payment for purposes of Section 409A of the Code.

4. **Non-Transferability of Performance Shares.** The Performance Shares may not be assigned, transferred, pledged or hypothecated in any manner (otherwise than by will or the laws of descent or distribution) nor may the Participant enter into any transaction for the purpose of, or which has the effect of, reducing the market risk of holding the Performance Shares by using puts, calls or similar financial techniques. The Performance Shares subject to this Agreement may be settled during the lifetime of the Participant only with the Participant or the Participant's guardian or legal representative. Upon any attempt to transfer, assign, pledge, hypothecate, or otherwise dispose of the Performance Shares or any related rights to the Performance Shares that is contrary to the provisions of this Agreement or the Plan, or upon the levy of any attachment or similar process upon the Performance Shares or such rights, the Performance Shares and such rights shall immediately become null and void. The terms of this Agreement shall be binding upon the Successors of the Participant.

5. **Stock Subject to the Performance Shares; Compliance with Law.** The Company will not be required to issue or deliver any shares of Stock or any certificate or certificates for shares of Stock with respect to the Participant's Performance Shares until such shares have been listed (or authorized for listing upon official notice of issuance) upon each stock exchange on which outstanding shares of the same class are then listed and until the Company has taken such steps as may, in the opinion of counsel for the Company, be required by law and applicable regulations, including the rules and regulations of the Securities and Exchange Commission, and state securities laws and regulations, in connection with the issuance of such shares, and the listing of such shares on each such exchange.

6. **Rights as Stockholder.** The Participant or his/her Successors shall have no rights as stockholder with respect to any Performance Shares or underlying shares covered by this Agreement until the Participant or his/her Successors shall have become the beneficial owner of such shares on the Payment Date.

7. **Dividend Equivalents.** Upon the payment of earned Performance Shares as of the Payment Date, the Participant shall receive additional shares of Stock equal in value to the accrued dividend

equivalents. The amount of dividend equivalents for each Performance Share earned shall equal the dividends paid on one share of Stock for each dividend whose record date occurs during the period between the Date of Grant and the Payment Date.

8. **Adjustments Upon Changes in Capitalization; Change of Control.** In the event of any change in corporate capitalization, corporate transaction, sale or other disposition of assets or similar corporate transaction or event involving the Company as described in Section 5.5 of the Plan, the Committee shall make equitable adjustment as it determines necessary and appropriate in the number and type of shares subject to this Agreement; provided, however, that no fractional share shall be issued upon subsequent settlement of the Performance Shares. No adjustment shall be made if such adjustment is prohibited by Section 5.5 of the Plan (relating to Section 409A of the Code).

9. **Notices.** Each notice relating to this Agreement shall be deemed to have been given on the date it is received. Each notice to the Company shall be addressed to its principal Office in Eagle, Idaho, Attention: Compensation. Each notice to the Participant or any other person or persons entitled to shares issuable upon settlement of the Performance Shares shall be addressed to the Participant's address and may be in written or electronic form. Anyone to whom a notice may be given under this Agreement may designate a new address by giving notice to the effect.

10. **Benefits of Agreement.** This Agreement shall inure to the benefit of and be binding upon each successor of the Company. All obligations imposed upon the Participant and all rights granted to the Company under this Agreement shall be binding upon the Participant's Successors. This Agreement shall be the sole and exclusive source of any and all rights which the Participant or his/her Successors may have in respect to the Plan or this Agreement.

11. **No Right to Continued Employment**. Nothing in this Agreement shall interfere with or affect the rights of the Company or the Participant under any employment agreement or confer upon the Participant any right to continued employment with the Company or a Subsidiary.

12. **Resolution of Disputes.** Any dispute or disagreement which should arise under or as a result of or in any way related to the interpretation, construction or application of this Agreement will be determined by the Committee. Any determination made hereunder shall be final, binding and conclusive for all purposes. This Agreement and the legal relations between the parties hereto shall be governed by and construed in accordance with the laws of the state of Delaware.

13. **Section 409A of the Code.** To the extent applicable, this Agreement is intended to comply with Section 409A of the Code and any regulations or notices provided thereunder. This Agreement and the Plan shall be interpreted in a manner consistent with this intent. The Company reserves the unilateral right to amend this Agreement on written notice to the Participant in order to comply with Section 409A of the Code. The Company makes no representation that any or all of the payments described in this Agreement will be exempt from or comply with Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to any such payment. None of the Company or any Subsidiary, or any of its or their contractors, agents and employees, nor the Board or any member of the Board, shall be liable for any consequences of any failure to follow the requirements of Section 409A of the Code or any guidance or regulations thereunder.

14. **Clawback Policy and Stock Ownership Guidelines**. Shares of Stock issued upon settlement of the Performance Shares shall be subject to any stock ownership guidelines of the Company applicable to the Participant. In addition to the clawback described in Section 18(c) of this Agreement, this Agreement and the Performance Shares are subject to the Company's clawback policy as may be in effect from time to time, including, as applicable, being subject to recoupment or clawback by the Company on the terms and conditions as provided for under Section 10D of the Act and any applicable rules or regulations promulgated by the Securities and Exchange Commission or any national securities exchange or national securities association on which the Stock may be traded.

15. **Amendment.** Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto.

16. **Severability**. If any provision of this Agreement or the application of any provision hereof to any person or circumstances is held invalid, unenforceable or otherwise illegal, the remainder of this Agreement and the application of such provision to any other person or circumstances shall not be affected, and the provisions so held to be invalid, unenforceable or otherwise illegal shall be reformed to the extent (and only to the extent) necessary to make it enforceable, valid and legal.

17. **Electronic Delivery**. The Company may, in its sole discretion, deliver any documents related to the Performance Shares and the Participant's participation in the Plan, or future awards that may be granted under the Plan, by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

18. **Restrictive Covenants**.

(a) **Confidentiality**. It is a condition to the Participant's receipt of the Performance Shares that the Participant execute and agree to the terms of the Company or a Subsidiary's current and applicable Confidentiality Agreement (the "*Confidentiality Agreement*"). By electronically accepting this Agreement, the Participant acknowledges that the Participant has either already entered into such Confidentiality Agreement with the Company or a Subsidiary as of the date of acceptance or will enter into such agreement within 30 days of the Participant's receipt of this grant of Performance Shares. If such execution is required and the Participant does not sign and return the Confidentiality Agreement as prompted by the Workday HR system within 30 days of the Participant's receipt of this grant of Performance Shares, this grant of Performance Shares and any rights to the Performance Shares will terminate and become null and void. The Participant further acknowledges that as consideration for the Participant's agreement to the terms of the Confidentiality Agreement, the Company is providing the Participant with the opportunity to participate in this grant of Performance Shares under the Plan and receive the Performance Shares evidenced by this Agreement. The Participant understands that this acknowledgment shall be deemed a part of the Confidentiality Agreement and is to be interpreted in a manner consistent with its terms.

(b) **Non-Competition and Non-Solicitation**. By electronically accepting this Agreement, the Participant acknowledges that the Participant has received or will receive specialized training, trade secrets and confidential information from the Company and, in consideration thereof, agrees to the non-competition and non-solicitation provisions set forth in Exhibit B to this Agreement (the "*Non-Competition and Non-Solicitation Obligations*"). The Participant further acknowledges that as consideration for the Participant's agreement to the terms of the Non-Competition and Non-Solicitation Obligations, the Company is providing the Participant with the opportunity to participate in this grant of Performance Shares under the Plan and receive the Performance Shares evidenced by this Agreement. Notwithstanding the foregoing, if the Participant is a resident of the state of California, the Participant will not be bound by the Non-Competition and Non-Solicitation Obligations.

(c) **Violation of Restrictive Covenants**. Notwithstanding anything herein to the contrary, if the Participant breaches the Confidentiality Agreement or, if applicable, any of the Non-Competition and Non-Solicitation Obligations, (i) the Participant shall forfeit all Performance Shares and related dividend equivalents evidenced by this Agreement, effective on the date on which the Participant first breached such agreement or obligation(s) and (ii) if such breach occurs within 1 year following (A) the Vesting Date or (B) to the extent **Section 3(b)** applies, the applicable settlement date, all shares of Stock issued or transferred to the Participant pursuant to this Agreement shall be returned by the Participant to the Company within 30 days after the Company has provided notice to the Participant of such breach and, if such shares of Stock have been sold by the Participant, an amount equal to the proceeds from such sale (determined without regard to any taxes paid) shall become due and payable by the Participant to the Company within 30 days after the Company has provided notice to the Participant of such breach. Notwithstanding the foregoing, the Committee, in its sole discretion, may waive the Participant obligations described in clause (i) and (ii) at any time if deemed to be in the best interests of the Company. The Participant acknowledges and agrees that it would be inequitable for the Participant to benefit from the Performance Shares should the Participant breach the Confidentiality Agreement or, if applicable, any of the Non-Competition and Non-Solicitation Obligations.

(d) **Remedies; Government Investigations; DTSA**. The Participant acknowledges and agrees that the rights and remedies set forth in this **Section 18** are in addition to and are not intended to limit any other rights or remedies the Company may have available to it, both during and at any time after the termination of the Participant's employment with the Company, including, without limitation, any rights or remedies the Company may have under the Confidentiality Agreement or other similar agreements. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement prevents the Participant from providing, without prior notice to the Company, information to governmental authorities

regarding possible legal violations or otherwise testifying or participating in any investigation or proceeding by any governmental authorities regarding possible legal violations, and, for purpose of clarity, the Participant is not prohibited from providing information voluntarily to the Securities and Exchange Commission pursuant to Section 21F of the Act. Furthermore, the U.S. Defend Trade Secrets Act of 2016 ("*DTSA*") provides that an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, the DTSA provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (x) files any document containing the trade secret under seal and (y) does not disclose the trade secret, except pursuant to court order.

Exhibit B

Non-Competition and Non-Solicitation Provisions

1. **Definitions**. Unless otherwise defined, capitalized terms used in this Exhibit B shall have the meanings given to them in the Agreement or the Plan, as applicable. As used in this Exhibit B:

   (a) "*Company"* shall include all Subsidiaries of the Company.

   (b) "*Competing Organization"* is defined as any organization that researches, develops, manufactures, markets, distributes and/or sells one or more Competing Products/Services.

   (c) "*Competing Products/Services*" means any products, services or activities (including, without limitation, products, services or activities in the planning or development stage during the Non-Compete Period) that compete, directly or indirectly, in whole or in part, with one or more of the material products, services or activities (including, without limitation, products, services or activities in the planning or development stage during the Non-Compete Period) produced, provided, or engaged in by the Company or its affiliates at the time of the Participant's termination of employment with the Company and with which the Participant worked or about which the Participant obtained any trade secret or other Confidential and Proprietary Information at any time during the five (5) years immediately preceding the Participant's termination of employment with the Company. "Material products, services or activities" means the development, manufacture or production of packaged potato, sweet potato, appetizer and vegetable products for the retail, foodservice or institutional channels. If the products manufactured, sold or marketed by the Company are expanded at any time during the Participant's employment, such additional products will be deemed to be "material products, services or activities" for all purposes under this Agreement.

   (d) "*Confidential and Proprietary Information"* is defined as information and data of any kind, in any form, not generally available to the public, concerning any matters affecting or relating to the Company, including but not limited to: names, addresses, and any other characteristics identifying information or aspects of existing or potential Company customers, employees, vendors or suppliers; the business or operations of the Company and/or the financials, products, drawings, plans, processes; or other data of the Company not generally known or available outside of the Company. This definition also includes derivations of Confidential and Proprietary Information, including any information derived, summarized or extracted from any of the foregoing whether observed in writing, electronically, mechanically, and/or orally during the Participant's employment with the Company.

   (e) "*Employee*" (including its plural) means any person employed by the Company.

   (f) "*Non-Compete Period*" means the period from the date of the Agreement through the twelve-month period following the Participant's termination of employment with the Company for any reason.

   (g) "*Prohibited Capacity"* is defined as (i) any same or similar capacity to that the Participant held at any time during the last three years of employment with the Company prior to the date of the Participant's termination of employment from the Company; (ii) any executive or managerial capacity; (iii) any marketing or sales capacity; or (iv) any capacity in which the Participant's knowledge of Confidential and Proprietary Information would render the Participant's assistance to a Competing Organization a competitive advantage.

   (h) "*Restricted Geographic Area*" is defined as all countries, territories, parishes, municipalities and states in which the Company is doing business or is selling its products at the time of the Participant's termination of employment with the Company, including, but not limited to,

every parish and municipality in the state of Louisiana.[1] The Participant acknowledges that this geographic scope is reasonable given the Participant's position with the Company, the international scope of the Company's business, and the fact that the Participant could compete with the Company from anywhere the Company does business.

(i) "*Trade Secret*" means information possessed by or developed for the Company, including, without limitation, any compilation of data, program, device, method, system, technique or process, where: (i) the information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, (ii) the information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances, or (iii) information that constitutes a "trade secret" under the Idaho Trade Secrets Act, IDAHO STAT. § 48-801(5) and/or under the DTSA.

2. **Non-Competition**. During the Non-Compete Period, the Participant agrees that he or she will not, within the Restricted Geographic Area, be employed by, work for, consult with, provide services to, or lend assistance to any Competing Organization in a Prohibited Capacity.

3. **Non-Solicitation**. The Participant recognizes and agrees that the Company has a legitimate business interest in restricting potential competitors from hiring Employees who possess or otherwise may have or had access to the Company's or any of its affiliates' Confidential and Proprietary Information or Trade Secrets. Therefore, the Participant agrees that during the Participant's employment with the Company and through the twelve-month period following the termination of the Participant's employment with the Company, the Participant shall not directly or indirectly through any other person or entity recruit, induce, or attempt to induce any Employee to terminate his or her employment with the Company or otherwise interfere in any way with the employment relationship between the Company and its Employees. This restriction includes, but is not limited to: (a) identifying Employees as potential candidates for employment by name, background or qualifications; (b) recruiting or soliciting Employees; and/or (c) participating in any pre-employment interviews with Employees.

4. **California Residents**. Notwithstanding anything in the Agreement or in this Exhibit A, if the Participant is a resident of the state of California, the non-competition and non-solicitation obligations described in this Exhibit A shall not apply.

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[1] These Louisiana parishes currently include Acadia, Allen, Ascension, Assumption, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Claiborne, Concordia, De Soto, East Baton Rouge, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson, Jefferson Davis, La Salle, Lafayette, Lafourche, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Plaquemines, Pointe Coupee, Rapides, Red River, Richland, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John The Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Tensas, Terrebonne, Union, Vermilion, Vernon, Washington, Webster, West Baton Rouge, West Carroll, West Feliciana and Winn.

Exhibit 31.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER

I, THOMAS P. WERNER, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended August 28, 2022 of Lamb Weston Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 5, 2022

/s/ THOMAS P. WERNER

THOMAS P. WERNER
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER

I, BERNADETTE M. MADARIETA, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended August 28, 2022 of Lamb Weston Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 5, 2022

/s/ BERNADETTE M. MADARIETA

BERNADETTE M. MADARIETA
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

I, THOMAS P. WERNER, Chief Executive Officer of Lamb Weston Holdings, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge that Lamb Weston Holdings, Inc.'s Quarterly Report on Form 10-Q for the quarter ended August 28, 2022 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and that the information contained in such Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of Lamb Weston Holdings, Inc. as of and for the periods presented.

October 5, 2022

/s/ THOMAS P. WERNER

THOMAS P. WERNER
Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to Lamb Weston Holdings, Inc. and will be retained by Lamb Weston Holdings, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

I, BERNADETTE M. MADARIETA, Senior Vice President and Chief Financial Officer of Lamb Weston Holdings, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to my knowledge that Lamb Weston Holdings, Inc.'s Quarterly Report on Form 10-Q for the quarter ended August 28, 2022 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and that the information contained in such Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of Lamb Weston Holdings, Inc. as of and for the periods presented.

October 5, 2022

/s/ BERNADETTE M. MADARIETA

BERNADETTE M. MADARIETA
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to Lamb Weston Holdings, Inc. and will be retained by Lamb Weston Holdings, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.