

REFINITIV

DELTA REPORT

10-K

LW - LAMB WESTON HOLDINGS, INC
10-K - MAY 26, 2024 COMPARED TO 10-K - MAY 28, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	5368
CHANGES	309
DELETIONS	3514
ADDITIONS	1545

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

FORM 10-K

(Mark One)



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

For the fiscal year ended May 28, 2023

May 26, 2024

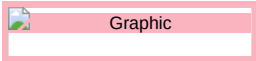
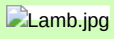
OR



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

(State or other jurisdiction of
incorporation or organization)

599 S. Rivershore Lane
Eagle, Idaho

(Address of principal executive offices)

61-1797411

(I.R.S. Employer
Identification No.)

83616

(Zip Code)

(208)

(208) 938-1047

(Registrant's telephone number, including area code)

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

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the voting common stock of Lamb Weston Holdings, Inc. held by non-affiliates as of November 25, 2022 November 24, 2023 (the last trading day of the registrant's most recently completed second fiscal quarter) was approximately \$12.3 billion \$14.3 billion based upon the closing sale price of the common stock as reported on the New York Stock Exchange on such date. As of July 17, 2023 July 17, 2024, the registrant had 145,666,703 143,670,633 shares of common stock, par value \$1.00 per share, outstanding.

Documents Incorporated by Reference

Portions of the registrant's definitive proxy statement to be filed with the Securities and Exchange Commission in connection with its 2023 2024 Annual Meeting of Stockholders are incorporated by reference into Part III of this report.

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Forward-Looking Statements

This Annual Report on Form 10-K ("Form 10-K") contains forward-looking statements within the meaning of the federal securities laws. Words such as "will," "continue," "may," "expect," "anticipate," "would," "could," "believe," "estimate," "leverage," "create," "aim," "reduce," "strive," "focus," "intends," "increase," "implement," "deliver," "manage," "mitigate," "grow," "drive," "benefit," "support," "evaluate," "enhance," "maintain," "improve," "invest," "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 business and financial outlook and prospects, our plans, execution, capital expenditures and investments, innovation, employee safety and human capital, operational costs, volume growth, pricing actions, supply chain productivity savings, cash flows, liquidity, dividends, share repurchases, enterprise resource planning ("ERP") system implementation, integration of our former European joint venture, Lamb-Weston/Meijer v.o.f. ("LW EMEA"), including the anticipated benefits of the transaction, and business and financial outlook and prospects, as well as inflation, demand for our products; our cost structure; other conditions in our industry, and the global economic conditions. 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 these forward-looking statements and 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 and other commodities; labor shortages operational challenges; consumer preferences, including restaurant traffic in North America and other operational challenges; our international markets, and an uncertain general economic environment, including inflationary pressures and recessionary concerns, any of which could adversely impact our business, financial condition or results of operations, including the demand and prices for our products; risks related to disruption of management time from ongoing business operations due to integration efforts related to the LW EMEA acquisition; failure to realize the benefits expected from the LW EMEA acquisition; the effect of the LW EMEA acquisition on difficulties, disruptions or delays in implementing new technology, such as our ability to retain customers and retain and hire key personnel, maintain relationships with suppliers and on our operating results and businesses generally; risks associated with integrating acquired businesses, including LW EMEA; new ERP system; levels of 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 operate; political and economic conditions of the countries in which we conduct business and other factors related to our international operations; disruptions in the global economy caused by conflicts such as the war in Ukraine and conflicts in the Middle East and the possible related heightening of our other known risks; the ultimate outcome of litigation or any product recalls or withdrawals; changes in our relationships with our growers or significant customers; 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; disruption of our access to export mechanisms; risks associated with integrating acquired businesses, including LW EMEA; risks associated with other possible acquisitions; our debt levels; changes in our relationships with our growers or significant customers; actions of governments and regulatory factors affecting our businesses; 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; dividends; and other risks described in our reports filed from time to time with the United States ("U.S.") Securities and Exchange Commission ("SEC"), including those described under the heading "Item 1A. Risk Factors" in this Form 10-K. 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.

PART I

ITEM 1. BUSINESS

Lamb Weston Holdings, Inc. ("we," "us," "our," "the Company," or "Lamb Weston") is a leading global producer, distributor, and marketer of value-added frozen potato products and is headquartered in Eagle, Idaho. We 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 presence in high-growth emerging markets. We offer a broad product portfolio to a diverse channel and customer base in over 100 countries. French fries represent most of our value-added frozen potato product portfolio.

We were organized as a Delaware corporation in July 2016. Our common stock trades under the ticker symbol "LW" on the New York Stock Exchange.

3 Segments

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Segments

In July 2022, we acquired an additional 40 percent interest in Lamb Weston Alimentos Modernos S.A. ("LWAMSA"), our joint venture in Argentina, and, in February 2023, we acquired the remaining equity interest in LW EMEA, our joint venture in Europe. With the completion of the transactions, we own 90 percent and 100 percent of the equity interests in LWAMSA and LW EMEA, respectively. Accordingly, we consolidated LWAMSA's and LW EMEA's financial results in our consolidated financial statements beginning in our fiscal first and fourth quarters, respectively. The results are included in our Global segment.

During fiscal 2023, we had four reportable segments: Global, Foodservice, Retail, North America and Other. International. For further segment and financial information, see "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 13,

Segments, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Form 10-K.

North America

Effective May 29, 2023, in connection with our recent acquisitions and to align with our expanded global footprint, our management, including our chief executive officer, who is our chief operating decision maker, began managing our operations as two business segments based on management's change to the way it monitors performance, aligns strategies, and allocates resources. This resulted in a change from four reportable segments to two (North America and International), effective the beginning of fiscal 2024.

Global

Our Global segment primarily includes frozen potato products sold in North America the United States, Canada, and international markets generally Mexico to the top 100 North American based restaurant chains and international customers comprised of global and regional quick service and full-service restaurant restaurants and chains, foodservice distributors, non-commercial channels, and retailers. We have included foodservice and retail customers outside of Our North America in the Global segment due to efficiencies associated with coordinating sales to all customer types within specific markets, as well as due to these customers' smaller scale and dependence on local economic conditions. The Global segment's product portfolio includes frozen potatoes and appetizers sold under the *Lamb Weston* brand, as well as many customer labels.

Foodservice

Our Foodservice segment includes frozen potato products sold throughout the U.S. and Canada to commercial distributors, restaurant chains generally outside the top 100 North American based restaurant chains, and non-commercial channels. The Foodservice segment's primary products are frozen potatoes, commercial ingredients, and appetizers sold under the *Lamb Weston* brand, as well as many customer labels.

Retail

Our Retail segment includes consumer-facing frozen potato products sold primarily to grocery, mass merchants, club, and specialty retailers. The Retail segment's primary products are frozen potatoes sold under our the Company's owned or licensed brands, including *Grown in Idaho* and *Alexia*, other licensed equities comprised of brand names of major North American restaurant chains, customer labels, and the retailers' own brands.

International

Other

The Other reporting Our International segment primarily includes our vegetable frozen potato products sold outside of North America to quick service and dairy businesses, full-service restaurant chains, foodservice distributors, non-commercial channels, and retailers. Our International segment's product portfolio includes frozen potatoes, commercial ingredients, and appetizers sold under the *Lamb Weston* brand, as well as unrealized mark-to-market adjustments associated with commodity hedging contracts. many customer labels.

Joint Venture Relationships

We hold a 50 percent 50% ownership interest in Lamb-Weston/RDO Frozen ("Lamb Weston RDO"), a joint venture with RDO Frozen Co., that operates a single potato processing facility in the U.S. We provide all sales and marketing services to Lamb Weston RDO and receive a fee for these services based on a percentage of the net sales of the venture.

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We account for our investment in Lamb Weston RDO under the equity method of accounting. We accounted for

In July 2022, we acquired an additional 40% interest in Lamb Weston Alimentos Modernos S.A. ("LWAMSA"), our investments joint venture in Argentina. In addition, in February 2023, we acquired the remaining 50% equity interest in LW EMEA, our joint venture in Europe. With the completion of the transactions, we own 90% and LWAMSA under 100% of the equity method of accounting until February 2023 interests in LWAMSA and July 2022, respectively, when LW EMEA, respectively. Accordingly, we acquired the majority ownership of these entities consolidated LWAMSA's and began consolidating their respective LW EMEA's financial results in our consolidated financial statements. Consolidated Financial Statements beginning in the first and fourth quarters of our fiscal 2023, respectively. In addition, LW EMEA owns a 75 percent 75% interest in a joint venture in Austria. This joint venture's financial results are consolidated in our financial statements.

Prior to their respective acquisitions, we accounted for our investments in LW EMEA and LWAMSA under the equity method of accounting.

For more information, see Note 4, 12, Joint Venture Investments, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Form 10-K.

Sales, Distribution and Customers

We benefit from strong relationships with a diverse set of customers. We sell our products through a network of internal sales personnel and independent brokers, agents, and distributors to chain restaurants, wholesale, grocery, mass merchants, club retailers, specialty retailers, and foodservice distributors and institutions, including businesses, educational institutions, independent restaurants, regional chain restaurants, and convenience stores. We have long-tenured relationships with leading quick service and fast casual restaurant chains, global foodservice distributors, large grocery retailers, and mass merchants.

Our largest customer, McDonald's Corporation, accounted for approximately 13% 14%, 10% 13%, and 11% 10% of our consolidated net sales in fiscal 2024, 2023, and 2022, and 2021, respectively. Sales to McDonald's Corporation are included in our Global segment. No other customer accounted for more than 10% of our fiscal 2023, 2022, or 2021 consolidated net sales.

sales in fiscal 2024, 2023, or 2022.

Research and Development

We leverage our research and development resources for both growth and efficiency initiatives. We seek to drive growth through innovation by creating new products, enhancing the quality of existing products, and participating in joint menu planning exercises with our customers. We also evaluate the sustainability impacts of our manufacturing processes and products in our research and development activities and continue to drive processing innovations aimed at reducing waste and water usage and improving food safety and quality.

Trademarks, Licenses and Patents

Our trademarks are material to our business and are protected by registration or other means in the U.S. and most other geographic markets where the related food items are sold. Depending on the country, trademarks generally remain valid for as long as they are in use and/or their registrations are maintained. Trademark registrations generally are for renewable, fixed terms. Our significant trademarks include: include Lamb Weston, Lamb Weston Supreme, Lamb Weston Seeing Possibilities in Potatoes (and design), Lamb Weston Seasoned, Lamb Weston Private Reserve, Lamb Weston Stealth Fries, Lamb Weston Colossal Crisp, Lamb Weston Crispy on Delivery, Lamb Weston Twisters, Twister Fries, and Lamb Weston Twister Fries, Lamb Weston Crisscuts, Sweet Things, and Butler CrissCut. We also sell certain products in connection with marks such as Grown in Idaho and Alexia, which we license from third parties.

We own numerous patents worldwide. We consider our portfolio of patents, patent applications, patent licenses, proprietary trade secrets, technology, know-how processes, and related intellectual property rights to be material to our operations. Patents, issued or applied for, cover inventions, including packaging, manufacturing processes, equipment, formulations, and designs. Our issued patents extend for varying periods according to the date of the patent application filing or grant, the legal term of patents in the various countries where patent protection is obtained, and, in most countries, the payment of fees to maintain the patents. The actual protection afforded by a patent, which can vary from country to country, depends upon the type of patent, the scope of its coverage as determined by the patent office or courts in the country, and the availability of legal remedies in the country.

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Raw Materials

Our primary raw materials are potatoes, edible oils, packaging, grains, starches, and energy inputs. We source a significant amount of our raw potatoes under both strategic, long-term grower relationships and short-term annual contracts. In the U.S., most of the potato crop used in our products is grown in Washington, Idaho, and Oregon. In Europe, growing regions for the necessary potatoes are concentrated in the Netherlands, Austria, Belgium, Germany, France, and the United Kingdom. We also have grower relationships in potato growing regions in Canada, China, Australia, and Argentina that support our processing facilities in those countries. We believe that the grower networks to which we have access provide a sufficient source of raw potato inputs year-to-year. We source edible oils through strategic relationships with key suppliers, and we source packaging and energy inputs through multiple suppliers under a variety of agreement types.

The prices paid for these raw materials, as well as other raw materials used in making our products, generally reflect factors such as weather, commodity market fluctuations, currency fluctuations, tariffs, and the effects of governmental agricultural programs. The prices of raw materials can fluctuate as a result of these factors.

During fiscal 2023, 2024, we continued to face increased costs for our the primary raw materials for our products, including potatoes, edible oils, packaging, grains, starches, and energy inputs. We seek to mitigate higher input costs through long-term relationships, contract contracting strategies, and hedging activities where an active market for an input exists, as well as through our pricing and productivity initiatives. See "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," of this Form 10-K for a further discussion.

discussion of these issues.

Manufacturing

We operate 26 27 production facilities for our products. See "Item 2. Properties" for more information about our production facilities. In addition to our own production facilities, we source a portion of our products under "co-packing" agreements, a common industry practice in which manufacturing is outsourced to other companies. We regularly evaluate our co-packing arrangements to ensure the most cost-effective manufacturing of our products and to utilize company-owned production facilities most effectively.

International Operations

At May 28, 2023 May 26, 2024, we had operations in 31 33 countries, with sales support in each of these countries and production and processing facilities in 8 eight countries. See Note 13, Segments, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Form 10-K for additional information on our U.S. and non-U.S. operations. Also see "Item 2. Properties," for more information on our production and other facilities. For a discussion of risks related to our operations outside the U.S., see "Item 1A. Risk Factors" of this Form 10-K.

Competition

The value-added frozen potato products industry in North America, Europe and other international markets is highly competitive. Competitors include large North American and European frozen potato product companies that compete globally, as well as local and regional companies. Significant competitors include Agristo NV, Aviko B.V., Cavendish Farms Corporation, Clarebout Potatoes NV, Farm Frites International B.V., J.R. Simplot Company, The Kraft Heinz Company, and McCain Foods Limited. Some of our competitors are larger and have substantially more financial, sales and marketing, and other resources than us. We compete with producers of similar products on the basis of, among other things, customer service, value, product innovation, product quality, brand recognition and loyalty, price, and the ability to identify and satisfy customer and consumer preferences. The markets in which we operate are expected to remain highly competitive for the foreseeable future. See also "Item 1A. Risk Factors – Industry Risks – Increased competition may result in reduced sales or profits" of this Form 10-K.

10-K for further discussion of the risks associated with competition in our industry.

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Seasonality

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Seasonality

Our product contribution margin percentage, inventory levels, net sales, segment adjusted EBITDA, and cash flows are affected by seasonality. In general, our product contribution margin segment adjusted EBITDA percentage tends to be highest in our fiscal third quarter, reflecting the cost benefit benefits of freshly-harvested potatoes. We typically harvest potatoes in the Pacific Northwest of the U.S. and Europe in July through October, which is primarily in our fiscal second quarter. While the quality of potatoes affects production efficiency, overall, freshly-harvested potatoes process more efficiently in our production lines and are not subject to storage or

secondary transport costs. We typically hold 50 to 90 60 days of finished goods inventory on a first-in-first-out basis, so the costs incurred from our fiscal second quarter harvest, which are generally favorable, will flow through our income statement in our fiscal third quarter. Inventory levels also tend to be higher in our fiscal third quarter, requiring more working capital at that time. In general, net sales and cash flows tend to be higher in our fiscal fourth quarter, reflecting customer and consumer buying patterns.

Due

In fiscal 2024, the number of days of inventory on hand exceeded typical levels due to severe impacts inventory pre-build ahead of the government mandated shutdowns in response to COVID-19, seasonal variation ERP transition in the demand for our products in fiscal 2021 differed from prior third quarter and subsequent years.

decline in restaurant traffic trends.

Human Capital Resources

We believe that our employees and our workplace culture are among our most important assets, and that our employees are integral to our ability to achieve our strategic objectives. Attracting, developing, and retaining the best talent globally with the right skills to drive our mission, vision, and values are central components of our strategies for long-term growth. As of July 17, 2023 July 17, 2024, we had approximately 10,300 10,700 employees, of which approximately 2,600 2,900 employees work outside of the U.S. As of July 17, 2023 July 17, 2024, approximately 30% of our employees are parties to collective bargaining agreements with terms that we believe are typical for the industry in which we operate. Most of the union workers at our facilities are represented under contracts that expire at various times over the next several years. Of the hourly employees who are represented by these contracts, 51% 27% are party to a collective bargaining agreement scheduled to expire over the course of the next twelve months. As the agreements expire, we believe they will be renegotiated on terms satisfactory to the parties.

Health and Safety

Our employees' health, safety, and well-being are our highest priority. We strive for world-class safety at every one each of our facilities. This means we continuously focus on creating a zero-incident culture, where every employee goes home every day, accident free. To help achieve this goal, we foster safety leadership throughout the organization as part of our comprehensive environment, health, safety, and sustainability management system. Through ongoing communications, routine assessments of our safety programs, safety and job-related training, daily risk assessments at facilities, defined standards, and safety measures, we strive to improve our safety performance each year.

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Total Rewards

Our compensation and benefits are designed to support the financial, mental, and physical well-being of our employees. We are committed to equal pay for equal work, regardless of gender, race, ethnicity, or other personal characteristics. As part of this commitment, we benchmark and set pay ranges based on market data and consider various factors such as an employee's role and experience, job location, and performance. We also

regularly review our compensation practices to promote fair and equitable pay. In addition to base salaries, many employees also participate in an annual short-term incentive program and may also receive long-term equity awards. Benefits for U.S. employees include an employee savings 401(k) plan and company matching contributions, health insurance, disability insurance, life insurance, health savings and flexible spending accounts, wellness incentives, annual on-site health screenings, paid time-off, family leave, parental leave, employee assistance programs, and tuition reimbursement opportunities. Benefits for employees outside of the U.S. vary by country but are generally market competitive and representative of prevalent local company sponsored benefit programs. We have also adopted a hybrid work policy for office-based employees intended to allow employees flexibility in work location while maintaining productivity and performance expectations. Eligibility for, and the level of, compensation and benefits vary depending on an employee's full-time or part-time status, work location, job and career level, and tenure with the Company. We regularly review our compensation and benefit programs with the aim of keeping them competitive and designed to meet our employees' health and wellness needs, which we believe is important to attract and retain the best available talent.

Diversity, Equity, and Inclusion ("DEI")

As a global company, we strive to honor and celebrate diversity in our team, which we believe enriches our work lives and drives diversity of perspectives in our decision-making as a company. We define diversity as the unique abilities, experiences, and cultural backgrounds our employees bring to our Company's workplace. We are committed to providing a work environment that fosters respect, inclusion, fairness, and dignity, and is free of harassment, discrimination, or fear of retaliation. In **fiscal 2023, addition**, we **launched our first have created** business resource groups, which are voluntary, team member-led groups that bring employees together aligned around affinity areas. We believe these groups help create community and build inclusion. We have three business resource groups centered on women, multiculture and young professionals. **In addition, in fiscal 2023, we** **We have also** introduced a DEI learning and development platform to our global workforce to support team members' DEI learning.

Recruitment, Training, and Development

We believe maintaining a robust pipeline of talent is crucial to our ongoing success and is a key aspect of succession planning efforts across the organization. We use recruitment vehicles, including partnerships with universities and communities, local and national organizations, and various social media outlets, to attract strong talent to our organization. Our leadership and people teams are responsible for attracting and retaining top talent by facilitating an environment where employees feel supported and encouraged in their professional and personal development. Specifically, we promote employee development by regularly reviewing strategic positions and identifying potential internal candidates to fill those roles, evaluating job skill sets to identify competency gaps, and creating developmental plans to facilitate employee professional growth. We invest in our employees through training and development programs, including both custom internal training and external learning resources, utilizing both live and virtual learning experiences, on the job experiences, rotational assignments, annual and mid-year manager reviews and coaching. These offerings are designed to position employees to execute with excellence in their current roles, accelerate their learning curves, and grow their careers by taking advantage of continuing learning opportunities. For example, in our production facilities, we provide multiple training sessions focused on quality and safety. We also hold courses focused on leadership development for employees and people leaders across our global organization. In addition, with both in-person and our e-learning resources, employees can also focus on timely and topical development areas, including leadership capabilities, management excellence, functional skill building, and DEI.

Employee Engagement

We believe that having a workplace culture that supports and values all employees is critical to our success. To understand employee sentiments, we conduct a bi-annual engagement comprehensive survey every other year of our global workforce, as well as periodic short pulse surveys in between the comprehensive surveys. This survey was completed in fiscal 2022 2024 and was administered and analyzed by an independent third-party, third-party provider. The survey results were then reviewed by our executive leadership team and our Compensation and Human Capital Committee of the Board of Directors. Directors (the "Board"). Department leaders were also given the engagement survey results and tasked with taking action based on their employees' anonymous feedback (both quantitative and qualitative). In addition, following our acquisition of the remaining equity interest in LW EMEA, we conducted a global employee culture survey to help assess employees' reactions to the acquisition and plans for the full integration of LW EMEA with our other operations. Similar to our fiscal 2022 2024 engagement survey, our executive leadership team reviewed the results of the survey and shared those results with our Compensation and Human Capital Committee. By paying close attention to the results of both the surveys and implementing actions based on our findings, both at an aggregate enterprise level as well as at department, business, and work group levels, we believe that we have been able to enhance our workplace culture and improve overall employee engagement levels.

We are also committed to creating and building a culture of giving. We encourage and enable our employees to support many charitable causes. This includes engaging in volunteer programs promoted by the Company or employees. Our locations also manage their own community outreach programs through local giving committees, which provide opportunities for employees to financially engage with local nonprofits and volunteer their time. Annually, we make cash grants through the Lamb Weston Foundation, including through our Pay it Forward program, which gives our employees a role in directing some of the Foundation's funds. In addition, we offer a matching gifts program to employees and directors, paid volunteer time off, non-profit board service grants, and an employee dependent scholarship program. Further, in fiscal 2023, we adopted have implemented a volunteer reward program that allows employees to provide monetary donations to organizations where they volunteer and established the Team Member Relief Fund to provide financial support to employees experiencing hardships such as catastrophic events, illness, domestic violence, and other unforeseen circumstances.

Information About Our Executive Officers

The following are our executive officers as of July 17, 2023 July 17, 2024:

Name	Title	Age
Thomas P. Werner	Director, President and Chief Executive Officer	58 57
Bernadette M. Madarieta	Chief Financial Officer	49 48
Sharon L. Miller	President, North America	58 57
Sukshma Rajagopalan	Chief Information and Digital Officer	50 49
Gerardo Scheufler	President, Chief International Supply Chain Officer	53 55
Marc Schroeder	President, International	52
Michael J. Smith	Chief Operating Officer	47 46
Eryk J. Spytek	General Counsel and Chief Compliance Officer	56 55
Steven J. Younes	Chief Human Resources Officer	58 57

Thomas P. Werner has served as our President and Chief Executive Officer and a member of our board of directors Board since November 2016. Prior to that, he served as President, Commercial Foods, for Conagra, a food company, since May 2015. In that role, he led the company's Lamb Weston and Foodservice businesses, as well as its previously divested Spicetec Flavors & Seasonings and J.M. Swank operations. Mr. Werner also served as interim President of Conagra's Private Brands from June 2015 through its divestiture in February 2016. Before his appointment as President, Commercial Foods, Mr. Werner served as Senior Vice President of Finance for Conagra's Private Brands and Commercial Foods operating segments from June 2013 to April 2015, and Senior Vice President of Finance for Lamb Weston from May 2011 until June 2013.

Bernadette M. Madarieta has served as our Chief Financial Officer since August 2021. She also served as Senior Vice President from August 2021 to May 2023. Ms. Madarieta joined Lamb Weston in October 2016 as our Vice President and Controller and Principal Accounting Officer. Before that, Ms. Madarieta served as Vice President and Controller of Packaging Corporation of America, a containerboard and corrugated packaging manufacturer, from October 2013 to March 2016, and Vice President and Controller at Boise Inc., a packaging and paper products manufacturer, from February 2011 to October 2013. Ms. Madarieta has more than 25 years of finance management and leadership experience spanning public and privately held companies and Big 4 public accounting firms.

Sharon L. Miller has served as our President, North America since May 29, 2023, May 2023. Before that, she served as our Senior Vice President and General Manager, Global Business Unit since September 2016 and Conagra's Vice President and General Manager, Lamb Weston Global Business Unit from 2015 to August 2016. Since joining Conagra in 1999, Ms. Miller has held various leadership positions, including Vice President of Sales for LW EMEA. Prior to that, Ms. Miller was a key sales and business leader within Lamb Weston in both the U.S. and Canada. She also has held various sales positions with other North American food manufacturers and foodservice distributors.

Sukshma Rajagopalan has served as our Chief Information and Digital Officer since June 2023. Ms. Rajagopalan has more than 25 years of experience leading digital and information technology teams, most recently as Senior Vice President and Chief Digital Officer at Avantor, Inc., a life sciences company, from March 2020 to May 2023. At Avantor, Ms. Rajagopalan led the company's global enterprise digital roadmap, including finance, supply chain and commercial solutions, as well as data and analytics including automation and artificial intelligence. Prior to joining Avantor, she spent

15 years at PepsiCo, Inc., a food and beverage company, and held various information technology and digital leadership roles, most recently as Vice President, Global Applications from March 2018 to March 2020.

Gerardo Scheufler has served as our Chief Supply Chain Officer since August 2019. He also served as Senior Vice President from August 2019 to May 2023. Prior to joining Lamb Weston, Mr. Scheufler served as Vice President of Global Operations at Mondelēz International, Inc., a food and beverage company, from July 2014 until August 2019. During his tenure at Mondelēz International, Mr. Scheufler oversaw a major global restructuring program to optimize the global supply chain footprint, including the manufacturing, customer service, quality, logistics, health, safety and environment, and innovation functions. Prior to that, Mr. Scheufler spent more than 20 years at The Procter & Gamble Company, a consumer goods corporation, in a variety of roles of increasing responsibility after starting his career in manufacturing operations in 1990.

Marc Schroeder has served as our President, International since May 29, 2023, May 2023. Mr. Schroeder is a Dutch national and joined Lamb Weston in February 2023 following the completion of our acquisition of the remaining equity interest in LW EMEA, having previously served as Chief Executive Officer of our former European joint venture since January 2021. Before joining LW EMEA, Mr. Schroeder served as Chief Executive Officer of Pepsi Lipton, a joint venture between PepsiCo, Inc. and Unilever for tea branded products, from February 2016 to November 2020. Prior to that, he spent more than 14 years at PepsiCo, Inc., a food and beverage company, and held various operating, commercial and corporate leadership roles, including Senior Vice President Global Nutrition Group from August 2014 to January 2016, Vice President Global Grains (Quaker) from September 2012 to July 2014 and General Manager of Frito-Lay in Russia from October 2009 to August 2012.

Michael J. Smith has served as our Chief Operating Officer since May 29, 2023, May 2023. Prior to that, he served as Senior Vice President and General Manager of Foodservice, Retail, Marketing and Innovation since

April 2018 and Senior Vice President, Growth and Strategy from September 2016 until March 2018. Mr. Smith also served as Vice President and General Manager of Lamb Weston Retail from May 2011 to September 2016, Vice President and General Manager of Conagra's Private Brands from March 2014 to February 2016, and Vice President of Global Marketing of Lamb Weston from July 2012 to March 2014. Prior to joining Conagra in 2007, Mr. Smith held various brand management roles at Dean Foods Company, a food and beverage company, and its WhiteWave division from May 2003 until December 2007.

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Eryk J. Spytek has served as our General Counsel and Chief Compliance Officer since October 2016. He also served as Senior Vice President from October 2016 to May 2023 and Corporate Secretary from October 2016 to November 2020. From June 2015 until October 2016, Mr. Spytek was Of Counsel at Winston & Strawn LLP, a law firm. Before returning to Winston & Strawn LLP, he served from December 2009 until April 2015 in a variety of roles with Mead Johnson Nutrition Company, a manufacturer of infant formula, including as Vice President, Deputy General Counsel and Assistant Secretary from April 2013 to April 2015 and as Vice President, Associate General Counsel and Assistant Secretary from December 2009 to April 2013. Before that, Mr. Spytek served as Senior Vice President, General Counsel and Secretary at SIRVA, Inc., a moving and relocation services provider, from February 2006 to February 2009. Before joining SIRVA, Inc., Mr. Spytek was a partner at Winston & Strawn LLP, which he joined as an associate in 1996.

Steven J. Younes has served as our Chief Human Resources Officer since January 2022. He also served as Senior Vice President from January 2022 to May 2023. Mr. Younes joined Lamb Weston from Loews Hotels & Co., a hospitality company, where he served as Executive Vice President and Chief Human Resources Officer from April 2019 through December 2021. Prior to that, Mr. Younes was Senior Vice President of Human Resources for Ascension, a not-for-profit healthcare company, from July 2013 to December 2018. An employment lawyer by background, he spent 12 years in private practice and served as employment counsel to a number of organizations earlier in his career. Mr. Younes has more than 30 years of experience in human resources and employment law.

Ethics and Governance

We have adopted a code of conduct that applies to all of our employees, as well as a code of ethics for senior corporate financial officers that applies to our Chief Executive Officer, Chief Financial Officer, and Controller. These codes are available on our website at www.lambweston.com through the "Investors – Corporate Governance" link. We will disclose any waiver we grant to our Chief Executive Officer, Chief Financial Officer, or Controller under our codes, or certain amendments to the codes, on our website at www.lambweston.com.

In addition, we adopted Corporate Governance Principles and charters for the Audit and Finance Committee (the "Audit Committee"), Nominating and Corporate Governance Committee, and Compensation and Human Capital Committee. All of these These materials are available on our website at www.lambweston.com and will be provided free of charge to any stockholder requesting a copy by writing to: Corporate Secretary, Lamb Weston Holdings, Inc., 599 S. Rivershore Lane, Eagle, Idaho 83616.

The information on our website is not, and shall not be deemed to be, a part of this Form 10-K or incorporated into any other filings we make with the SEC.

Food Safety and Labeling

We are subject to extensive regulation, including, among other things, the Food, Drug and Cosmetic Act, as amended by the Food Safety Modernization Act, the Public Health Security and Bioterrorism Preparedness and Response Act of 2002, and the rules and regulations promulgated thereunder by the U.S. Food and Drug Administration ("FDA"). This comprehensive and evolving regulatory program governs, among other things, the manufacturing, composition and ingredients, labeling, packaging, and safety of food, including compliance with current Good Manufacturing Practices. In addition, the Nutrition Label Reform Act of 2016 and regulations promulgated thereunder by the FDA prescribe the format and content in which specific nutrition information is required to appear on the labels of food products. We are also subject to regulation by certain other governmental agencies, including the U.S. Department of Agriculture.

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In addition, our operations and products are also subject to state and local regulation, including the registration and licensing of production facilities, enforcement by state health agencies of various state standards, and the registration and inspection of facilities. Compliance with federal, state, and local regulation is costly and time-consuming. Enforcement actions for violations of federal, state, and local regulations may include seizure and condemnation of products, cease and desist orders, injunctions, voluntary or mandatory recalls or market withdrawals of products, and monetary penalties. We believe that our practices are sufficient to maintain compliance with applicable government regulations.

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Environmental, Health and Safety Regulations

We are subject to a number of foreign, domestic, federal, state, and local laws and other regulations relating to the protection of human health, the environment and the safety and health of personnel. These requirements apply to a broad range of our activities, including: the regulation and discharge of pollutants into the air, land and water; the identification, generation, storage, handling, transportation, disposal, recordkeeping, labeling, spill prevention and reporting of, and emergency response in connection with, hazardous materials and chemical substances; noise and odor emissions from our facilities; and safety and health standards, practices, and procedures that apply to the workplace and the operation of our facilities.

In order to comply with these requirements, we may need to spend substantial amounts of money and other resources from time to time to: (i) construct or acquire new equipment, (ii) acquire or amend permits to authorize facility operations, (iii) modify, upgrade, or replace existing and proposed equipment, and (iv) clean up or decommission our facilities or other locations in accordance with regulatory requirements. Our capital and operating budgets include planned costs and expenses associated with complying with these laws and other requirements.

Available Information

We make available, free of charge on our website at www.lambweston.com, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as soon as reasonably practicable after we electronically file them with, or furnish them to, the SEC. We use our website, through the "Investors" link, as a channel for routine distribution of important information, including news releases, analyst presentations, and financial information. The information on our website is not, and shall not be deemed to be, a part of this Form 10-K or incorporated into any other filings we make with the SEC unless expressly noted in other such filings.

ITEM 1A. RISK FACTORS

Our business is subject to various risks and uncertainties. Any of the risks and uncertainties described below could materially and adversely affect our business, financial condition, and results of operations and should be considered in evaluating us. Although the risks are organized by heading, and each risk is described separately, many of the risks are interrelated. While we believe we have identified and discussed below the material risks affecting our business, there may be additional risks and uncertainties that we do not presently know or that we do not currently believe to be material that may adversely affect our business, financial condition, or results of operations in the future.

Business and Operating Risks

We may not be able to offset cost increases due to inflationary pressures on inputs necessary for the production and distribution of our products, such as labor, raw materials, energy, fuel, and packaging materials.

A significant portion of our cost of goods comes from commodities such as raw potatoes, edible oil, grains, starches, and energy. These commodities are subject to price volatility and fluctuations in availability caused by many factors, including: changes in global supply and demand, weather conditions (including any potential effects of climate change), fire, natural disasters (such as a hurricane, tornado, earthquake, wildfire or flooding), disease or pests, agricultural uncertainty, water stress, health epidemics or pandemics or other contagious outbreaks, such as the COVID-19 pandemic, governmental incentives and controls (including import/export restrictions, such as new or increased tariffs, sanctions, quotas or trade barriers including the financial and economic sanctions imposed by the U.S. and certain foreign governments in response to the war in Ukraine), limited or sole sources of supply, inflation, political uncertainties, acts of terrorism, governmental instability, war or other conflicts (such as the war in Ukraine and conflicts in the Middle East), or currency exchange rates.

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During fiscal 2023, 2024, we experienced continued to experience significantly elevated commodity and supply chain costs, including the costs of labor, raw materials (such as edible oil, grain and starch), energy, fuel, packaging materials, and other inputs necessary for the production and distribution of our products. For example,

labor shortages and As fiscal 2024 progressed, we experienced some moderation in input cost inflation, have increased our costs. Additionally, however, we expect modestly elevated levels of inflation to face continued industry-wide cost inflation for various inputs, including commodities, ingredients, packaging materials, other raw materials, transportation, warehousing, and labor, continue into fiscal 2025. Commodity price increases, or a sustained interruption or other constraints in the supply or availability of key commodities, including necessary services such as transportation and warehousing, could adversely affect our business, financial condition, and results of operations. Our attempts to offset these cost pressures, such as through increases in the selling prices of some of our products, may not continue to be successful. Higher product prices may result in reductions in sales volume. To the extent that price increases are not sufficient to offset these increased costs adequately or in a timely manner, and/or if they result in significant decreases in sales volume, our business, financial condition, or results of operations may be adversely affected.

We also may not be successful in mitigating the effects of these cost increases through productivity initiatives or through our commodity hedging activity. Our future success and earnings growth depend in part on our ability to maintain the appropriate cost structure and operate efficiently in the highly competitive value-added frozen potato product category. We continue to implement profit-enhancing initiatives that improve the efficiency of our supply chain and general and administrative functions. These initiatives are focused on cost-saving opportunities in procurement, manufacturing, logistics, and customer service, as well as general and administrative functions. However, gaining additional efficiencies may become more difficult over time. In addition, there is currently no active derivatives market for potatoes in the U.S. Although we have experience in hedging against commodity price increases, these practices and experience reduce, but do not eliminate, the risk of negative profit impacts from commodity price increases. As a result, the risk management procedures that we use may not always work as we intend. To the extent we are unable to offset present and future cost increases, our business, financial condition, and results of operations could be materially and adversely affected.

Disruption to our supply chain could adversely affect our business.

Our ability to manufacture or sell our products may be impaired by damage or disruption to our manufacturing, warehousing or distribution capabilities, or to the capabilities of our suppliers, logistics service providers, or independent distributors. This damage or disruption could result from execution issues, as well as factors that are difficult to predict or beyond our control such as increased temperatures due to climate change, water stress, extreme weather events, natural disasters, product or raw material scarcity, fire, terrorism, pandemics (such as the COVID-19 pandemic), armed hostilities (including the ongoing war in Ukraine) Ukraine and conflicts in the Middle East), strikes, labor shortages, cybersecurity breaches, governmental restrictions or mandates, disruptions in logistics, supplier capacity constraints, or other events. Failure to take adequate steps to mitigate the likelihood or potential impact of such events, or to effectively manage such events if they occur, may adversely affect our business, financial condition, and results of operations. Further, the inability of any supplier, including, but not limited to, those that supply our packaging, ingredients, equipment and other necessary operating materials, co-manufacturer, independent contractor, logistics service provider, or independent distributor to deliver or perform for us in a timely or cost-effective manner could cause our operating costs to increase and our profit margins to decrease. We have experienced, and may continue to experience, disruptions in our supply chain, including as a result of temporary workforce systems disruptions, labor shortages, increased transportation and warehousing costs, longer shipping times, and other factors related to the effects of pandemics or other public health crisis, such as the COVID-19 pandemic, and the ongoing war in Ukraine, Ukraine and the conflicts in the Middle East. For example, in fiscal 2024 after our transition to a new ERP system in North America, we experienced temporary reduced visibility into finished goods inventories at our distribution centers, which affected our ability to fill customer orders and reduced our sales and increased costs. In addition, the occurrence of a significant supply chain disruption or the inability to access or deliver products that meet requisite quality and safety standards in a timely and efficient manner, could lead to increased warehouse and other storage costs or otherwise adversely affect our profitability and weaken our competitive position or harm our business.

Labor shortages or stoppages, an inability to attract and retain key personnel, increased turnover or increases in labor costs could adversely affect our business, financial condition, and results of operations.

Labor is a primary component of operating our business. A number of factors may adversely affect the labor force available to us or increase labor costs, including high employment levels, federal the shift towards hybrid or remote work arrangements, higher unemployment subsidies, including unemployment benefits offered in response to the COVID-19 pandemic, and other government regulations, regulations, and general macroeconomic factors. The labor market has become been increasingly tight and competitive, and we may face sudden and unforeseen challenges in the availability of labor, such as we have experienced during in fiscal 2022 and 2023 at some of our production facilities, which reduced our production run-rates and increased our manufacturing costs. As we experienced with the COVID-19 pandemic, sustained labor shortage shortages or increased turnover rates within our workforce, caused by COVID-19 or as a result of general macroeconomic factors, have led and could in the future lead to production or shipping delays, increased costs, such as increased overtime to meet demand and increased

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wage rates to attract and retain employees, and could negatively affect our ability to efficiently operate our production and distribution facilities and overall business. Further, our success depends on our ability to attract, retain, and develop effective leaders and personnel with professional and technical expertise, such as agricultural and food manufacturing experience, as well as finance, marketing, and other senior management professionals. The loss of the services of these persons could deplete our institutional knowledge and could have a material adverse effect on our business, financial condition, and results of operations. The market for these employees is competitive, and we could experience difficulty from time to time in hiring and retaining the personnel necessary to support our business. Our ability to recruit and retain a highly skilled workforce could also be materially impacted if we fail to adequately respond to rapidly changing employee expectations regarding fair compensation, an inclusive and diverse workplace, flexible working, or other matters. If we are unable to hire and retain employees capable of performing at a high-level, develop adequate training and succession plans for leadership positions, or if mitigation measures we may take to respond to a decrease in labor availability, such as overtime and third-party outsourcing, have unintended negative effects, our business could be adversely affected. Similarly, we have been negatively impacted and may in the future continue to be negatively impacted by labor shortages or increased labor costs experienced by our third-party business partners, including our logistics providers, suppliers, and customers. For example, reduced availability of trucking capacity due to shortages of drivers, primarily as a result of the COVID-19 pandemic, caused an increase in the cost of transportation for us and our suppliers in fiscal 2022. An overall labor shortage, lack of skilled labor, increased turnover, or labor inflation caused by COVID-19 or as a result of general macroeconomic factors, could have a material adverse impact on our business, financial condition, and results of operations.

In addition, health care and workers' compensation costs are have been increasing. Inflationary pressures and any shortages in the labor market could continue to increase labor costs, which could have a material adverse effect on our business, financial condition, or results of operations. Our labor costs include the cost of providing employee benefits in the U.S. and foreign jurisdictions, including pension, health and welfare, and severance benefits. Changes in interest rates, mortality rates, health care costs, early retirement rates, investment returns, and the market value of plan assets can affect the funded status of our defined benefit plans and cause volatility in the future funding requirements of the plans. A significant increase in our obligations or future funding requirements could have a negative impact on our results of operations and cash flows from operations. Additionally, the annual costs of benefits vary with increased costs of health care and the outcome of collectively bargained wage and benefit agreements. Furthermore, we may be subject to increased costs or experience adverse effects on our operating results if we are unable to renew collectively bargained agreements on satisfactory terms as they expire. Our financial condition and ability to meet the needs of our customers could be materially and adversely affected if strikes or work stoppages or interruptions occur as a result of delayed negotiations with union-represented employees within or outside the U.S.

Changes in our relationships with our growers could adversely affect us.

We expend considerable resources to develop and maintain relationships with many potato growers. In some instances, we have entered into long-term agreements with growers; however, a portion of our potato needs are sourced on an annual contracted basis. To the extent we are unable to maintain positive relationships with our long-term growers, contracted growers deliver less supply than we expect, or we are unable to secure sufficient potatoes from uncontracted growers in a given year, we may not have sufficient potato supply to satisfy our business opportunities. To obtain sufficient potato supply, we may be required to purchase potatoes at prices substantially higher than expected, or forgo sales to some market segments, which would reduce our profitability. If we forgo sales to such market segments, we may lose customers and may not be able to regain or replace them later.

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Pandemics or other contagious outbreaks and government actions taken in response thereto, may adversely impact, and in the case of the COVID-19 pandemic, have adversely impacted and may continue to adversely impact, our business, financial condition, and results of operations.

The ultimate impact that the COVID-19 pandemic and any future pandemic or other contagious outbreak will have on our business, financial condition, and results of operations is uncertain. Although COVID-19-related restrictions, such as quarantines, travel bans, shutdowns and shelter-in-place orders, have generally been lifted, these restrictions and measures, and our efforts to act in the best interests of our employees, customers, suppliers, vendors, joint ventures, and other business partners, have affected and may continue to affect our business and operations. Some of the impacts our business has experienced, and may continue to experience, as a result of the COVID-19 pandemic, or any future pandemic or other contagious outbreak, include, but are not limited to, the following:

- decreased sales to our foodservice customers resulting from the closure or reduction in capacity of many full-service restaurants and other commercial operations (e.g., hotels, schools and universities, sporting venues), which caused and can cause a significant reduction in consumer traffic;
- reduced demand at quick service restaurants, in particular in our international markets where most consumption is dine-in or carry-out as drive-thru options are more limited;
- shutdowns of one or more of our production facilities or lines, or disruption in our production timing and operations, including but not limited to, as a result of illness, labor shortages, government restrictions, or other workforce disruptions;
- continued commodity cost volatility, including higher edible oil, grain, and starch costs, which may not be sufficiently offset by our commodity hedging activities;
- increased transportation and warehousing costs, as well as disruptions in the transport of goods, including limited availability of shipping containers, from our supply chain to us and from us to our customers, which caused us to rely more heavily on higher cost transportation to maintain customer service levels;
- disruptions to our distribution capabilities or to our distribution channels, including those of our suppliers, logistics service providers, or independent distributors;
- failure of third parties on which we rely, including but not limited to, those that supply our packaging, ingredients, equipment and other necessary operating materials, co-manufacturers and independent contractors, to meet their obligations to us, or significant disruptions in their ability to do so;
- a change in demand for, or availability of, one or more of our products as a result of restaurants, other foodservice providers, retailers, or distributors, modifying their inventory, fulfillment or shipping practices;

- increased reliance on our information technology system as a result of work-from-home Company policies, causing us to be more vulnerable to cyberattacks or other disruptions as a result of team members accessing our networks and systems from off-site; and
- business disruptions and uncertainties related to a future pandemic for a sustained period of time could result in delays or modifications to our strategic plans, capital expansion projects and other initiatives and hinder our ability to achieve anticipated cost savings and productivity initiatives on the original timelines.

These impacts have caused, and may continue to cause, changes in the mix of products sold, decreases in revenue, and increases in costs resulting in decreased profitability and cash flows from operations, which have caused, and may continue to cause, an adverse effect on our business, financial condition, and results of operations that may be material. COVID-19 has disrupted, and the spread of future pandemics or other contagious outbreaks may also disrupt, our customers, suppliers, vendors and joint venture and other business partners, and each of their financial conditions. Any material adverse effect on these parties could adversely impact us. In this regard, the potential duration and impacts of pandemics or other contagious outbreaks such as the COVID-19 pandemic, including the emergence and spread of COVID-19 variants and the continued availability and effectiveness of vaccines in the markets where we operate, on the global economy and on our business, financial condition, and results of operations are difficult to predict and cannot be estimated with any degree of certainty. The pandemic has resulted in significant disruption of global financial markets, labor shortages, supply chain interruptions, increased commodity costs, inflation, and economic uncertainty, which has adversely impacted our business and may continue to do so.

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Our business, financial condition, and results of operations could be adversely affected by the political and economic conditions of the countries in which we conduct business and other factors related to our international operations, including foreign currency risks and trade barriers.

We conduct a substantial and growing amount of business with customers located outside the U.S., including through our joint ventures. During each of fiscal 2024, 2023, 2022 and 2021, 2022, net sales outside the U.S., primarily in Australia, Canada, China, Europe, Japan, Korea, Mexico, and Taiwan, accounted for approximately 23% 34%, 17% 23%, and 17% of our net sales, respectively. The amounts amount for fiscal 2022 and 2021 do does not include any impact of unconsolidated net sales associated with LWAMSA and LW EMEA, which are also subject to risks associated with international operations. In fiscal 2023, we acquired additional equity interests in LWAMSA and LW EMEA, thereby increasing our ownership in LWAMSA and LW EMEA to 90% and 100%, respectively. We began consolidating the financial results of LWAMSA and LW EMEA in our consolidated financial statements Consolidated Financial Statements in the first quarter and fourth quarter of fiscal 2023, respectively.

Factors relating to our domestic and international sales and operations, many of which are outside of our control, have had, and could continue to have, a material adverse impact on our business, financial condition, and results of operations, including:

- pandemics and other public health crises, such as the flu, which may lead, and in the case of the COVID-19 pandemic, have led, to measures that decrease revenues, disrupt our supply chain or otherwise increase our storage, production or distribution costs and adversely affect our workforce, local suppliers, customers and consumers of our products;
- foreign exchange rates, foreign currency exchange and transfer restrictions, which may unpredictably and adversely impact our combined operating results, asset and liability balances, and cash flow in our consolidated financial statements, even if their value has not changed in their original currency;

- our consolidated financial statements are presented in U.S. dollars, and we must translate the assets, liabilities, revenue and expenses into U.S. dollars for external reporting purposes;
- changes in trade, monetary and fiscal policies of the U.S. and foreign governments, including modification or termination of existing trade agreements or treaties (e.g., the U.S. – Mexico – Canada Agreement), creation of new trade agreements or treaties, trade regulations, and increased or new tariffs, sanctions, quotas, import or export licensing requirements, and other trade barriers imposed by governments. In particular, changes in U.S. trade programs and trade relations with other countries, including the imposition of trade protection measures by foreign countries in favor of their local producers of competing products, such as governmental subsidies, tax benefits, and other measures giving local producers a competitive advantage over Lamb Weston, may adversely affect our business and results of operations in those countries;
- changes in capital controls, including currency exchange controls, government currency policies or other limits on our ability to import raw materials or finished products into various countries or repatriate cash from outside the United States;
- negative economic developments in economies around the world and the instability of governments, including the actual or threat of wars, terrorist attacks, epidemics or civil unrest, including the war in Ukraine;
- earthquakes, tsunamis, droughts, floods or other major disasters that may limit the supply of raw materials that are purchased abroad for use in our international operations or domestically;
- volatile commodity prices and increased costs of raw and packaging materials, labor, energy and transportation, disruptions in shipping or reduced availability of freight transportation and warehousing, such as the reduced availability of shipping containers that we encountered in fiscal 2022;
- differing employment practices and labor standards in the international markets in which we operate;
- differing levels of protection of intellectual property across the international markets in which we operate;
- difficulties and costs associated with complying with U.S. laws and regulations applicable to entities with overseas operations, including the Foreign Corrupt Practices Act;
- the threat that our operations or property could be subject to nationalization and expropriation;
- varying regulatory, tax, judicial and administrative practices in the international markets in which we operate;
- difficulties associated with operating under a wide variety of complex foreign laws, treaties and regulations; and
- potentially burdensome taxation.

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foreign exchange rates, foreign currency exchange and transfer restrictions, which may unpredictably and adversely impact our combined operating results, asset and liability balances, and cash flow in our Consolidated Financial Statements, even if their value has not changed in their original currency;

- our consolidated financial statements are presented in U.S. dollars, and we must translate the assets, liabilities, revenue and expenses into U.S. dollars for external reporting purposes;
- changes in trade, monetary and fiscal policies of the U.S. and foreign governments, including modification or termination of existing trade agreements or treaties, creation of new trade agreements or treaties, trade regulations, and increased or new tariffs, sanctions, quotas, import or export licensing requirements, and other trade barriers imposed by governments. In particular, changes in U.S. trade programs and trade relations with other countries, including the imposition of trade protection measures by foreign countries in favor of their local producers of competing products, such as governmental subsidies, tax benefits, and other measures giving local producers a competitive advantage over Lamb Weston, may adversely affect our business and results of operations in those countries;
- changes in capital controls, including currency exchange controls, government currency policies or other limits on our ability to import raw materials or finished products into various countries or repatriate cash from outside the United States;
- negative economic developments in economies around the world and the instability of governments, including the actual or threat of wars, terrorist attacks, epidemics or civil unrest, including the war in Ukraine and conflicts in the Middle East;
- currency devaluations or fluctuations in currency values, including in developed and emerging markets, such as the highly inflationary environment in Argentina;
- earthquakes, tsunamis, droughts, floods or other major disasters that may limit the supply of raw materials that are purchased abroad for use in our international operations or domestically;
- volatile commodity prices and increased costs of raw and packaging materials, labor, energy and transportation, disruptions in shipping or reduced availability of freight transportation and warehousing, such as the reduced availability of shipping containers that we encountered in fiscal 2022;

- pandemics and other public health crises, which may lead, and in the case of the COVID-19 pandemic, have led, to measures that decrease revenues, disrupt our supply chain or otherwise increase our storage, production or distribution costs and adversely affect our workforce, local suppliers, customers and consumers of our products;
- differing employment practices and labor standards in the international markets in which we operate;
- differing levels of protection of intellectual property across the international markets in which we operate;
- difficulties and costs associated with complying with U.S. laws and regulations applicable to entities with overseas operations, including the Foreign Corrupt Practices Act;
- the threat that our operations or property could be subject to nationalization and expropriation;
- varying regulatory, tax, judicial and administrative practices in the international markets in which we operate;
- difficulties associated with operating under a wide variety of complex foreign laws, treaties and regulations; and
- potentially burdensome taxation.

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The nature and degree of the various risks we face can differ significantly among our regions and businesses. All of these factors could result in increased costs or decreased revenues and could have an adverse effect on our business, financial condition, and results of operations.

Our business, financial condition, and results of operations could be adversely affected by disruptions in the global economy related to the ongoing war in Ukraine.

The global economy has been negatively impacted by the ongoing war in Ukraine. Further, the U.S. and certain foreign governments, including those of the European Union, have imposed financial and economic sanctions on certain industry sectors and parties in Russia. In this regard, in September 2022, LW EMEA completed its previously announced withdrawal from its joint venture that operated a production facility in Russia. Increased trade barriers or restrictions on global trade also could adversely affect our business, financial condition, and results of operations. Although LW EMEA has exited the Russian market and we have no operations in Russia or Ukraine, we have experienced shortages in materials and increased costs for transportation, energy, and raw material due in part to the negative impact of the war in Ukraine on the global economy. The scope and duration of the war in Ukraine is uncertain, rapidly changing and hard to predict. Further escalation of geopolitical tensions related to the military conflict could result in cyberattacks, supply disruptions, plant closures and an inability to obtain key supplies and materials, as well as adversely affect our business and our supply chain, our international subsidiaries and joint ventures, business partners or customers in the broader region, including our European growing regions for potatoes. We operate processing facilities in Europe, including Austria, the Netherlands and the United Kingdom. In many instances, these sites depend on the availability of natural gas for use in the production of products, which may originate from Russia. Destabilizing effects that the military conflict may pose for the European continent or the global oil and natural gas markets could adversely impact our ability to operate these facilities. In addition, the effects of the military conflict could heighten many of our other risks described in this Form 10-K.

Changes in our relationships with significant customers could adversely affect us.

We maintain a diverse customer base across our reporting segments. Customers include global, national and regional quick service and fast casual restaurants as well as small, independently operated restaurants, multinational, broadline foodservice distributors, regional foodservice distributors, and major food retailers. Some of these customers independently represent a meaningful portion of our sales. In addition, we depend on foodservice distributors to help us create end-customer demand, provide technical support and other value-added

services to customers, fill customer orders, and stock our products. A material change in our relationship with one or more of these distributors or their failure to perform as expected could reduce our revenue. The foodservice distributors also sell products that compete with our products, and we sometimes need to reduce prices or provide rebates and other incentives to focus them on the sale of our products.

There can be no assurance that our customers will continue to purchase our products in the same quantities or on the same terms as in the past. The loss of a significant customer or a material reduction in sales to a significant customer could materially and adversely affect our business, financial condition, and results of operations. In addition, the financial condition of our significant customers, including restaurants, distributors and retailers, are affected by events that are largely beyond our control, such as the impacts of the COVID-19 pandemic and possible future pandemics or other contagious outbreaks, and political or military conflicts, such as the war in Ukraine. Ukraine or conflicts in the Middle East. Specifically, in 2022, some customers, including McDonald's Corporation, have exited from Russia. Deterioration in the financial condition of significant customers could materially and adversely affect our business, financial condition, and results of operations.

Disruption of our access to export mechanisms could have an adverse impact on our business, financial condition, and results of operations.

To serve our customers globally, we rely in part on our international joint venture and operations, but also on exports from the U.S. During fiscal 2024, 2023, 2022, and 2021, 2022, export sales from the U.S. accounted for approximately 11% 6%, 12% 11% and 13% 12%, respectively, of our total net sales. Circumstances beyond our control, such as a labor dispute at a port, or workforce disruption, including those disruptions (such as disruptions that occurred due to pandemics such as the COVID-19 pandemic or other contagious outbreaks, pandemic), could prevent us from exporting our products in sufficient quantities to meet customer opportunities. During For example, during the latter half of fiscal 2022, limited shipping container availability along the U.S. West Coast and disruptions to ocean freight networks

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across the Pacific Ocean resulted in lower export volumes in our Global International segment. We have access to production outside of the U.S. through our facilities in Argentina, Australia, Austria, Canada, China, the Netherlands, and the United Kingdom, and a joint venture in Argentina, but we may be unsuccessful in mitigating any future disruption to export mechanisms. If this occurs, we may be unable to adequately supply all our existing customers' needs and new customer opportunities, which could adversely affect our business, financial condition, and results of operations.

Our operations are dependent on a wide array of third parties.

The success of our end-to-end supply chain relies on the continued performance of a wide array of third parties. Suppliers, co-packers, third-party outsourcers, warehousing partners, and transportation providers are among our critical partners. Although we take steps to qualify and audit third parties with whom we do business, we cannot guarantee that all third parties will perform dependably or at all. It is possible that events beyond our control, such as operational failures, labor issues, heightened inflation, recession, financial and credit market disruptions, or other economic conditions, cybersecurity events, global geopolitical conflict, such as the war in Ukraine and conflicts in the Middle East, pandemics or other health issues, such as was the case with the

COVID-19 pandemic, or other issues could impact our third parties. If our third parties fail to deliver on their commitments, introduce unplanned risk to our operations (e.g., through cyber activity), or are unable to fulfill their obligations, we could experience manufacturing challenges, shipment delays, increased costs, or lost revenue, which could also impact our relationships with customers and our brand image.

In addition to our own production facilities, we source a portion of our products under co-packing agreements. The success of our business depends, in part, on maintaining a strong sourcing and manufacturing platform. We believe that there are a limited number of competent, high-quality co-packers in the industry, and if we were required to obtain additional or alternative co-packing agreements or arrangements in the future, we can provide no assurance that we would be able to do so on satisfactory terms or in a timely manner. Our inability to enter into satisfactory co-packing agreements could limit our ability to implement our business plan or meet customer demand.

Damage to our reputation as a trusted partner to customers and good corporate citizen could have a material adverse effect on our business, financial condition, and results of operations.

Our customers rely on us and our co-manufacturers to manufacture safe, high quality food products. Product contamination or tampering, the failure to maintain high standards for product quality, safety, and integrity, or allegations of product quality issues, mislabeling or contamination, even if untrue, may damage the reputation of our customers, and ultimately our reputation as a trusted industry partner. Damage to either could reduce demand for our products or cause production and delivery disruptions.

Our reputation could also be adversely impacted by any of the following, or by adverse publicity (whether or not valid) relating thereto: the failure to maintain high ethical, social, and environmental standards for our operations and activities, including the health, safety, and security of our employees; employees and our supply chain; our research and development efforts; our environmental impact, including use of agricultural materials, packaging, energy and water use, and waste management, and the failure to set certain goals, or to achieve any stated goals, with respect to such matters; our failure to comply with local laws and regulations; our failure to maintain an effective system of internal controls; or our failure to provide accurate and timely financial information. Moreover, the growing use of social and digital media by consumers and other stakeholders has greatly increased the speed and extent that information or misinformation and opinions can be shared. Negative posts or comments about us, our brands, or our products on social or digital media could damage our reputation and our brands. Damage to our reputation or loss of customer confidence in our products for any of these or other reasons could result in decreased demand for our products and could have a material adverse effect on our business, financial condition, and results of operations, as well as require additional resources to rebuild our reputation.

If we are unable to execute on large capital projects, our business, financial condition, and results of operations could be materially and adversely affected.

Demand

We believe global demand for frozen potato products is growing, and we believe that this demand will continue to grow over the long-term. To support our customers' growth, we believe we must invest in our production capabilities either through capital expansion or acquisitions. In 2021 and 2022, fiscal 2024, we announced capital

investments in completed the construction of a new french fry processing lines line in American Falls, Idaho and a new processing facility in Ulanqab, Inner Mongolia, China. We are also currently investing in new french fry processing facilities in Argentina China, and the Netherlands. If we are

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unable to complete these or other large capital projects, or encounter unexpected delays, higher costs or other challenges, including those related to supply chain disruptions and availability of necessary labor, materials, and equipment, our business, financial condition, and results of operations could be materially and adversely affected.

Our results may be adversely affected by our inability to complete or realize the projected benefits of acquisitions, divestitures and other strategic transactions.

Our ability to meet our objectives with respect to acquisitions and other strategic transactions may depend in part on our ability to identify suitable counterparties, negotiate favorable financial and other contractual terms, obtain all necessary regulatory approvals on the terms expected and complete those transactions. Potential risks also include:

- the inability to integrate acquired businesses into our existing operations in a timely and cost-efficient manner, including our recent acquisition of the remaining equity interests in LW EMEA;
 - diversion of management's attention from other business concerns;
 - potential loss of key employees, suppliers and/or customers of acquired businesses;
 - assumption of unknown risks and liabilities;
 - the inability to achieve anticipated benefits, including revenues or other operating results;
 - operating costs of acquired businesses may be greater than expected;
 - difficulties integrating personnel and financial and other systems;
 - inaccurate estimates of fair value made in the accounting for acquisitions and amortization of acquired intangible assets, which would reduce future reported earnings;
 - indemnities and potential disputes with the sellers; and
 - the inability to promptly implement an effective control environment.
- the inability to integrate acquired businesses into our existing operations in a timely and cost-efficient manner;
- diversion of management's attention from other business concerns;
 - potential loss of key employees, suppliers and/or customers of acquired businesses;
 - assumption of unknown risks and liabilities;
 - the inability to achieve anticipated benefits, including revenues or other operating results;
 - operating costs of acquired businesses may be greater than expected;
 - difficulties integrating personnel and financial and other systems;
 - inaccurate estimates of fair value made in the accounting for acquisitions and amortization of acquired intangible assets, which would reduce future reported earnings;

- indemnities and potential disputes with the sellers; and
- the inability to promptly implement an effective control environment.

If we are unable to complete or realize the projected benefits of recent or future acquisitions, including our acquisition of LW EMEA, divestitures or other strategic transactions, our business or financial results may be adversely impacted.

Industry Risks

Our business is affected by potato crop performance.

Our primary input is potatoes and every year, we must procure potatoes that meet the quality standards for processing into value-added products. Environmental and climate conditions, such as soil quality, moisture, and temperature, affect the yield and quality of the potato crop on a year-to-year basis. As a result, we source potatoes from specific regions of the U.S. and specific countries abroad, including Argentina, Australia, Austria, Belgium, Canada, China, France, Germany, the Netherlands, and the United Kingdom, where we believe the optimal potato growing conditions exist. However, severe weather conditions, including protracted periods of extreme heat or cold, during the planting and growing season in these regions can significantly affect potato crop performance, such as the extreme heat in the Pacific Northwest in the summer of 2021 and the drought in Europe during fiscal 2019, both of which resulted in poor crop and significantly limited supply. Further, because of the poor quality of the crop in the Pacific Northwest that was harvested in fall 2021, we encountered lower raw potato utilization rates in our production facilities during the second half of fiscal 2022 and early fiscal 2023, which increased our production costs. On the other hand, too much water, such as in times of prolonged heavy rainfalls or flooding, can promote harmful crop conditions like mildew growth and increase risks of diseases, as well as delay planting or affect our ability to harvest the potatoes. For example, wet conditions in Europe delayed planting in 2024. Potatoes are also susceptible to pest diseases and insects that can cause crop failure, decreased yields, and negatively affect the physical appearance of the potatoes. We have deep experience in agronomy and actively work to monitor the potato crop. However, if a weather or pest-related event occurs in a particular crop year, and our agronomic programs are insufficient to mitigate the impacts thereof, we may have insufficient potatoes to meet our existing customers' needs and new customer opportunities, or we may experience manufacturing inefficiencies and higher costs, and our competitiveness and profitability could decrease. Alternatively, overly favorable growing conditions can lead to high per acre yields and over-supply. An increased supply of potatoes could lead to overproduction of finished goods and associated increased storage costs or destruction of unused potatoes at a loss.

For example, in fiscal 2024, we had an oversupply of potatoes, largely attributable to soft restaurant traffic trends in North America and other key international markets and a higher-than-expected impact on customer order fulfillment rates related to the ERP transition, as well as a solid potato crop in the Company's growing regions in North America, which resulted in the write-off of excess raw potatoes that adversely affected our financial results.

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Our business relies on a potato crop that has a concentrated growing region.

Ideal growing conditions for the potatoes necessary for our value-added products (e.g., french fries) are concentrated in a few geographic regions globally. In the U.S., most of the potato crop used in value-added products is grown in Washington, Idaho, and Oregon. European growing regions for the necessary potatoes are concentrated in Austria, Belgium, Germany, France, the Netherlands, and the United Kingdom. Recent agronomic developments have opened new growing regions, but the capital-intensive nature of our industry's production processes has kept production highly concentrated in the historical growing regions noted above. Unfavorable crop conditions in any one region could lead to significant demand on the other regions for production, which occurred in connection with the drought in Europe during fiscal 2019. Our inability to mitigate any such conditions by leveraging our production capabilities in other regions could negatively impact our ability to meet existing customers' needs and new customer opportunities and could decrease our profitability. See also "- Legal and Regulatory Risks - Climate change, or legal, regulatory, or market measures to address climate change, may negatively affect our business and operations," in this Item 1A. Risk Factors below.

The sophistication and buying power of some of our customers could have a negative impact on profits.

Some of our customers are large and sophisticated, with buying power and negotiating strength. These customers may be more capable of resisting price increases and more likely to demand lower pricing, increased promotional programs, or specialty tailored products. In addition, some of these customers (e.g., larger distributors and supermarkets) have the scale to develop supply chains that permit them to operate with reduced inventories or to develop and market their own brands. Shelf space at food retailers is not guaranteed, and large retail customers may choose to stock their own retailer and other economy brands that compete with some of our products. This could be exacerbated with a shift in consumer spending as a result of an economic downturn and consumers moving to private label or lower priced products. If the initiatives we undertake to counteract these pressures, including efficiency programs and investments in innovation and quality, are unsuccessful and we are unable to counteract the negotiating strength of these customers, our profitability could decline.

Increased competition may result in reduced sales or profits.

Our business, value-added frozen potato products, is highly competitive. Competitors include large North American and European frozen potato product companies that compete globally, local and regional companies, and retailers and foodservice distributors with their own branded and private label products. Some of our competitors are larger and have substantial financial, sales and marketing, and other resources. We compete based on, among other things, customer service, value, product innovation, product quality, brand recognition and loyalty, price, and the ability to identify and satisfy customer preferences. A strong competitive response from one or more of our competitors to our marketplace efforts could result in us reducing pricing, increasing spend on promotional activity, or losing market share. Competitive pressures may restrict our ability to increase prices, including in response to commodity and other input cost increases or additional improvements in product quality. Our profits could decrease if a reduction in prices or increased costs are not counterbalanced with increased sales volume.

Increased industry capacity may result in reduced sales or profits.

In recent years, market demand for value-added frozen potato products has exceeded industry capacity to produce these products. However, in fiscal 2024, we experienced declines in sales volume as a result of a slowdown in restaurant traffic in North America and other key international markets as our customers and consumers respond to the cumulative effect of inflation on the cost of food consumed away from home. As additional industry capacity comes online, restaurant traffic declines, or market demand otherwise decreases, including as a result of inflation or pandemics such as the COVID-19 pandemic or other contagious outbreaks, we may face competitive pressures that would restrict our ability to increase or maintain prices, or we may lose market share. For example, during fiscal 2021, 2024, we have faced increased pricing pressure for private label products due to excess production as additional industry capacity in Europe that resulted from decreased demand following government-imposed COVID-related social restrictions, becomes operational, which caused us to lose some private label volume. capacity is also impacted by softening demand. Our profits would decrease as a result of a reduction in prices or sales volume.

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We must identify changing consumer preferences and consumption trends and develop and offer food products to our customers that help meet those preferences and trends.

Consumer preferences evolve over time and our success depends on our ability to identify the priorities, tastes and dietary habits of consumers and offer products that appeal to those preferences. We need to continue to respond to these changing consumer preferences and support our customers in their efforts to evolve to meet those preferences. For example, as consumers continue to focus on freshly prepared foods, some restaurants may choose to limit the frying capabilities of their kitchens. As a result, we must evolve our product offering to provide alternatives that work in such a preparation environment. In addition, our products contain carbohydrates, sodium, genetically modified ingredients, added sugars, saturated fats, and preservatives, the diet and health effects of which remain the subject of public scrutiny. For example, the increased use and/or prevalence of certain weight loss drugs, which may suppress a person's appetite and/or impact a person's preferences, may impact the demand or consumption patterns for certain of our products. We must continue to reformulate our products, introduce new products and create product extensions without a loss of the taste, texture, and appearance that consumers demand in value-added potato products. All of these efforts require significant research and development and marketing investments. If our products fail to meet consumer preferences or customer requirements, or we fail to introduce new and improved products on a timely basis, then the return on those investments will be less than anticipated, which could materially and adversely affect our business, financial condition, and results of operations.

In addition, we compete against branded products as well as private label products. Our products must provide higher value and/or quality to our customers and consumers than alternatives, particularly during periods of economic uncertainty. Consumers may not buy our products if relative differences in value and/or quality

between our products and private label products change in favor of competitors' products or if consumers perceive this type of change. If consumers prefer private label products, which are typically sold at lower prices, then we could lose market share or sales volumes or shift our product mix to lower margin offerings. During an economic downturn, **some of the effects of which are present in our current environment**, factors such as increased unemployment, decreases in disposable income, inflation, and declines in consumer confidence could cause a decrease in demand for our overall product offerings, particularly higher priced products, which could materially and adversely affect our business, financial condition, and results of operations. Distributors, restaurants, and retailers may also become more conservative in response to these conditions and seek to reduce their inventories. A change in consumer preferences could also cause us to increase capital, marketing, and other expenditures, which could materially and adversely affect our business, financial condition, and results of operations.

Financial and Economic Risks

Our substantial debt may limit cash flow available to invest in the ongoing needs of our business and could prevent us from fulfilling our debt obligations.

We have incurred substantial indebtedness. As of **May 28, 2023** **May 26, 2024**, we had approximately **\$3.5 billion** **\$3.8 billion** of debt, including current portion, and short-term borrowings, recorded on our Consolidated Balance Sheet. Our level of debt could have important consequences. For example, it could:

- make it more difficult for us to make payments on our debt;
 - require us to dedicate a substantial portion of our cash flow from operations to the payment of debt service, reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions, and other general corporate purposes;
 - increase our vulnerability to adverse economic or industry conditions;
 - limit our ability to obtain additional financing in the future to enable us to react to changes in our business; or
 - place us at a competitive disadvantage compared to businesses in our industry that have less debt.
- make it more difficult for us to make payments on our debt;
- require us to dedicate a substantial portion of our cash flow from operations to the payment of debt service, reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions, and other general corporate purposes;
 - increase our vulnerability to adverse economic or industry conditions;
 - limit our ability to obtain additional financing in the future to enable us to react to changes in our business; or
 - place us at a competitive disadvantage compared to businesses in our industry that have less debt.

The agreements governing our debt contain various covenants that impose restrictions on us that may affect our ability to operate our business.

The credit agreements governing our term loans and revolving credit facilities and the indentures governing our senior notes contain covenants that, among other things, limit our ability to:

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borrow money or guarantee debt;

- create liens;
- pay dividends on or redeem or repurchase stock;

Table • [make specified types of Contents investments and acquisitions;](#)

- borrow money or guarantee debt;
- create liens;
- pay dividends on or redeem or repurchase stock;
- make specified types of investments and acquisitions;
- enter into agreements that limit the ability of our subsidiaries to pay dividends or other payments to us;
- enter into transactions with affiliates; and
- sell assets or merge with other companies.

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payments to us;

- enter into transactions with affiliates; and
- sell assets or merge with other companies.

These restrictions on our ability to operate our business could harm our business by, among other things, limiting our ability to take advantage of financing, merger and acquisition, or other corporate opportunities. Various risks, uncertainties, and events beyond our control could affect our ability to comply with these covenants. Failure to comply with any of the covenants in our existing or future financing agreements could result in a default under those agreements and under other agreements containing cross-default provisions. A default would permit lenders to accelerate the maturity of the debt under these agreements and to foreclose upon any collateral securing the debt. Under these circumstances, we might not have sufficient funds or other resources to satisfy all of our obligations. Also, the limitations imposed by these financing agreements on our ability to incur additional debt and to take other actions might significantly impair our ability to obtain other financing.

In addition, the restrictive covenants in our credit agreements require us to maintain specified financial ratios and satisfy other financial condition tests. We cannot provide assurance that we will continue to be in compliance with these ratios and tests. Our ability to continue to meet those financial ratios and tests will depend on our ongoing financial and operating performance, which, in turn, will be subject to economic conditions and to financial, market, and competitive factors, many of which are beyond our control. A breach of any of these covenants could result in a default under one or more of our debt instruments, including as a result of cross default provisions and, in the case of our revolving credit facility, permit the lenders thereunder to cease making loans to us. Upon the occurrence of an event of default under our credit facilities, the lenders could elect to declare all amounts outstanding thereunder to be immediately due and payable and terminate all commitments to extend further credit. Such action by the lenders could cause cross-defaults under our senior notes indentures.

Any failure to meet required payments on our debt, or failure to comply with any covenants in the instruments governing our debt, could result in a downgrade to our credit ratings. A downgrade in our credit ratings could limit our access to capital and increase our borrowing costs.

We face risks related to heightened inflation, recession, financial and credit market disruptions, and other economic conditions.

Customer and consumer demand for our products may be impacted by weak economic conditions, recession, equity market volatility, or other negative economic factors in the U.S. or other countries. For example, the U.S. has experienced significantly heightened inflationary pressures since 2022. In fiscal 2024, we experienced declines in 2022, which have continued into 2023, sales volume as a result of a slowdown in

restaurant traffic in North America and other key international markets as our customers and consumers respond to the cumulative effect of inflation on the cost of food consumed away from home. In addition, if the U.S. economy enters a recession in fiscal 2024, restaurant traffic trends continue to soften, we may experience sales declines and may have to decrease prices, all of which could have a material adverse impact on our business, financial condition, and results of operations.

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Similarly, disruptions in financial and/or credit markets may impact our ability to manage normal commercial relationships with our customers, suppliers, and creditors and might cause us to not be able to continue to have access to preferred sources of liquidity when needed or on terms we find acceptable, and our borrowing costs could increase. An economic or credit crisis could occur and impair credit availability and our ability to raise capital when needed. In addition, disruptions in financial and/or credit markets could result in some of our customers experiencing a significant decline in profits and/or reduced liquidity. A significant adverse change in the financial and/or credit position of a customer could require us to assume greater credit risk relating to that customer and could limit our ability to collect receivables. A significant adverse change in the financial and/or credit position of a supplier or co-packer could result in an interruption of supply. This could have a material adverse effect on our business, financial condition, results of operations, and liquidity. A disruption in the financial markets may also have a negative effect on our derivative counterparties and could impair our banking or other business partners, on whom we rely for access to capital and as counterparties to our derivative contracts. In addition, changes in tax or interest rates in the U.S. or other countries, whether due to recession, economic disruptions, or other reasons, may adversely impact us.

Technology Risks

Problems with the transition, design, or implementation of our new ERP system have and could further interfere with our business and operations and adversely affect our financial condition.

At the beginning of our third quarter of fiscal 2024, we began transitioning certain central systems and functions in North America to a new ERP system, as part of our multi-year effort to upgrade our information systems and ERP infrastructure across the company. We are designing the next phase of our ERP implementation for our manufacturing facilities in North America. The ERP system is designed to accurately maintain our financial records, enhance operational functionality, and provide timely information to our management team related to the operation of the business. The ERP system implementation process has required, and will continue to require, the investment of significant personnel and financial resources. We have experienced, and may continue to experience, difficulties as we transition to new upgraded systems and business processes. For example, after the ERP transition in our fiscal third quarter 2024, we experienced temporary reduced visibility into finished goods inventories at our distribution centers, which affected our ability to fill customer orders. Although we partnered closely with our customers to minimize the impact of the disruptions and resolved the reduced visibility, within the quarter, our sales volume and margins nevertheless declined. In addition, some customers affected by these disruptions may have secured supply from alternative sources, and we must regain their trust and business. Other difficulties may include loss of data; difficulty in completing financial reporting and filing reports with the SEC in a timely manner; or challenges in otherwise running our business. We may also experience decreases in productivity as our personnel implement and become familiar with new systems and processes. Any disruptions, delays, or deficiencies in the transition, design, and implementation of a new ERP system, particularly any disruptions, delays, or deficiencies that impact our operations, could have a material adverse effect on our business, financial condition, and results of operations. Even if we do not encounter further adverse effects, the transition, design, and implementation of a new ERP system, may be much more costly than we anticipated.

We are significantly dependent on information technology, and we may be unable to protect our information systems against service interruption, misappropriation of data, or breaches of security.

We rely on information technology networks and systems, including the Internet, to process, transmit, and store electronic and financial information, to manage and support a variety of business processes and activities, and to comply with regulatory, legal, and tax requirements. We also depend upon our information technology infrastructure for digital marketing activities and for electronic communications among our locations, personnel, customers, third-party manufacturers and suppliers. The importance of such networks and systems has increased due to our adoption of flexible work-from-home policies for some of our functional support areas, which in turn has heightened our vulnerability to cyberattacks or other **disruptions, disruptions as a result of team members accessing our networks and systems from off-site**. Despite careful security and controls design, implementation and updating, monitoring and routine testing, independent third-party verification, and annual training of employees on information security and data protection, our information technology systems, some of which are dependent on services provided by third parties, may be vulnerable to, among other things, damage, invasions, disruptions, or shutdowns due to any number of causes such as catastrophic events, natural disasters, infectious disease outbreaks and other public health crises, fires, power outages, systems failures, telecommunications failures, security breaches, computer viruses, ransomware and malware, hackers, employee error or malfeasance, potential failures in the incorporation of artificial intelligence, and other causes. While we have experienced threats to our data and systems, to date, we are not aware that we have experienced a **breach that had a material breach to impact on our systems, operations or business**. However, third parties, including our partners and vendors, could also be a source of security risk to us, or cause disruptions to our normal operations, in the event of a breach of their own products, components, networks, security systems, and infrastructure. For example, in December 2021, our third-party service provider for our workforce management software, the Ultimate Kronos Group ("Kronos"), experienced a ransomware attack that resulted in Kronos temporarily decommissioning the functionality of certain of its cloud software, requiring us to find and implement other procedures to continue our payroll processes, which was time consuming and burdensome but did not have a material adverse impact on our business. In addition, in April 2023, Americold Realty Trust, Inc. ("Americold"), a third-party finished goods storage provider, suffered a cyber incident that impacted its operations and resulted in considerable delays in the delivery of our products to our customers and interrupted other key business processes. While the incident impacted our business and we were unable to ship to certain customers for a short period of time, it did not have a material adverse impact on our business.

As evidenced by the attacks on Kronos and Americold, cyber threats are constantly evolving, are becoming more frequent and more sophisticated and are being made by groups of individuals with a wide range of expertise and motives, which increases the difficulty of detecting and successfully defending against them. Further, continued geopolitical turmoil, including the ongoing war in Ukraine **has and conflicts in the Middle East, and geopolitical tensions, such as between the U.S. and China, have** heightened the risk of cyberattacks. Sophisticated cybersecurity threats, including potential cyberattacks from **China or** Russia targeted against the U.S., pose a potential risk to the security and viability of our information technology systems, as well as the confidentiality, integrity, and availability of the data stored on those systems, including cloud-based platforms. In addition, new technology, such as artificial intelligence, that could result in greater operational efficiency may further expose our computer systems to the risk of cyberattacks. If we do not allocate and effectively manage the resources necessary to build and sustain the proper technology infrastructure and associated

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automated and manual control processes, we could be subject to billing and collection errors, business disruptions, or damage resulting from security breaches. If any of our significant information technology systems suffer severe damage, disruption, or shutdown and our business continuity plans do not effectively resolve the issues in a timely manner, our product sales, financial condition, and results of operations may be materially and adversely affected, and we could experience delays in reporting our financial results. Any interruption of our information technology systems could have operational, reputational, legal, and financial impacts that may have a material adverse effect on our business, financial condition, and results of operations. Further, in the event our suppliers or customers experience a breach or system failure, their businesses could be disrupted or otherwise

negatively affected, which may result in a disruption in our supply chain or reduced customer orders, which would adversely affect our business and financial results.

In addition, if we are unable to prevent security breaches or unauthorized disclosure of non-public information, we may suffer financial and reputational damage, litigation or remediation costs, fines, or penalties because of the unauthorized disclosure of confidential information belonging to us or to our partners, customers, or suppliers. Misuse, leakage, or falsification of information could result in violations of data privacy laws and regulations (including federal, state and international), potentially significant fines and penalties, damage to our reputation and credibility, loss of strategic opportunities, and loss of ability to commercialize products developed through research and development efforts and, therefore, could have a negative impact on net sales. In addition, we may face business interruptions, litigation, and financial and reputational damage because of lost or misappropriated confidential information belonging to us, our current or former employees, or to our suppliers or customers, and may become subject to legal action and increased regulatory oversight. We could also be required to spend significant financial and other resources to remedy the damage caused by a security breach or to repair or replace networks and information systems. While we maintain a cyber insurance policy that provides coverage for security incidents, we cannot be certain that our coverage will be adequate for liabilities actually incurred, that insurance will continue to be available to us on financially reasonable terms, or at all, or that any insurer will not deny coverage as to any future claim. There is no assurance that the measures we have taken to protect our information systems will prevent or limit the impact of a future cyber incident.

Problems with the transition, design, or implementation of our new ERP system could interfere with our business and operations and adversely affect our financial condition.

We are in the process of building a new ERP system to replace our existing operating and financial systems. The ERP system is designed to accurately maintain our financial records, enhance operational functionality, and provide timely information to our management team related to the operation of the business. The ERP system implementation process has required, and will continue to require, the investment of significant personnel and financial resources. Due to the uncertainty caused by COVID-19, we paused ERP work in fiscal 2021, after completing the first phase of implementation. We have resumed designing the next phase of our ERP implementation of central functions in North America and are in the test stage. We expect to begin implementing this next phase in fiscal 2024. We have experienced, and may continue to experience, difficulties as we transition to new upgraded systems and business processes. These difficulties have or may include loss of data; difficulty in making payments to third-parties; difficulty in completing financial reporting and filing reports with the SEC in a timely manner; or challenges in otherwise running our business. We may also experience decreases in productivity as our personnel implement and become familiar with new systems and processes. Any disruptions, delays, or deficiencies in the transition, design, and implementation of a new ERP system, particularly any disruptions, delays, or deficiencies that impact our operations, could have a material adverse effect on our business, financial condition, and results of operations. Even if we do not encounter adverse effects, the transition, design, and implementation of a new ERP system, may be much more costly than we anticipated.

Legal and Regulatory Risks

We may be subject to product liability claims and product recalls or withdrawals, which could negatively impact our relationships with customers and harm our business.

We sell food products for human consumption, which involves risks such as product contamination or spoilage, product tampering, other adulteration of food products, mislabeling, and misbranding. We may voluntarily recall or withdraw products from the market in certain circumstances, which would cause us to incur associated costs; those costs could be meaningful. For example, in June 2024, we had a voluntary product withdrawal, which negatively impacted our financial results in fiscal 2024 and is expected to continue to impact our results in fiscal 2025. We may also be subject to litigation, requests for indemnification from our customers, or liability if

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the consumption or inadequate preparation of any of our products causes injury, illness, or death. A significant product liability judgment or a widespread product recall **or withdrawal** may negatively impact our sales and profitability for a period of time depending on the costs of the recall **or withdrawal**, the destruction of product inventory, product availability, competitive reaction, customer reaction, and consumer attitudes. Even if a product liability **or labeling** claim is unsuccessful or is not fully pursued, the negative publicity surrounding any assertion that our products caused illness or injury could adversely affect our reputation with existing and potential customers and our corporate and brand image.

In addition, we could be the target of claims of false or deceptive advertising under U.S. federal and state laws as well as foreign laws, including consumer protection statutes of some states. The marketing of food products has come under increased regulatory scrutiny in recent years, and the food industry has been subject to an increasing number of proceedings and claims relating to alleged false or deceptive labeling and marketing under federal, state and foreign laws or regulations. Changes in legal or regulatory requirements (such as new food safety requirements and revised nutrition facts labeling, including front of pack labeling, and serving size regulations), or evolving interpretations of existing legal or regulatory requirements, may result in increased compliance costs, capital expenditures and other financial obligations that could adversely affect our business or financial results. If we are found to be out of compliance with applicable laws and regulations in these areas, we could be subject to civil remedies, including fines, injunctions, termination of necessary licenses or permits, or recalls or withdrawals, as well as potential criminal sanctions, any of which could have a material adverse effect on our business.

Additionally, as a manufacturer and marketer of food products, we are subject to extensive regulation by the FDA and other national, state and local government agencies. The Food, Drug & Cosmetic Act, the Food Safety Modernization Act, other laws and their respective regulations govern, among other things, the manufacturing, composition and ingredients, packaging, and safety of food products. Some aspects of these laws use a strict liability standard for imposing sanctions on corporate behavior, meaning that no intent is required to be established. If we fail to comply with applicable laws and regulations, we may be subject to civil remedies, including fines, injunctions, recalls, **withdrawals**, or seizures, as well as criminal sanctions, any of which could have a material adverse effect on our business, financial condition, and results of operations.

New regulations imposed by the FDA or EFSA around acrylamide formation in potato products could adversely affect us.

The regulation of food products, both within the U.S. and internationally, continues to be a focus for governmental scrutiny. The presence and/or formation of acrylamide in potato products cooked at high temperatures has become a global regulatory issue as both the FDA and the European Food Safety Authority ("EFSA") have issued guidance to the food processing industry to work to reduce conditions that favor the formation of this naturally occurring compound. Acrylamide formation is the result of heat processing reactions that give "browned foods" their desirable flavor. Acrylamide formation occurs in many food types in the human diet, including but not limited to breads, toast, cookies, coffee, crackers, potatoes, and olives. The regulatory approach to acrylamide has generally been to encourage the industry to achieve as low as reasonably achievable content levels through process control (e.g., temperature) and material testing (e.g., low sugar and low asparagine). However, limits for acrylamide exposure have been established in the State of California, and point of sale consumer warnings are required if products exceed those limits. In addition, the EFSA has promulgated regulations establishing specific mitigation measures, sampling, and analysis procedures and benchmark levels for acrylamide in certain food products. If the global regulatory approach to acrylamide becomes more stringent and additional legal limits are established, our manufacturing costs could increase. In addition, if consumer perception regarding the safety of our products is negatively impacted due to regulation, sales of our products could decrease.

If we fail to comply with the many laws and regulations applicable to our business, we may face lawsuits or incur significant fines and penalties.

Our facilities and products are subject to many laws and regulations administered by the U.S. Department of Agriculture, the FDA, the Occupational Safety and Health Administration, and other federal, state, local, and foreign governmental agencies relating to the processing, packaging, storage, distribution, advertising, labeling, quality, and safety of food products, and the health and safety of our employees. Our failure to comply with applicable laws and regulations could subject us to additional costs, product detentions, substantial delays or a temporary shutdown in manufacturing, lawsuits, administrative penalties, and civil remedies, including fines, injunctions, and recalls or withdrawals of our products.

Our operations are also subject to extensive and increasingly stringent regulations administered by foreign government agencies, the U.S. Environmental Protection Agency, and comparable state agencies, which pertain to the protection of human health and the environment, including, but not limited to, the discharge of materials into the environment, such as the land application of our processed water, and the handling and disposition of wastes. Failure to comply with these regulations can have serious consequences, including civil and administrative penalties and negative publicity, while compliance could require seasonal shutdowns in manufacturing and increase costs. Changes in applicable laws or regulations or evolving interpretations thereof, including increased government regulations to limit the emissions of toxic air pollutants and carbon dioxide and other greenhouse gas emissions as a result of concern over climate change, may result in increased compliance costs, capital expenditures, and other financial obligations for us, which could affect our profitability or impede the production or distribution of our products, which could adversely affect our business, financial condition, and results of operations.

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Climate change, or legal, regulatory, or market measures to address climate change, may negatively affect our business and operations.

There is growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns, and the frequency and severity of extreme weather and natural disasters. In the event that climate change has a negative effect on agricultural productivity, we may be subject to decreased availability or less favorable pricing for certain commodities that are necessary for our products, such as potatoes and edible oils. Adverse weather conditions and natural disasters can reduce crop size and crop quality, which in turn could reduce our supplies of raw potatoes, lower recoveries of usable raw potatoes, increase the prices of our raw potatoes, increase our cost of transporting and storing raw potatoes, or disrupt our production schedules or efficiencies. Natural disasters and extreme weather conditions may disrupt the productivity of our facilities or the operation of our supply chain. In addition, water is an important part of potato processing. In times of water stress, we may be subject to decreased availability or less favorable pricing for water, which could impact our manufacturing and distribution operations. Further, a decrease in the availability of water in certain regions caused by droughts or other factors could increase competition for land and resources in areas that have more favorable growing conditions, and thereby increase costs for such land and resources.

The increasing concern over climate change also may result in more regional, federal, and/or global legal and regulatory requirements to reduce or mitigate the effects of greenhouse gases, as well as more stringent regulation of water rights. In the event that such regulation is enacted and is more aggressive than the sustainability measures that we are currently undertaking to monitor our emissions, improve our energy efficiency, and reduce and reuse water, we may be subject to curtailment or reduced access to resources or experience significant increases in our costs of operation and delivery. In particular, a new regulation in the Netherlands intended to reduce emissions of nitrogen oxide and ammonia mandates the harvest of potatoes grown on sandy soil by October 1, 2023, which is earlier than previous harvests and is expected to reduce potato capacity in the region. As a result, we may experience reduced potato availability and higher costs. In addition, increasing regulation of utility providers, fuel emissions, or fuel suppliers could substantially increase the distribution and supply chain costs of our products. Further, we may experience significant increases in our compliance costs, capital expenditures, and other financial obligations to adapt our business and operations to meet new regulations and standards.

Even if we make changes to align ourselves with such legal or regulatory requirements, we may still be subject to significant penalties or potential litigation if such laws and regulations are interpreted and applied in a manner inconsistent with our practices. Also, consumers and customers may place an increased priority on purchasing products that are sustainably grown and made, requiring us to incur increased costs for additional transparency, due diligence, and reporting. In addition, we might fail to effectively address increased attention from the media, stockholders, activists, and other stakeholders on climate change and related environmental sustainability matters. From time to time, we establish and publicly announce goals and commitments, including those related to reducing our impact on the environment. Our ability to achieve any stated goal, target or objective is subject to numerous factors and conditions, many of which are outside of our control, including evolving regulatory requirements, the pace of scientific and technological developments, and the availability of suppliers that can meet our standards. We may be required to expend significant resources to meet these goals and commitments, which could significantly increase our operational costs. Furthermore, standards for tracking and reporting such matters continue to evolve. Our selection of voluntary disclosure frameworks and standards, and the interpretation or application of those frameworks and standards, may change from time to time or differ from those of others. Methodologies for reporting this data may be updated and previously reported data may be adjusted to reflect improvement in availability and quality of third-party data, changing assumptions, changes in the nature and scope of our operations (including from acquisitions and divestitures), and other changes in circumstances, which could result in significant revisions to our current goals, reported progress in achieving such goals, or ability to achieve such goals in the future. There can be no assurance of the extent to which any of our goals or commitments will be achieved, or that any future investments we make in furtherance of achieving these goals will meet customer or investor expectations. Any delay or failure (perceived or actual) to achieve our goals with respect to reducing our impact on the environment or perception of a delay or failure to act responsibly with respect to the environment or to effectively respond to regulatory requirements concerning climate change can lead to adverse publicity, which could damage our reputation, as well as expose us to enforcement actions and litigation. See also "Industry Risks – Our business is affected by potato crop performance," in this Item 1A. Risk Factors above.

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Our intellectual property rights are valuable, and any inability to protect them could reduce the value of our products and brands.

We consider our intellectual property rights to be a significant and valuable aspect of our business. We attempt to protect our intellectual property rights through a combination of trademark, patent, copyright and trade secret protection, contractual agreements and policing of third-party misuses of our intellectual property. Our failure to timely obtain or adequately protect our intellectual property or any change in law that lessens or removes the current legal protections of our intellectual property may diminish our competitiveness and adversely

affect our business and financial results. We also license certain intellectual property, most notably *Grown in Idaho* and *Alexia*, from third parties. To the extent that we are not able to contract with these third parties on favorable terms or maintain our relationships with these third parties, our rights to use certain intellectual property could be impacted.

Competing intellectual property claims that impact our brands or products may arise unexpectedly. Any litigation or disputes regarding intellectual property may be costly and time-consuming and may divert the attention of our management and key personnel from our business operations. We also may be subject to significant damages or injunctions against development, launch, and sale of certain products. Any of these occurrences may harm our business and financial results.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

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None.

[Table ITEM 1C. CYBERSECURITY](#)

[Risk Management and Strategy](#)

[We assess, identify, and manage material risks from cybersecurity threats through our cybersecurity risk management program. This program includes cybersecurity policies, standards, and procedures, a cybersecurity incident response plan, regular risk assessments, including as part of Contents](#)

our annual enterprise risk management ("ERM") assessment, testing of the Company's internal infrastructure to identify vulnerabilities, cybersecurity insurance, procedures for recovering from disruptions to our operations, workforce cybersecurity trainings, and third-party assessments and programs. We maintain a cybersecurity incident response plan to help enable timely, consistent responses to actual or attempted cybersecurity incidents impacting the Company. This plan provides guidance to address the overall coordination of our response to a cybersecurity crisis and plan for resources, actions, and decisions we may need to be prepared for; a communication plan for timely and accurate dissemination of evolving information to stakeholders during the crisis; and business continuity plans that document strategies and measures to enable core business activities to continue during a cybersecurity event. To support our cybersecurity incident response plan, we conduct tabletop exercises to educate and train our management on response capabilities and inform adjustments to our controls and response. We have engaged third-party cybersecurity firms to advise on these exercises. The status and ongoing enhancement of our cybersecurity risk management program is reported to senior management, as well as the Audit Committee of our Board, on a quarterly basis, or more frequently as warranted.

As part of our broader risk management and control framework, we have implemented cybersecurity controls over the information technology and process control systems of the Company and of our third-party service providers, to support the oversight and identification of risks from cybersecurity threats. We engage third-party organizations to assess the controls around sensitive data, including but not limited to financial, employee, customer, and vendor data as well as data affecting our process controls and data used to operate our manufacturing facilities. As part of our cybersecurity risk management program, we conduct information security and data protection training for employees, including training on

matters such as phishing, social engineering, cybersecurity awareness, and email security best practices. In addition, we work with third-party providers to undertake penetration testing and maturity assessments of the Company's information security program based on the National Institute of Standards and Technology cybersecurity framework. With respect to third-party service providers, we perform information security assessments and due diligence reviews prior to entering into a contractual agreement. Further, after engagement, we periodically perform information security assessments of certain third-party service providers that we consider critical to our operations. In addition, recently, we have been including provisions in our supplier contracts that require the suppliers to maintain an effective information security management program and to notify us in the event of a known or suspected cyber incident. We have added these requirements in new or amended contracts going forward. We also consult with external advisors and

specialists, as necessary, regarding opportunities and enhancements to strengthen our cybersecurity practices and policies and implement enhancements to our cybersecurity capabilities based on evolving threats.

While we have experienced threats to our data and systems, to date, we are not aware that we have experienced a cybersecurity incident that had, or is reasonably likely to have, a material impact on our business or operations; however, because of the frequently changing attack techniques, along with the increased volume and sophistication of the attacks, there is the potential for the Company to be adversely impacted. This impact could result in reputational, competitive, operational, or other business harm as well as financial costs and regulatory action. See "Item 1A. Risk Factors—Technology Risks" of this Form 10-K for additional discussion of cybersecurity risks and potential related impacts on the Company.

Corporate Governance

Our Board has ultimate oversight of cybersecurity risk, which it manages as part of our ERM program. This program is utilized in making decisions with respect to company priorities, resource allocations, and oversight structures. The Board is assisted by the Audit Committee, which regularly reviews our cybersecurity program with management and reports to the Board on its activities on a quarterly basis or more frequently as warranted.

Our cybersecurity program is managed by our Chief Information Security Officer ("CISO"), who reports to our Chief Information and Digital Officer ("CIDO"). Our CISO is informed about and monitors prevention, detection, mitigation, and remediation efforts through regular communication and reporting from professionals in the Company's information security team, many of whom hold cybersecurity certifications such as a Certified Information Systems Security Professional or Certified Information Security Manager, and through the use of technological tools and software and results from third-party audits. Our CISO has extensive experience assessing and managing cybersecurity programs and cybersecurity risk. Our CISO has served in this position since June 2022 and has over 20 years of experience in information security. His background includes technical experience, strategy and architecture focused roles, cyber and threat experience, and various leadership roles in all areas of information technology. Our CIDO joined the Company in July 2023 with over 25 years of experience leading digital and information technology teams, including leading all aspects of her prior company's global enterprise digital roadmap, including finance, supply chain, and commercial solutions as well as data and analytics, including automation and artificial intelligence.

Our CISO and CIDO regularly update the Audit Committee on the Company's cybersecurity programs, policies, and practices as warranted, including review of the state of the Company's cybersecurity programs and risks, emerging cybersecurity developments, threats and vulnerability, and the Company's strategy and key cybersecurity initiatives designed to improve the Company's risk posture. In addition, we have an escalation process in place to inform senior management and the Board of material cyber-related issues. The Audit Committee also reviews with our CIDO, on an annual basis, our global information technology structure and strategic efforts to protect, optimize, and support the growth of the Company. The Chair of the Audit Committee reports to the full Board on its activities.

ITEM 2. PROPERTIES

PROPERTIES

We are headquartered in Eagle, Idaho. The following table sets forth our principal production and processing facilities as of May 28, 2023 May 26, 2024:

<u>Location</u>	<u>Type of Facility and Number</u>	<u>Owned/ Leased</u> (Number of Facilities)
<i>Domestic:</i>		
American Falls, ID	Production Facility and Cold Storage	Owned (1)
Boardman, OR	Production Facility (2), Production Facility and Cold Storage	Owned (3)
Connell, WA	Production Facility, Cold Storage	Owned (1), Leased (1)
Delhi, LA	Production Facility, Cold Storage, Farm	Owned (1), Leased (2)
Hermiston, OR	Production Facility	Owned (1)
Park Rapids, MN (a)	Production Facility and Cold Storage	Owned (1)
Pasco, WA	Production Facility (2)	Owned (2)
Paterson, WA	Production Facility, Farm (4)	Owned (2), Leased (3)
Quincy, WA	Production Facility	Owned (1)
Richland, WA	Production Facility, Innovation Center	Owned (2)
Twin Falls, ID	Production Facility	Owned (1)
Warden, WA	Production Facility	Owned (1)
<i>International:</i>		
Bergen-op-Zoom, The Netherlands	Production Facility	Owned (1)
Broekhuizenvorst, The Netherlands	Production Facility	Owned (1)
Buenos Aires, Argentina	Production Facility	Owned (1)
Hallam, Australia	Production Facility and Cold Storage (2)	Leased (2)
Hollabrunn, Austria (b)	Production Facility	Owned (1)
Kruiningen, The Netherlands	Production Facility	Owned (1)
Oosterbierum, The Netherlands	Production Facility	Owned (1)
Shangdu, China	Production Facility	Owned (1)
Taber, Canada	Production Facility and Cold Storage	Owned (1)
Ulanqab, China	Production Facility and Cold Storage	Owned (1)
Wisbech, The United Kingdom	Production Facility	Owned (1)

(a) We own a 50 percent interest in this facility through our Lamb Weston RDO joint venture.

(b) LW EMEA owns a 75 percent interest in a joint venture in Austria. This joint venture's financial results are consolidated in our financial statements.

(a)

We own a 50% interest in this facility through our Lamb Weston RDO joint venture.

(b) LW EMEA owns a 75% interest in a joint venture in Austria that owns this facility. This joint venture's financial results are consolidated in our financial statements.

We use our farms as a source of raw materials, to better understand the costs of growing potatoes, and to deploy agronomic research. Our Overall, our facilities vary in age and condition, and each of them has an active maintenance program to ensure a safe operating environment and to keep the facilities in good condition. We believe all our buildings are in satisfactory operating condition to conduct our business as intended. We also own and lease general office/support facilities in the regions in which we operate, including Argentina, Australia, Austria, Canada, China, Mexico, Japan, Singapore, North America, Latin America, Europe, the Netherlands, the United Kingdom Middle East, and the U.S.

Asia.

Our manufacturing assets are shared across all reportable segments. Therefore, we do not identify or allocate assets by reportable segment. For more information, see Note 13, Segments, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Form 10-K.

ITEM 3. LEGAL PROCEEDINGS

For information regarding our legal proceedings, see 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 this Form 10-K.

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ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

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PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock is listed on the New York Stock Exchange under the ticker symbol "LW." At July 17, 2023 July 17, 2024, there were 10,490 9,930 holders of record of our common stock. The majority of holders of Lamb Weston common stock are "street name" or beneficial holders, whose shares of record are held by banks, brokers, and other financial institutions.

Dividends

Our Board of Directors intends to continue to consider declaring and paying dividends on Lamb Weston common stock based on our financial condition and results of operations, as well as applicable covenants under our debt agreements. Our However, our Board of Directors has no obligation under Delaware law or our amended and restated certificate of incorporation to declare or pay dividends, and dividends on Lamb Weston common stock are limited to legally available funds.

Purchases of Equity Securities by the Issuer

The following table presents information related to total shares purchased during the periods presented below:

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)	
February 27, 2023 through March 26, 2023	1	\$ 101.98	—	\$	228.4
March 27, 2023 through April 23, 2023	27,496	\$ 109.07	27,496	\$	225.4
April 24, 2023 through May 28, 2023	13,035	\$ 110.01	13,035	\$	223.9
Total	40,532				

(a) Represents repurchased shares of our common stock under our publicly announced share repurchase program, which were repurchased at a weighted average price of \$109.37 per share, 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, bringing the total amount authorized under the program to \$500.0 million of our common stock. Repurchases under the program 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.

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)	
February 26, 2024 through March 24, 2024	17	\$ 102.05	—	\$	450.0
March 25, 2024 through April 21, 2024	248,661	\$ 80.66	247,962	\$	430.0
April 22, 2024 through May 26, 2024	483,621	\$ 82.91	482,341	\$	390.0
Total	732,299				

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Represents repurchased shares of our common stock under our publicly announced share repurchase program, which were repurchased at a weighted average price of \$82.15 per share, 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 had authorized a \$250.0 million share repurchase program with no expiration date. On December 17, 2021, we announced that our Board had authorized the repurchase of an additional \$250.0 million of our common stock under this program, bringing the total amount authorized under the program to \$500.0 million of our common stock. On October 11, 2023, we announced that our Board had increased our share repurchase authorization under the program to an aggregate of \$500.0 million of our common stock, including \$123.9 million of previously authorized but unused capacity under the program. As of May 26, 2024, \$390.0 million remained authorized and available for repurchase under this program. Repurchases under our share repurchase program 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.

Performance Graph

The following graph and table compare the cumulative total return on our common stock with the cumulative total return of the Standard & Poor's ("S&P") 500 Index, the S&P 400 Packaged Foods Index, which we consider to be our peer group, and the S&P 500 Packaged Foods Index for the five years ended **May 26, 2023** **May 24, 2024** (the last trading day of our fiscal year). The graph and table assume that \$100 was invested in our common stock, the S&P 500 Index, the S&P 400 Packaged Foods Index, and the S&P 500 Packaged Foods Index on **May 25, 2018** **May 24, 2019**, and that all dividends were reinvested. The cumulative total return shown below are based on the last trading day in Lamb Weston's fiscal year.

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	May 25, 2018	May 24, 2019	May 29, 2020	May 28, 2021	May 27, 2022	May 26, 2023
Lamb Weston	\$ 100	\$ 96	\$ 94	\$ 131	\$ 109	\$ 178
S&P 500 Index	\$ 100	\$ 106	\$ 116	\$ 163	\$ 164	\$ 169
S&P 400 Packaged Foods Index	\$ 100	\$ 125	\$ 119	\$ 140	\$ 134	\$ 138
S&P 500 Packaged Foods Index	\$ 100	\$ 111	\$ 119	\$ 141	\$ 148	\$ 164

	May 24, 2019	May 29, 2020	May 28, 2021	May 27, 2022	May 26, 2023	May 24, 2024
Lamb Weston	\$ 100	\$ 98	\$ 136	\$ 114	\$ 186	\$ 153
S&P 500 Index	\$ 100	\$ 110	\$ 154	\$ 155	\$ 159	\$ 204
S&P 400 Packaged Foods Index	\$ 100	\$ 95	\$ 112	\$ 108	\$ 111	\$ 119
S&P 500 Packaged Foods Index	\$ 100	\$ 107	\$ 127	\$ 134	\$ 148	\$ 133

The above performance graph and other information furnished under this Part II, Item 5 of this Form 10-K shall not be deemed to be "soliciting material" or to be "filed" with the SEC or subject to Regulation 14A or 14C, or to the provisions of Section 18, of the Securities Exchange Act of 1934, as amended.

ITEM 6. RESERVED

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis of our results of operations and financial condition, which we refer to in this filing as "MD&A," should be read in conjunction with the audited financial statements and the notes thereto. Discussions of fiscal 2021 2022 items and fiscal year comparisons between fiscal 2022 2023 and 2021 2022 that are not included in this Form 10-K can be found in "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the fiscal year ended May 29, 2022 May 28, 2023, which we filed with the SEC on July 27, 2022 July 25, 2023. Results for the fiscal year ended May 28, 2023 May 26, 2024 are not necessarily indicative of results that may be attained in the future.

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 earnings before interest, taxes, depreciation and amortization ("EBITDA"),. We have also presented Adjusted EBITDA, including unconsolidated joint ventures, Adjusted Gross Profit, Adjusted Selling, General and Administrative expenses ("SG&A"), Adjusted Income from Operations, Adjusted Equity Method Investment Earnings, Adjusted Net Income, and Adjusted Diluted earnings per share ("EPS")) that EPS, each of which is prepared using considered a non-GAAP financial measures. measure, to supplement the financial information included in this report. Refer to "Non-GAAP Financial Measures" below for the definitions of product contribution margin, Adjusted EBITDA, Adjusted EBITDA including unconsolidated joint ventures, Gross Profit, Adjusted SG&A, Adjusted Income from Operations, Adjusted Equity Method Investment Earnings, Adjusted Net Income, and Adjusted Diluted EPS, and a reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures, net income, gross profit, SG&A, income from operations, net income, or equity method investment earnings, and diluted EPS, as applicable.

For more information, refer to the "Results of Operations" and "Non-GAAP Financial Measures" sections below.

Acquisitions of Joint Venture Interests

In February 2023, we completed the acquisition of the remaining 50 percent 50% equity interest in Lamb-Weston/Meijer v.o.f. ("LW EMEA" EMEA (the "LW EMEA Acquisition"), and. In addition, in July 2022, we acquired an additional 40 percent 40% interest in Lamb Weston Alimentos Modernos S.A. ("LWAMSA" LWAMSA (together with the LW EMEA Acquisition, the "Acquisitions"). With the completion of the transactions, Acquisitions, we own 100 percent 100% and 90 percent 90% of the equity interests in LW EMEA and LWAMSA, (the "Acquisitions"), respectively. We acquired the remaining interest in LW EMEA (the "LW EMEA Acquisition") for consideration consisting of €531.6 million (\$€531.6 million (\$564.0 million) million) in cash, which excludes settlement of pre-existing relationships and cash held by LW EMEA, and 1,952,421 shares of our common stock. stock (valued at \$197.3 million as of the acquisition closing date). We used \$42.3 million of cash to acquire the additional equity interest in LWAMSA. We began consolidating LW EMEA's and LWAMSA's results in our consolidated financial statements Consolidated Financial Statements following the respective acquisitions. The results are included in our Global International segment. We discuss the Acquisitions in more detail in Note 3, 11, Acquisitions, in "Part II, Item 8. Financial Statements and Supplementary Data" of this Form 10-K. Changes in our fiscal 2023 2024 financial results compared to fiscal 2022 2023 were primarily driven by the consolidation of the financial results of LW EMEA in for the full year as compared to only the fourth quarter of fiscal 2023.

Overview

Lamb Weston is a leading global producer, distributor, and marketer of value-added frozen potato products. We are the number one supplier of value-added frozen potato products in North America and are a leading supplier of value-added frozen potato products internationally, with a strong and growing presence in high-growth emerging markets. We offer a broad product portfolio to a diverse channel and customer base in over 100 countries. French fries represent most of our value-added frozen potato product portfolio.

During fiscal 2023 2024, we operated our business in four two reportable segments: Global, Foodservice, Retail, North America and Other. International. We report net sales and product contribution margin adjusted EBITDA by segment and on a consolidated basis. Product contribution margin, when presented on a consolidated basis, is a non-GAAP financial measure. Product contribution margin represents net sales less cost of sales and advertising and promotion ("A&P") expenses. Product contribution margin includes A&P expenses because those expenses are directly associated with the performance of our segments. Net sales and product contribution margin Segment Adjusted EBITDA are the primary measures reported to our chief operating decision maker for purposes of allocating resources to our segments and assessing their performance. For additional information on our reportable segments, and product contribution margin, see "Non-GAAP Financial Measures" below and Note 13, Segments, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" in this Form 10-K.

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Effective May 29, 2023, in connection with our recent acquisitions and to align with our expanded global footprint, our management, including our chief executive officer, who is our chief operating decision maker, began managing our operations as two business segments based on management's change to the way it monitors performance, aligns strategies, and allocates resources. This resulted in a change from four reportable segments to two (North America and International), effective the beginning of fiscal 2024. All summary financial information on a prospective basis will be presented under the new reportable segments beginning with the Company's Quarterly Report on Form 10-Q for the fiscal quarter ending August 27, 2023.

Executive Summary

The following highlights our financial results for fiscal 2023, 2024. For more information, refer to the "Results of Operations" and "Non-GAAP Financial Measures" sections below.

In fiscal 2023, we delivered record 2024, our net sales increased 21% as compared to the prior year, primarily driven by incremental sales related to the LW EMEA Acquisition, and earnings through to a combination of improved pricing and supply chain productivity savings, while we continued to operate significantly lesser extent, an incremental 40% interest in a significant input cost inflation environment. Our LWAMSA. Excluding the incremental sales from the Acquisitions, our net sales growth was driven primarily by increased modestly as inflation-driven pricing actions across in each of our core business segments as well as incremental were essentially offset by a decline in sales attributable to volume. The sales volume decline primarily reflected the acquisitions carryover impact of additional equity interests in LW EMEA and LWAMSA. Sales volume declined, largely reflecting our efforts decisions to strategically manage customer and product mix by exiting certain lower-priced and lower-margin business. To a lesser extent, business, customer share losses, and soft restaurant traffic and frozen potato demand trends across our key markets as consumers continued to adjust to higher menu prices. In addition, sales volumes towards the end of fiscal 2023 were also negatively affected by softening traffic lower order fulfillment rates related to the transition to a new ERP system in casual dining and full-service restaurant channels (which largely impacted our Foodservice segment), certain international customers reverting to pre-Covid inventory practices (impacted our Global segment), and certain customers in select U.S. retail channels temporarily lowering prices to reduce private label inventories (impacted our Retail segment). Outside of North America frozen potato demand varied, although restaurant traffic trends during our fiscal third quarter, as well as a voluntary product withdrawal during our fiscal fourth quarter.

Our net income in our key markets, including Europe, generally softened fiscal 2024 declined 28% as customers and consumers both faced similar or more severe macroeconomic environments, including persistent inflation and rising interest rates, than compared to the prior year, largely reflecting a non-cash gain in the U.S.

Gross profit prior year related to the LW EMEA Acquisition. Our Adjusted EBITDA increased 13% as compared to the prior year, reflecting the benefit of pricing actions in fiscal 2023 increased as favorable price/mix more than offset higher manufacturing costs on a per pound basis each of our business segments, and the impact of lower sales volumes. Incremental incremental earnings from the consolidation of the financial results of LW EMEA, beginning in which more than offset input cost inflation, charges to write-off excess raw potatoes, the impact of lower sales and incremental costs associated with our ERP transition during the fiscal fourth third quarter, also contributed to lower sales volumes, and losses associated with the increase. Increased gross profit was partially offset by higher selling, general and administrative ("SG&A") expenses, resulting in the increase in income from operations. Higher income from operations drove the increase in net income and diluted EPS.

voluntary product withdrawal

In fiscal 2023, 2024, we generated net cash from operating activities of \$761.7 million \$798.2 million, up \$343.1 million \$36.5 million versus the prior year, due to higher earnings, net income, adjusted for non-cash income and expenses, partially offset by increased working capital, capital needs. We ended fiscal 2023 2024 with \$304.8 million 71.4 million of cash and cash equivalents and a \$1.0 billion undrawn

U.S. \$1.2 billion of availability under our global revolving credit facility. In addition, we returned \$191.1 million \$384.0 million to our stockholders during fiscal 2024, including \$146.1 million \$174.0 million in cash dividends on our common stock and \$45.0 million \$210.0 million of share repurchases.

During fiscal 2024, our greenfield french fry processing facility in Ulanqab, Inner Mongolia, China and our capacity expansion and modernization in American Falls, Idaho, became operational. Our capacity expansions in the Netherlands and Argentina are on schedule to be completed in fall 2024 and mid-calendar year 2025, respectively.

Outlook

We expect fiscal 2025 to be another challenging year. The operating environment has changed rapidly over the past 12 months as global restaurant traffic and frozen potato demand softened. This has resulted in an increase in available capacity in North America and Europe. We believe this supply-demand imbalance will persist through much, if not all, of fiscal 2025. Accordingly, we are making some operating adjustments in the near term to manage through the current environment including focusing on driving volume growth, implementing targeted investments in price and trade support, pursuing additional cost and supply chain productivity savings, and rephasing investments to modernize production capabilities to better match the demand environment.

In fiscal 2024, 2025, we expect to deliver net sales and earnings growth, on a constant currency basis, as compared to fiscal 2024. We expect sales growth will be primarily driven by higher sales volumes and to benefit from incremental sales and earnings improved mix. Volume will likely decline during the first three quarters half of the fiscal year attributable 2025 due to the consolidation impact of market share losses and menu price inflation, which we expect will continue to affect global restaurant traffic and demand for frozen potato products. We anticipate that volume will increase in the financial results of LW EMEA, as compared to the first three quarters second half of fiscal 2023. In addition to 2025 as we lap the incremental sales for the consolidation prior-year impact of LW EMEA, we expect our net sales growth to be largely driven by pricing actions (which may be more modest than fiscal 2023) to counter input cost inflation, ERP transition, and expect sales volumes will be pressured by our continued efforts to strategically manage our benefit from recent customer and product mix by exiting certain lower-priced and lower-margin business. We also anticipate that demand for our products in the near term may be tempered by ongoing softening restaurant traffic trends in the U.S. and other key markets as our customers and consumers both respond to challenging macroeconomic environments.

contract wins.

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We expect our earnings growth to will largely be largely driven by sales and gross profit growth, although we expect gross profit as a percentage of sales to decline. We expect the benefits of volume growth, improved mix, and that the rate of supply chain productivity savings will more than offset higher costs per pound driven by input cost inflation driven largely by and higher potato costs, will, depreciation expense associated with our recent capacity expansion efforts. We anticipate that input cost inflation, in aggregate, will moderate as compared to fiscal 2023 2024 inflation rates. In addition, our expectation of gross profit growth presumes that the yield and quality of the potato crops in our growing regions will be largely consistent with historical averages. We anticipate expect that the increase in gross profit will be partially offset by higher SG&A, largely reflecting incremental higher compensation and benefits expense, attributable and to the consolidation of the financial results of LW EMEA, increased investments to upgrade our information systems and enterprise resource planning ("ERP") infrastructure, the a lesser extent, incremental non-cash amortization of intangible assets associated with the LW EMEA Acquisition as well as prior investments in our ERP infrastructure, infrastructure.

Despite a challenging near-term operating environment, we believe the actions we are taking to continue to strengthen our portfolio and higher compensation capabilities, including investments to modernize our asset base, position us to continue to support our customers and benefits expense due to increased headcount.

We believe in create value for our stakeholders over the long-term growth outlook for the frozen potato category and that Lamb Weston is well-positioned to drive sustainable, profitable growth, and to better serve customers around the world as we leverage the commercial and operational benefits of LW EMEA, as well as our previously announced capacity expansion investments in China, the U.S., Argentina, and the Netherlands.

long term.

Results of Operations

Fiscal Year Ended **May 28, 2023** **May 26, 2024** Compared to Fiscal Year Ended **May 29, 2022**

Net Sales, Gross Profit, and Product Contribution Margin

(in millions, except percentages)	Year Ended		
	May 28, 2023	May 29, 2022	% Increase (Decrease)
Segment net sales			
Global	\$ 2,934.4	\$ 2,064.2	42%
Foodservice	1,489.1	1,318.2	13%
Retail	797.7	594.6	34%
Other	129.4	121.9	6%
	<u>\$ 5,350.6</u>	<u>\$ 4,098.9</u>	31%
Segment product contribution margin			
Global	\$ 595.5	\$ 252.2	136%
Foodservice	551.0	449.3	23%
Retail	280.1	109.4	156%
Other	(28.9)	2.2	(1,414%)
	<u>1,397.7</u>	<u>813.1</u>	72%
Add: Advertising and promotion expenses	<u>34.4</u>	<u>18.9</u>	82%
Gross profit	<u>\$ 1,432.1</u>	<u>\$ 832.0</u>	72%

May 28, 2023

(in millions, except percentages)	Year Ended		
	May 26, 2024	May 28, 2023	% Increase (Decrease)
Segment net sales			
North America	\$ 4,363.2	\$ 4,249.4	3%
International	2,104.4	1,101.2	91%
	<u>\$ 6,467.6</u>	<u>\$ 5,350.6</u>	21%
Segment Adjusted EBITDA			
North America	\$ 1,263.1	\$ 1,162.3	9%
International	\$ 331.9	\$ 231.0	44%

Net Sales

Lamb Weston's net sales for fiscal 2023 increased \$1,251.7 million, or 31%, to \$5,350.6 million, and included \$421.0 million of incremental sales attributable to the consolidation of the financial results of LW EMEA and LWAMSA beginning in our fiscal fourth and first quarters of fiscal 2023, respectively. Net sales, excluding the incremental sales attributable to the Acquisitions, increased 20% \$9.6 million or less than 1% versus the prior year, with sales growth reduced by an estimated \$135 million due to impacts associated with the ERP transition. Price/mix increased 26% 10%, reflecting the carryover benefit of inflation-driven pricing actions taken in fiscal 2023, as well as pricing actions taken in fiscal 2024, across each of our core business segments, partially offset by lower customer transportation charges that were driven by lower volume and the pass-through of lower freight rates. Volume excluding the incremental sales attributable to counter input and manufacturing cost inflation. Volume the Acquisitions declined 6%, largely reflecting 10%. Approximately 3.5 percentage points of the volume decline reflects the carryover effect of our efforts decision to exit certain lower-priced and lower-margin business as we continued in the prior year to strategically manage customer and product mix. Another approximately 3.5 percentage points of the volume decline was largely driven by soft restaurant traffic trends in North America and other key international markets, and to a much smaller extent, lost sales related to the voluntary product withdrawal. The remaining approximately 3 percentage points of the decline reflects share losses and the impact of unfilled customer orders related to the ERP transition in the fiscal third quarter.

North America segment net sales increased \$113.8 million, or 3%, to \$4,363.2 million, with sales growth reduced by an estimated \$123 million due to impacts associated with the ERP transition, in the fiscal third quarter. Price/mix increased 11%, reflecting the carryover benefit of inflation-driven pricing actions taken in fiscal 2023, as well as softer demand due to a slowdown in casual pricing actions for contracts with large and full-service regional chain restaurant traffic. To a lesser extent, in late fiscal 2023, inventory destocking by certain customers in international markets as well as fiscal 2024. The increase in select U.S. retail channels contributed to price/mix was partially offset by lower customer transportation charges that were driven by lower volume and the pass-through of lower freight rates, and unfavorable mix. Volume declined 8%, with approximately 3 percentage points of the volume decline.

Global decline reflecting the carryover effect our decision to exit certain lower-price and lower-margin business in the prior year. Approximately 2.5 percentage points of the decline reflect market share losses, and approximately 2.5 percentage points was largely driven by soft restaurant traffic trends in the U.S.

International segment net sales increased \$870.2 million, or 42% 91%, to \$2,934.4 million, and included \$421.0 million of incremental sales attributable to the consolidation of the financial results of LW EMEA and LWAMSA. Net International segment net sales, excluding the incremental sales attributable to the Acquisitions, grew 22% declined \$104.2 million, or 9% compared to the prior year, with sales growth reduced by an estimated \$12 million due to impacts associated with the ERP transition. Volume, excluding the benefit from the Acquisitions, declined 15%. The benefit Approximately 10 percentage points of domestic and international

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pricing actions the volume decline reflects share losses, which are due in part to counter multi-year inflationary pressures, as well as favorable mix, drove a 27% increase in price/mix. Volume declined 5%, largely reflecting our efforts decision to exit certain lower-priced and lower-margin business in international and domestic markets, and to a lesser extent, lower shipments in response to inventory destocking by certain customers in international markets late in fiscal 2023.

Foodservice net sales increased \$170.9 million, or 13%, to \$1,489.1 million, with price/mix up 22% and volume down 9%. The carryover benefits of pricing actions taken LW EMEA earlier in the prior year,

as well as actions taken in fiscal 2023, to counter inflationary pressures drove the increase in price/mix. The impact carryover effect of our efforts decision to exit certain lower-priced and lower-margin business and a slowdown in casual dining and other full-service restaurant traffic drove the volume decline.

Retail net sales increased \$203.1 million, or 34%, to \$797.7 million. The carryover benefits of pricing actions taken in the prior year to strategically manage customer and product mix, and an estimated \$12 million impact of unfilled customer orders related to the ERP transition in the fiscal third quarter. The remaining approximately 5 percentage points of the volume decline was largely driven by soft restaurant traffic trends in our key international markets, and to a smaller extent, the voluntary product withdrawal. Price/mix increased 6% as well as the carryover benefit of inflation-driven pricing actions taken in fiscal 2023 across the branded and private label portfolios to counter inflationary pressures drove a 38% increase in price/mix. Volume fell 4%, largely driven by our efforts to exit certain low-margin, private label business, and to a lesser extent, the impact of certain customers in select retail channels taking pricing actions to reduce private label inventories late taken in fiscal 2023.

Other net sales increased \$7.5 million, or 6%, to \$129.4 million, reflecting the benefit of pricing actions 2024 was partially offset by lower customer transportation charges and volume growth investments in our vegetable business.

trade support.

Gross Profit and Product Contribution Margin

Gross profit in fiscal 2023 2024 increased \$600.1 million \$334.6 million, or 72% 23%, to \$1,432.1 million \$1,766.7 million, and included \$45.7 million \$20.7 million of costs (\$33.9 \$15.4 million after-tax, or \$0.23 \$0.11 per share) of costs impacting comparability in the fiscal fourth quarter, which included associated with the sale of inventory stepped-up in to fair value following completion of the LW EMEA Acquisition, and a \$28.7 million (\$21.4 million after-tax, or \$0.15 per share) unrealized gain related to mark-to-market adjustments associated with commodity hedging contracts. The prior fiscal year included \$27.0 million of costs (\$20.0 million after-tax, or \$0.14 per share) associated with the sale of inventory stepped-up to fair value following completion of the LW EMEA Acquisition and a \$37.5 million (\$28.0 million after-tax, or \$0.19 per share impact) unrealized loss related to mark-to-market adjustments associated with natural gas and electricity commodity hedging contracts at LW EMEA as the market experienced significant volatility.

Excluding these items, gross profit

Adjusted Gross Profit increased \$645.8 million \$262.1 million, or 78% 17.5%, to \$1,477.8 million \$1,758.7 million, driven primarily by the benefits from pricing actions more than offsetting the impacts of higher costs on a per pound basis and lower volumes. Incremental earnings from the consolidation of the financial results of LW EMEA beginning in the fiscal fourth quarter also contributed to the increase. The higher costs per pound primarily reflected double-digit cost inflation for key inputs, including: raw potatoes, edible oils, ingredients such as grains and starches used in product coatings, labor, and energy. The increase in gross profit was partially offset by a \$29.0 million change in unrealized mark-to-market adjustments associated with commodity hedging contracts, reflecting a \$38.5 million loss in the current year, compared with a \$9.5 million loss related to these items in the prior year.

Lamb Weston's overall product contribution margin in fiscal 2023 increased \$584.6 million, or 72%, to \$1,397.7 million. The increase was driven by higher gross profit (as described above), partially offset by a \$15.5 million increase in advertising and promotion ("A&P") expenses.

Global product contribution margin increased \$343.3 million, or 136%, to \$595.5 million, and included \$27.0 million (\$20.0 million after-tax, or \$0.14 per share) of costs associated with the sale of inventory stepped-up in the LW EMEA Acquisition. Excluding this item, product contribution margin increased \$370.3 million, or 147%,

to \$622.5 million. Pricing actions, incremental earnings from the consolidation of the financial results of LW EMEA, and favorable mix drove benefits from inflation-driven pricing actions. Gross profit and Adjusted Gross Profit in the current fiscal year was impacted by:

- An estimated \$88 million of pre-tax losses related to lower customer order fulfillment rates and other pre-tax costs associated with the ERP transition in the fiscal third quarter;
- An \$85.1 million pre-tax charge for the write-off of excess raw potatoes (\$64.6 million in the fiscal second quarter and \$20.5 million in the fiscal third quarter), largely attributable to soft restaurant traffic trends in North America and other key international markets; and
- An estimated \$40 million of pre-tax losses related to the voluntary product withdrawal, of which approximately \$21 million was allocated to the International segment and approximately \$19 million was allocated to the North America segment in the fiscal fourth quarter. We expect to incur an additional \$20 million to \$30 million of pre-tax losses associated with the voluntary product withdrawal in the first quarter of fiscal 2025.

The higher manufacturing costs per pound largely reflected mid-single-digit cost inflation, in aggregate, for key inputs, including: raw potatoes, ingredients such as grains and starches used in product coatings, and labor. The increase which in per pound costs was partially offset by higher costs per pound. Global lower cost of sales was \$2,328.1 million, up 29%, primarily due to higher manufacturing costs.

Foodservice product contribution margin increased \$101.7 million, or 23%, to \$551.0 million. Pricing actions drove the increase, which was partially offset by higher costs per pound and the impact of lower sales volumes. Foodservice cost of sales was \$930.8 million, up 8%, primarily due to higher manufacturing costs, partially offset by lower sales volumes.

Retail product contribution margin increased \$170.7 million, or 156%, to \$280.1 million in fiscal 2023. Pricing actions drove the increase, which was partially offset by higher costs per pound and a \$7.6 million increase in A&P expenses. Retail cost of sales was \$501.9 million, up 5%, primarily due to higher manufacturing costs, partially offset by lower sales volumes.

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edible oils.

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Other product contribution margin decreased \$31.1 million to a loss of \$28.9 million in fiscal 2023, as compared to a \$2.2 million gain in fiscal 2022. These amounts include a \$48.4 million loss related to unrealized mark-to-market adjustments and realized settlements associated with commodity hedging contracts in fiscal 2023, and a \$10.4 million loss related to contracts in fiscal 2022. Excluding these mark-to-market adjustments, product contribution margin increased \$6.9 million, largely due to higher prices in our vegetable business.

Selling, General and Administrative Expenses

SG&A expenses in fiscal 2023 2024 increased \$162.4 million \$151.4 million, or 42% 28%, to \$550.0 million \$701.4 million, and included: \$12.8 million (\$9.6 million, or \$0.07 per share) of LW EMEA integration and acquisition-related expenses; \$3.8 million (\$2.8 million after-tax, or \$0.02 per share) of unrealized loss related to mark-to-market adjustments associated with currency hedging contracts; and \$10.6 million (\$8.0 million after-tax, or \$0.05 per share) of foreign currency exchange losses. The prior fiscal year included a net \$21.8 million gain (\$12.2 million after-tax, or \$0.08 per share) of gain related to actions taken to mitigate the effect of changes in currency rates on the purchase price of LW EMEA, net of other acquisition-related costs. Excluding this net gain, costs; \$4.2 million (\$3.1 million after-tax, or \$0.02 per share) of unrealized loss related to mark-to-market adjustments associated with currency hedging contracts; and \$5.5 million (\$4.1 million after-tax, or \$0.03 per share) of foreign currency exchange losses.

Adjusted SG&A increased \$184.2 million \$112.1 million, or 20%, to \$571.8 million \$674.2 million, primarily due to higher compensation and benefits expense, incremental expenses attributable to the consolidation of the financial results of LW EMEA, and higher expenses

associated with information technology investments, including an incremental \$11.5 million of non-cash amortization related to the new ERP system. The increase in Adjusted SG&A was partially offset by a reduction in performance-based compensation and benefit accruals.

Net Income, Adjusted EBITDA and Segment Adjusted EBITDA

Net income in fiscal 2024 declined \$283.4 million, or 28%, to \$725.5 million. Net income in the current fiscal fourth quarter, higher expenses year included a total net loss of \$14.4 million (\$19.2 million before tax, or \$0.10 per share) for foreign currency exchange and unrealized mark-to-market derivative gains and losses, and items impacting comparability. Net income in the prior fiscal year included a total net gain of \$312.2 million (\$340.7 million before tax, or \$2.15 per share) most of which is a non-cash net benefit related to improving our information systems the LW EMEA Acquisition with the remaining from foreign currency exchange and unrealized mark-to-market derivative gains and losses, and items impacting comparability.

Adjusted EBITDA in fiscal 2024 increased \$167.3 million, or 13%, to \$1,416.7 million, reflecting the benefit of inflation-driven pricing actions and incremental earnings from the consolidation of the financial results of LW EMEA more than offsetting higher manufacturing costs per pound, a \$95.9 million pre-tax charge for the write-off of excess raw potatoes (of which \$10.8 million was recorded in Equity Method Investment Earnings), an approximately \$95 million negative impact related to the ERP infrastructure, transition, lower sales volumes, and a \$15.5 million increase an estimated \$40 million pre-tax loss related to the voluntary product withdrawal.

North America Segment Adjusted EBITDA increased \$100.8 million, or 9%, to \$1,263.1 million, reflecting the benefit of inflation-driven pricing actions more than offsetting higher manufacturing costs per pound, an \$86.0 million charge for the write-off of excess raw potatoes, an approximately \$83 million negative impact of the ERP transition, lower sales volumes, unfavorable mix, and an approximately \$19 million loss related to the voluntary product withdrawal related to products manufactured in A&P expenses.

North America.

International Segment Adjusted EBITDA increased \$100.9 million, or 44%, to \$331.9 million. Incremental earnings from the consolidation of the financial results of LW EMEA drove the increase. Excluding the benefit from the Acquisitions, the impact of higher costs per pound, lower sales volumes, and approximately \$21 million of allocated losses related to the voluntary product withdrawal, \$9.9 million charge for the write-off of excess raw potatoes, and an approximately \$5 million negative impact related to the ERP transition, more than offset the benefit of inflation-driven pricing actions.

Interest Expense, Net

Interest expense, net in fiscal 2023 declined \$51.8 million 2024 increased \$26.6 million, or 24%, to \$109.2 million \$135.8 million. The decrease reflects a \$53.3 million (\$40.5 million after-tax, or \$0.27 per share) loss on extinguishment of increase in interest expense was driven by higher total debt and higher borrowing rates associated with the redemption our variable-rate credit facilities, partially reduced by \$49.5 million of our previously outstanding senior notes due 2024 and 2026, which occurred capitalized interest in fiscal 2022. Excluding this loss, interest expense, net 2024, an increase of \$32.0 million over the prior year. The increase in our total debt reflected increased \$1.5 million due primarily borrowing under our credit facilities, predominantly to additional interest expense associated with debt incurred for the LW EMEA Acquisition. finance working capital requirements and capital projects. For more information, see Note 8, 6, Debt and Financing Obligations, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" in this Form 10-K.

Income Taxes

Our effective tax rate was 18.2% 24.1% for fiscal 2023, 2024, compared to 26.3% 18.2% in fiscal 2022, 2023. Excluding \$34.3 million a \$4.8 million tax benefit and a \$28.5 million of net tax expense and a \$4.6 million benefit from items impacting comparability in fiscal 2023 2024 and 2022, 2023, respectively, our effective tax rate was 21.8% 24.1% for fiscal 2023 2024 and 21.4% 22.0% in fiscal 2022, 2023. Our effective tax rate varies from the U.S. statutory tax rate of 21% principally primarily due to the impact of U.S. state taxes, foreign taxes, permanent differences, and discrete items.

For further information on income taxes, see Note 5, 3, Income Taxes, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" in this Form 10-K.

Equity Method Investment Earnings (Loss)

We conducted meaningful business through unconsolidated joint ventures until we acquired during fiscal 2024 and 2023. The results in the remaining current year include earnings associated with our 50% interest of in Lamb Weston RDO, while results in the prior year also included earnings associated with our then 50% interest in LW EMEA and LWAMSA. The results in February 2023. In fiscal 2023 the prior year include non-cash gains on the acquisitions of interests in our LW EMEA and 2022, our share LWAMSA joint ventures of earnings (loss) from our equity method investments was \$460.6 million of earnings and a \$10.7 million loss, respectively. The fiscal 2023 results include a \$425.8 million (\$379.5 million after-tax or \$2.62 per share) non-cash gain related to remeasuring our initial 50 percent equity interests in LW EMEA and LWAMSA to fair value. Equity method earnings also includes, as well as a \$31.1 million \$32.7 million (\$24.3 million after-tax, or \$0.17 per share) unrealized loss related to mark-to-market adjustments associated with currency and commodity hedging contracts of which \$37.8 million (\$28.0 million after-tax, or \$0.19 per share) related to losses in natural gas and electricity derivatives as commodity markets in Europe have experienced significant volatility. at LW EMEA.

Adjusted Equity method investment gains in fiscal 2022 included a \$26.5 million unrealized gain related to mark-to-market adjustments associated with currency and commodity hedging contracts, of which \$31.7 million (\$23.5 million after-tax, or \$0.16 per share) related to gains in natural gas and electricity derivatives. Equity method investment earnings in fiscal 2022 also included a \$62.7 million (before and after-tax, or \$0.43 per share) non-cash impairment charge to write-off our then-current portion of LW EMEA's net investment in its former joint venture in Russia.

Excluding these items (non-cash acquisition gains and impairment charge, and mark-to-market adjustments related to natural gas and electricity derivatives) and the other mark-to-market adjustments, earnings from equity method investments increased \$52.3 million Method Investment Earnings declined \$41.5 million compared to the prior year, reflecting largely due to LW EMEA earnings being reflected as equity method investment earnings in the benefit first three quarters of pricing actions, partially offset by higher costs per pound, fiscal 2023. The results in both Europe and the U.S.

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current year also include a \$10.8 million charge for the write-off of excess raw potatoes at Lamb Weston RDO.

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Fiscal 2023 2024 Compared to Fiscal 2022 2023 Balance Sheet Changes

The changes in our Consolidated Balance Sheet, compared with May 29, 2022 May 28, 2023, related primarily to the LW EMEA Acquisition investment in production facilities in American Falls, Idaho and liabilities incurred Ulanqab, Inner Mongolia, China and ongoing projects across our facilities. Our short-term borrowings also increased as a result of additional borrowings under our new global revolving credit facility to fund the LW EMEA Acquisition. We increased support our assets approximately \$1,896.8 million and our liabilities approximately \$449.3 million in total based on the fair values of LW EMEA's assets and liabilities, respectively, on the acquisition date. In addition, we incurred \$450.0 million of new borrowings, which were used to fund a portion of the purchase price for the acquisition and for general corporate purposes, and also issued 1,952,421 million shares of our common stock as additional consideration for the acquisition. For more information about the LW EMEA Acquisition, see Note 3, Acquisitions, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Form 10-K.

expansion projects.

Liquidity and Capital Resources

We ended fiscal 2023 2024 with \$304.8 million \$71.4 million of cash and cash equivalents and a \$1.0 billion \$1.2 billion of undrawn U.S. availability under our global revolving credit facility. We believe we have sufficient liquidity to meet our business requirements for at least the next 12 months. Cash generated by operations, supplemented by our total cash and availability under our revolving credit facilities, is our primary source of liquidity for funding business requirements. Our funding requirements include

capital expenditures for announced manufacturing expansions in China, Idaho, the Netherlands and Argentina, as well as capital investments to upgrade information systems and ERP infrastructure, working capital requirements, and dividends. We expect capital investments in fiscal 2024 to be approximately \$800 million to \$900 million, depending on timing of projects and excluding acquisitions, if any. These expenditures could increase or decrease as a result of a number of factors, including our financial results, future economic conditions, supply chain constraints for equipment, and our regulatory compliance requirements. At May 28, 2023 May 26, 2024, we had commitments for capital expenditures of \$623.9 million \$402.7 million.

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:

(in millions)	For the Fiscal Years Ended May	
	2023	2022
Net cash flows provided by (used for):		
Operating activities	\$ 761.7	\$ 418.6
Investing activities	(1,340.9)	(310.5)
Financing activities	340.8	(363.4)
	(238.4)	(255.3)
Effect of exchange rate changes on cash and cash equivalents	18.2	(3.2)
Net decrease in cash and cash equivalents	(220.2)	(258.5)
Cash and cash equivalents, beginning of period	525.0	783.5
Cash and cash equivalents, end of period	\$ 304.8	\$ 525.0

(in millions)	For the Fiscal Years Ended May	
	2024	2023
Net cash flows provided by (used for):		
Operating activities	\$ 798.2	\$ 761.7
Investing activities	(984.1)	(1,340.9)
Financing activities	(48.0)	340.8
	(233.9)	(238.4)
Effect of exchange rate changes on cash and cash equivalents	0.5	18.2
Net decrease in cash and cash equivalents	(233.4)	(220.2)
Cash and cash equivalents, beginning of period	304.8	525.0
Cash and cash equivalents, end of period	\$ 71.4	\$ 304.8

Operating Activities

During fiscal 2023, 2024, cash provided by operating activities increased \$343.1 million \$36.5 million to \$761.7 million \$798.2 million, compared to \$418.6 million \$761.7 million for fiscal 2022, 2023. The increase related to included a \$306.8 million \$257.9 million increase in net income, adjusted for non-cash income and expenses, in addition to an increase of \$36.3 million of cash provided partially offset by favorable unfavorable changes in working capital. capital of \$221.4 million primarily related to changes in performance-based compensation and benefit accruals and increased inventory balances due to cost inflation, as well as lower than expected sales volumes in the second half of the year related to the ERP transition and soft restaurant traffic trends in North America and other key international markets. See "Results of Operations" in this MD&A for more information related to the increase in income from operations. Favorable changes in working capital primarily related to an increase in accounts payable due to timing, a decrease in receivables attributable to timing of collection, and an increase in accrued liabilities due to higher compensation and benefits accrued in fiscal 2023, compared with fiscal 2022. These favorable changes were offset by an unfavorable change in higher-cost finished goods inventories, due primarily to increased potato and input cost inflation.

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Investing Activities

Investing activities used **\$1,340.9 million** **\$984.1 million** of cash in fiscal **2023, 2024**, compared with **\$310.5 million** **\$1,340.9 million** in fiscal **2022, 2023**. The **increased** **decrease** primarily relates to our investments in our chopped and formed capacity expansion and construction **\$610.4 million** of our french fry processing line in Idaho and our greenfield french fry processing facility in China, and investments to **upgrade our information systems and ERP infrastructure**. In addition, in fiscal 2023, we **cash** used **\$610.4 million** to purchase the remaining equity interest in LW EMEA and an additional **40 percent** **40%** equity interest in **LWAMSA, LWAMSA during fiscal 2023. Fiscal 2024**

included expenditures to expand our french fry and chopped and formed capacity and other facility modernization efforts in American Falls, Idaho, which became operational in May 2024; the construction of a greenfield french fry processing facility in Ulanqab, Inner Mongolia, China, which became operational in November 2023; and expenditures for the construction of french fry processing facilities in Krainingen, the Netherlands and Mar del Plata, Argentina which are scheduled to be completed in fall 2024 and mid-calendar year 2025, respectively.

We expect to use approximately \$850 million, excluding acquisitions, if any, for investing activities, in fiscal 2025 as we continue construction of our capacity expansion efforts in the Netherlands and Argentina, as well as capital investments to upgrade our information systems and ERP infrastructure.

Financing Activities

During fiscal **2023**, financing activities provided **net** **2024**, proceeds from short-term borrowings and debt issuances were **\$756.9 million**, of **\$340.8 million**, compared which **\$164.9 million** were short-term and **\$592.0 million** related to upsizing our term loan borrowing capacity in connection with **\$363.4 million** entering into a new term loan credit agreement in May 2024. We repaid **\$401.1 million** of debt and financial obligations, which primarily included repayments towards the Term A-2 loan facility and Euro loan facility in connection with entering into new term loan and revolving credit agreements. We used **\$225.3 million** of cash to repurchase **2,294,654** shares of our common stock at an average price of **\$91.51** per share, and we withheld **146,259** shares from employees to cover income and payroll taxes on equity awards that vested during the year. In addition, we paid **\$174.0 million** in **during fiscal 2022**, cash dividends to common stockholders.

During fiscal 2023, financing activities included **\$529.5 million** of proceeds from debt issuances including a new **\$450.0 million** term loan facility to fund a portion of the LW EMEA Acquisition and **\$79.5 million** of borrowings on other credit facilities. We also had proceeds of **\$41.4 million** from short-term borrowings on other facilities. These activities were partially offset by the payment of **\$146.1 million** of cash dividends to common stockholders and **\$32.6 million** of debt and financing obligation repayments. In addition, we used **\$51.6 million** of cash to repurchase **569,698** shares of our common stock at an average price of **\$78.99** per share and withheld **83,974** shares from employees to cover income and payroll taxes on equity awards that vested during the year. As of May 28, 2023, **\$223.9 million** remained authorized for repurchase under our share repurchase program.

During fiscal 2022, financing activities primarily related to issuing U.S. dollar-denominated senior notes and a RMB-denominated loan facility for combined net proceeds of **\$1,676.1 million**, offset by **\$1,698.1 million** of debt and financing obligation repayments, including cash used to redeem our previously outstanding senior notes due 2024 and 2026 (including the payment of a call premium of **\$39.6 million**), and the payment of **\$138.4 million**

of cash dividends to common stockholders. In addition, we used \$158.4 million of cash to repurchase 2,407,184 shares of our common stock at an average price of \$62.59 per share and withheld 118,204 shares from employees to cover income and payroll taxes on equity awards that vested during the year.

For more information about our debt, including among other items, our new global revolving credit agreement and term loan facilities, interest rates, maturity dates, and covenants, see Note 8, Debt and Financing Obligations, of the Notes to the Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Form 10-K. At May 28, 2023 May 26, 2024, we were in compliance with all covenants contained in our credit agreements.

Obligations and Commitments

As part of our ongoing operations, we enter into arrangements that obligate us to make future payments under contracts such as debt agreements, lease agreements, potato supply agreements, and unconditional purchase obligations. The unconditional purchase obligation obligations are enforceable and legally binding arrangements are entered into in the normal course of business to ensure adequate levels of sourced product are available.

A summary of our material cash requirements for our known contractual obligations as of May 28, 2023 May 26, 2024 are as follows:

(in millions)	Total	Payable within 12 Months
Short-term borrowings and long-term debt, including current portion (a)	\$ 3,479.8	\$ 214.4
Interest on long-term debt (b)	960.3	169.3
Leases (a)	200.5	34.8
Purchase obligations and capital commitments (a)	1,233.9	717.1
Total	\$ 5,874.5	\$ 1,135.6

(a) See the below Notes to the Consolidated Financial Statements included in "Part II, Item 8. Financial Statements and Supplementary Data" of this Form 10-K for more information.

- Short-term borrowings and long-term debt, including current portion. See Note 8, Debt and Financing Obligations, for more information on debt payments and the timing of expected future payments.

(in millions)	Total	Payable within 12 Months
Short-term borrowings and long-term debt, including current portion (a)	\$ 3,836.7	\$ 381.0
Interest on long-term debt (b)	935.7	180.8
Leases (a)	180.9	34.9
Purchase obligations and capital commitments (a)	1,148.4	591.0
Total	\$ 6,101.7	\$ 1,187.7

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See the below Notes to the Consolidated Financial Statements included in "Part II, Item 8. Financial Statements and Supplementary Data" of this Form 10-K for more information.

- Short-term borrowings and long-term debt, including current portion. See Note 6, Debt and Financing Obligations, for more information on debt payments and the timing of expected future payments.
- Leases. See Note 7, Leases, for more information on our operating and finance lease obligations and timing of expected future payments.
- Purchase obligations and capital commitments. See Note 14, Commitments, Contingencies, Guarantees, and Legal Proceedings, for more information on our purchase obligations and the timing of future payments and capital commitments in connection with the expansion and replacement of existing facilities and equipment.

(b) Amounts represent estimated future interest payments assuming our long-term debt is held to maturity and using interest rates in effect as of May 26, 2024. This does not reflect a reduction for future estimated capitalized interest amounts.

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- **Leases.** See Note 9, Leases, for more information on our operating and finance lease obligations and timing of expected future payments.
- **Purchase obligations and capital commitments.** See Note 14, Commitments, Contingencies, Guarantees, and Legal Proceedings, for more information on our purchase obligations and the timing of future payments and capital commitments in connection with the expansion and replacement of existing facilities and equipment.

(b) Amounts represent estimated future interest payments assuming our long-term debt is held to maturity and using interest rates in effect as of May 28, 2023.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements as of ~~May 28, 2023~~ May 26, 2024 that are reasonably likely to have a current or future material effect on our financial condition, results of operations, liquidity, capital expenditures, or capital resources.

Critical Accounting Estimates

Management's discussion and analysis of financial condition and results of operations are based upon the Company's ~~consolidated financial statements~~, Consolidated Financial Statements, which have been prepared in accordance with U.S. GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, and expenses, and related disclosures of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates, including those related to our trade promotions, income taxes, and impairment, among others. We base our estimates on historical experiences combined with management's understanding of current facts and circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Critical accounting estimates are those that are most important to the portrayal of our financial condition and operating results. These estimates require management's most difficult, subjective, or complex judgments. We review the development, selection, and disclosure of our critical accounting estimates with the Audit and Finance Committee of our Board of Directors.

Board.

We have made appropriate accounting estimates based on the facts and circumstances available as of the reporting date. To the extent there are differences between these estimates and actual results, our ~~consolidated financial statements~~ Consolidated Financial Statements may be affected.

Acquisitions

From time to time, we may enter into business combinations. In July 2022 and February 2023, we acquired an additional ~~40 percent~~ 40% interest in LWAMSA and the remaining ~~50%~~ equity interest in LW EMEA, respectively. With the completion of the Acquisitions, we own ~~90 percent~~ 90% and ~~100 percent~~ 100% of the equity interests in LWAMSA and LW EMEA, respectively. We recorded the assets acquired and the liabilities assumed at their estimated acquisition date fair values with the excess purchase price recorded as

goodwill. The acquisition method of accounting requires us to make significant estimates and assumptions regarding the fair values of the elements of a business combination as of the date of acquisition, including the fair values (fair value is determined using the income approach, cost approach and/or market approach) of inventory, property, plant and equipment, identifiable intangible assets, deferred tax asset valuation allowances, and liabilities related to uncertain tax positions, among others. Additionally, for acquisitions of previously held equity interests, we remeasure the previously held equity interest to fair value based on consideration at the acquisition date utilizing a market approach based on comparable control premiums within our industry. This method also requires us to refine these estimates over a measurement period not to exceed one year to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the measurement of the amounts recognized as of that date. If we are required to retroactively adjust provisional amounts that we have recorded for the fair values of assets and liabilities in connection with acquisitions, these adjustments could have a material impact on our financial condition and results of operations.

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Significant estimates and assumptions in determining the fair value of brands and other identifiable intangible assets include future cash flows that we expect to generate from the acquired assets. If the subsequent actual results and updated projections of the underlying business activity change compared with the assumptions and projections used to develop these values, we could record impairment charges. In addition, we have estimated the economic lives of certain acquired assets and these lives are used to calculate depreciation and amortization expense. If our estimates of the economic lives change, depreciation or amortization expenses could increase or decrease.

Sales Incentives and Trade Promotion Allowances

We promote our products with advertising, consumer incentives, and trade promotions. Sales promotions include, but are not limited to, discounts, coupons, rebates, and volume-based incentives. The estimates for sales incentives are based principally on historical sales and redemption rates, influenced by judgments about current market conditions such as competitive activity in specific product categories.

Trade promotion programs include introductory marketing funds such as slotting fees, cooperative marketing programs, temporary price reductions, and other activities conducted by our customers to promote our products. The costs of these programs are recognized as a reduction to revenue with a corresponding accrued liability. The estimate of trade promotions is inherently difficult due to information limitations as the products move beyond distributors and through the supply chain to operators. Estimates made by management in accounting for these costs are based primarily on our historical experience with marketing programs, with consideration given to current circumstances and industry trends and include the following: quantity of customer sales, timing of promotional activities, current and past trade-promotion spending patterns, the interpretation of historical spending trends by customer and category, and forecasted costs for activities within the promotional programs.

The determination of sales incentive and trade promotion costs requires judgment and may change in the future as a result of changes in customer demand for our products, promotion participation, particularly for new programs related to the introduction of new products. Final determination of the total cost of promotion is dependent upon customers providing information about proof of performance and other information related to the promotional event. Because of the complexity of some of these trade promotions, the ultimate resolution may result in payments that are different from our estimates. As additional information becomes known, we may change our estimates. At May 28, 2023 May 26, 2024 and May 29, 2022 May 28, 2023, we had \$86.1 million \$90.0 million and \$41.2 million \$86.1 million, respectively, of accrued trade promotions payable recorded in "Accrued liabilities" on our Consolidated Balance Sheets. The increase from May 29, 2022 is primarily due to the LW EMEA Acquisition.

Income Taxes

We compute the provision for income taxes using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating losses and tax credit carryforwards. We measure deferred tax assets and liabilities using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax assets and liabilities are expected to be realized or settled.

Inherent in determining the annual tax rate are judgments regarding business plans, planning opportunities, and expectations about future outcomes. Management judgments are required for the following items:

- Management reviews deferred tax assets for realizability. Valuation allowances are established when management believes that it is more likely than not that some portion of the deferred tax assets will not be realized. Changes in valuation allowances from period to period are included in the tax provision.
- Management reviews deferred tax assets for realizability. Valuation allowances are established when management believes that it is more likely than not that some portion of the deferred tax assets will not be realized. Changes in valuation allowances from period to period are included in the tax provision.

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We establish accruals for unrecognized tax benefits when, despite the belief that our tax return positions are fully supported, we believe that an uncertain tax position does not meet the recognition threshold of Accounting Standards Codification ("ASC") 740, *Income Taxes*. These contingency accruals are adjusted in light of changing facts and circumstances, such as the progress of tax audits, the expiration of the statute of limitations for the relevant taxing authority to examine a tax return, case law and emerging legislation. While it is difficult to predict the final outcome or timing of resolution for any particular matter, we believe that the accruals for unrecognized tax benefits at May 26, 2024, reflect the estimated outcome of known tax contingencies as of such date in accordance with accounting for uncertainty in income taxes under ASC 740.

- We recognize the tax impact of including certain foreign earnings in U.S. taxable income as a period cost. We have not recognized deferred income taxes for local country income and withholding taxes that could be incurred on distributions of certain non-U.S. earnings or for outside basis differences in our subsidiaries, because we plan to indefinitely reinvest such earnings and basis differences. Remittances of non-U.S. earnings are based on estimates and judgments of projected cash flow needs, as well as the working capital and investment requirements of our non-U.S. and U.S. operations. Material changes in our

estimates of cash, working capital, and investment needs in various jurisdictions could require repatriation of indefinitely reinvested non-U.S. earnings, which could be subject to applicable non-U.S. income and withholding taxes. While we believe the judgments and estimates discussed above and made by management are appropriate and reasonable under the circumstances, actual resolution of these matters may differ from recorded estimated amounts. Further information on income taxes is provided in Note 3, Income Taxes, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Form 10-K.

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- We establish accruals for unrecognized tax benefits when, despite the belief that our tax return positions are fully supported, we believe that an uncertain tax position does not meet the recognition threshold of Accounting Standards Codification ("ASC") 740, *Income Taxes*. These contingency accruals are adjusted in light of changing facts and circumstances, such as the progress of tax audits, the expiration of the statute of limitations for the relevant taxing authority to examine a tax return, case law and emerging legislation. While it is difficult to predict the final outcome or timing of resolution for any particular matter, we believe that the accruals for unrecognized tax benefits at May 28, 2023, reflect the estimated outcome of known tax contingencies as of such date in accordance with accounting for uncertainty in income taxes under ASC 740.
- We recognize the tax impact of including certain foreign earnings in U.S. taxable income as a period cost. We have not recognized deferred income taxes for local country income and withholding taxes that could be incurred on distributions of certain non-U.S. earnings or for outside basis differences in our subsidiaries, because we plan to indefinitely reinvest such earnings and basis differences. Remittances of non-U.S. earnings are based on estimates and judgments of projected cash flow needs, as well as the working capital and investment requirements of our non-U.S. and U.S. operations. Material changes in our estimates of cash, working capital, and investment needs in various jurisdictions could require repatriation of indefinitely reinvested non-U.S. earnings, which could be subject to applicable non-U.S. income and withholding taxes. While we believe the judgments and estimates discussed above and made by management are appropriate and reasonable under the circumstances, actual resolution of these matters may differ from recorded estimated amounts. Further information on income taxes is provided in Note 5, Income Taxes, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Form 10-K.

New and Recently Issued Accounting Standards

For a listing of new and recently issued accounting standards, see Note 1, Nature of Operations and Summary of Significant Accounting Policies, of the Notes to Consolidated Financial Statements

in "Part II, Item 8. Financial Statements and Supplementary Data" of this 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, Gross Profit, Adjusted SG&A, Adjusted Income from Operations, Adjusted Equity Method Investment Earnings, 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. Product contribution margin, when presented on a consolidated basis, is a non-GAAP financial measure. Our management also uses Adjusted Income from Operations, Adjusted Net Income, Adjusted Diluted EPS, Adjusted EBITDA and Adjusted EBITDA including unconsolidated joint ventures. Management uses these non-GAAP financial measures to assist in analyzing what management views as our core operating performance for purposes of business decision making, decision-making. Management believes that presenting these non-GAAP financial measures provides provide investors with useful supplemental information because they (i) provide meaningful supplemental information regarding financial performance by excluding certain impacts of foreign currency exchange rates and unrealized mark-to-market derivative gains and losses and other items affecting comparability between periods, (ii) permit investors to view performance using the same tools that management uses to budget, make operating and strategic decisions, and evaluate historical our core operating performance across periods, and (iii) otherwise provide supplemental information that may be useful to investors in evaluating our financial results. In addition, we believe that the presentation of these non-GAAP financial measures, when considered together with the their most directly comparable GAAP financial measures measure and the reconciliations to those GAAP financial measures, provides investors with additional tools to understand the factors and trends affecting our underlying business than could be obtained absent these disclosures.

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The non-GAAP financial measures provided presented in this report should be viewed in addition to, and not as alternatives for, financial measures prepared in accordance with GAAP that are also presented in this report. These measures are not substitutes for their comparable GAAP financial measures, such as net income, gross profit, SG&A, income from operations, net income, equity method investment earnings, diluted earnings per share, EPS, or other measures prescribed by GAAP, and there are limitations to using non-GAAP financial measures. For example, the non-GAAP financial measures presented in this report 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 we do.

See "Results of Operations – Fiscal Year Ended May 28, 2023 Compared to Fiscal Year Ended May 29, 2022 – 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 EBITDA.

	For the Fiscal Years Ended May	
	2024 (a)	2023
Net income (b)	\$ 725.5	\$ 1,008.9
Interest expense, net	135.8	109.2
Income tax expense	230.0	224.6
Income from operations including equity method investment earnings (c)	1,091.3	1,342.7
Depreciation and amortization	306.2	247.4
Unrealized derivative (gains) and losses	(24.9)	41.7
Unconsolidated joint venture unrealized derivative losses	—	32.7
Foreign currency exchange losses	10.6	5.5
Items impacting comparability:		
Inventory step-up from acquisition	20.7	27.0
Integration and acquisition-related items, net	12.8	(21.8)
Gain on acquisition of interest in joint venture (d)	—	(425.8)
Adjusted EBITDA	\$ 1,416.7	\$ 1,249.4

(a) Fiscal 2024 included the consolidated financial statements of LW EMEA whereas in the first three quarters of fiscal 2023, LW EMEA's financial results were recorded in "Equity method investment earnings." For more information about the LW EMEA Acquisition, see Note 11, Acquisitions, of the Notes to Consolidated Financial Statements.

- (b) Net income for fiscal 2024 included the following:
- i. Approximately \$95 million of losses (\$72 million after-tax) related to the ERP transition in the fiscal third quarter, including approximately \$83 million in the North America segment, approximately \$5 million in the International segment, and \$7 million of unallocated corporate costs.
 - ii. A \$95.9 million charge (\$72.9 million after-tax, or \$0.50 per share) related to a write-off of excess raw potatoes. The total charge to the reporting segments was as follows: \$86.0 million to the North America segment and \$9.9 million to the International segment.
 - iii. An estimated \$40 million loss (\$30 million after-tax, or \$0.20 per share) related to the voluntary product withdrawal. The total charge to the reporting segments was approximately \$19 million to the North America segment and approximately \$21 million to the International segment.
- (c) Income from operations included:
- i. Net integration and acquisition-related items were a loss of \$12.8 million (\$9.6 million after-tax, or \$0.07 per share) and a gain of \$21.8 million (\$12.2 million after-tax, or \$0.08 per share) related to actions taken to mitigate the effect of changes in currency rates on the purchase of the remaining equity interest in LW EMEA, net of other acquisition-related costs, for fiscal 2024 and 2023, respectively;
 - ii. A \$20.7 million (\$15.4 million after-tax, or \$0.11 per share) and \$27.0 million (\$20.0 million after-tax, or \$0.14 per share) charge related to the step-up and sale of inventory following completion of the LW EMEA Acquisition for fiscal 2024 and 2023, respectively;
 - iii. A \$24.9 million unrealized gain (\$18.6 million after-tax, or \$0.13 per share) and a \$74.4 million unrealized loss (\$55.4 million after-tax, or \$0.38 per share) related to mark-to-market adjustments associated with commodity and currency hedging contracts for fiscal 2024 and 2023, respectively; and
 - iv. Foreign currency exchange losses of \$10.6 million (\$8.0 million after-tax, or \$0.05 per share) and \$5.5 million (\$4.1 million after-tax, or \$0.03 per share) for fiscal 2024 and 2023, respectively.
- (d) Included in Adjusted EBITDA is a gain on acquisition interest in joint ventures of \$425.8 million (\$379.5 million, or \$2.62 per share) of non-cash gains related to the remeasurement of our initial equity interests to fair value, including **unconsolidated joint ventures**.

For the Fiscal Years Ended May

(in millions)	2023	2022
Net income	\$ 1,008.9	\$ 200.9
Equity method investment (earnings) loss	(460.6)	10.7
Interest expense, net	109.2	161.0
Income tax expense	224.6	71.8
Income from operations	882.1	444.4
Depreciation and amortization	218.3	187.3
Items impacting comparability		
Acquisition expenses, net (a)	(21.8)	—
LW EMEA derivative losses (gains) (a)	18.7	—
Inventory step-up (a)	27.0	—
Adjusted EBITDA	1,124.3	631.7
Unconsolidated Joint Ventures		
Equity method investment earnings (loss)	460.6	(10.7)
Interest expense, income tax expense, and depreciation and amortization included in equity method investment earnings	29.1	42.0
Items impacting comparability		
LW EMEA derivative losses (gains) (b)	37.8	(31.7)
Gain on acquisitions (b)	(425.8)	—
Write-off of net investment in Russia (b)	—	62.7
Add: Adjusted EBITDA from unconsolidated joint ventures	101.7	62.3
Adjusted EBITDA including unconsolidated joint ventures	\$ 1,226.0	\$ 694.0

(a) Income from operations for fiscal 2023 included a net \$21.8 million gain (\$12.2 million after-tax, or \$0.08 per share) related to actions taken to mitigate the effect of changes in currency rates on the purchase of the remaining equity interest in LW EMEA, net of other acquisition-related costs. Fiscal 2023 also includes an \$18.7 million unrealized loss (\$13.9 million after-tax, or \$0.10 per share) related to mark-to-market adjustments associated with natural gas and electricity hedging contracts at our European operations as the market experienced significant volatility, and a \$27.0 million (\$20.0 million after-tax, or \$0.14 per share) charge related to the step-up and sale of inventory acquired in the LW EMEA Acquisition.

(b) Equity method investment earnings for fiscal 2023 included \$425.8 million (\$379.5 million, or \$2.62 per share) of non-cash gains related to the remeasurement of our initial equity interests to fair value, including a \$410.7 million non-cash gain (\$364.4 million after-tax, or \$2.52 per share) for LW EMEA and a \$15.1 million non-cash gain (before and after-tax, or \$0.10 per share) for LWAMSA. These gains were partially offset by a \$37.8 million unrealized loss (\$28.0 million after-tax, or \$0.19 per share), related to mark-to-market adjustments associated with changes in natural gas and electricity derivatives as commodity markets in Europe have experienced significant volatility. Equity method investments earnings for fiscal 2022 included \$31.7 million (\$23.5 million after-tax, or \$0.16 per share) of unrealized gains related to mark-to-market adjustments associated with changes in natural gas and electricity derivatives. Equity method investment earnings for fiscal 2022 included a non-cash impairment charge of \$62.7 million (before and after-tax, or \$0.43 per share) related to LW EMEA's withdrawal from its joint venture in Russia.

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The following table reconciles tables reconcile gross profit to Adjusted Gross Profit, SG&A to Adjusted SG&A, income from operations to Adjusted Income from Operations, equity method investment earnings to Adjusted Equity Method Investment Earnings, net income to Adjusted Net Income, and diluted EPS to Adjusted Diluted EPS:

	For the Fiscal Years Ended May					
	2023	2022	2023	2022	2023 (a)	2022 (a)
	Income from					
(in millions, except per share amounts)	Operations		Net Income		Diluted EPS	
As reported	\$882.1	\$444.4	\$1,008.9	\$200.9	\$ 6.95	\$ 1.38
Items impacting comparability:						
LW EMEA acquisition-related items:						
Gain on acquisitions (b)	—	—	(364.4)	—	(2.52)	—
Inventory step-up (c)	27.0	—	20.0	—	0.14	—
Acquisition expenses, net (c)	(21.8)	—	(12.2)	—	(0.08)	—
Total LW EMEA acquisition-related items impacting comparability	5.2	—	(356.6)	—	(2.46)	—
Gain on acquisition of interest in LWAMSA (b)	—	—	(15.1)	—	(0.10)	—
Impact of LW EMEA natural gas and electricity derivatives (c)	18.7	—	41.9	(23.5)	0.29	(0.16)
Loss on extinguishment of debt (d)	—	—	—	40.5	—	0.27
Write-off of net investment in Russia (e)	—	—	—	62.7	—	0.43

Total items impacting comparability	23.9	—	(329.8)	79.7	(2.27)	0.54
Adjusted	\$906.0	\$444.4	\$ 679.1	\$280.6	\$ 4.68	\$ 1.92

- (a) Diluted weighted average common shares were 145.2 million and 145.9 million in fiscal 2023 and 2022, respectively.
- (b) 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.
- (c) 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.
- (d) The fiscal year ended May 29, 2022, includes a loss on the extinguishment of debt of \$53.3 million (\$40.5 million after-tax, or \$0.27 per share), which consists of a call premium of \$39.6 million related to the redemption of our senior notes due 2024 and 2026 and the write-off of \$13.7 million of debt issuance costs associated with those notes.
- (e) 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.

Fiscal Year Ended May 26, 2024	Gross Profit	SG&A	Income From Operations	Equity Method Investment Earnings (Loss)	Net Income	Diluted EPS (a)
As reported	\$1,766.7	\$701.4	\$ 1,065.3	\$ 26.0	\$ 725.5	\$ 4.98
Unrealized derivative gains and losses	(28.7)	(3.8)	(24.9)	—	(18.6)	(0.13)
Foreign currency exchange losses	—	(10.6)	10.6	—	8.0	0.05
Items impacting comparability:						
Inventory step-up from acquisition	20.7	—	20.7	—	15.4	0.11
Integration and acquisition- related items, net	—	(12.8)	12.8	—	9.6	0.07
Total adjustments	(8.0)	(27.2)	19.2	—	14.4	0.10
Adjusted (b)	\$1,758.7	\$674.2	\$ 1,084.5	\$ 26.0	\$ 739.9	\$ 5.08
Fiscal Year Ended May 28, 2023						
As reported	\$1,432.1	\$550.0	\$ 882.1	\$ 460.6	\$1,008.9	\$ 6.95
Unrealized derivative losses	37.5	(4.2)	41.7	32.7	55.4	0.38

Foreign currency exchange losses	—	(5.5)	5.5	—	4.1	0.03
Items impacting comparability:						
Gain on acquisition of interest in joint ventures	—	—	—	(425.8)	(379.5)	(2.62)
Inventory step-up from acquisition	27.0	—	27.0	—	20.0	0.14
Integration and acquisition-related items, net	—	21.8	(21.8)	—	(12.2)	(0.08)
Total adjustments	64.5	12.1	52.4	(393.1)	(312.2)	(2.15)
Adjusted (b)	\$1,496.6	\$562.1	\$ 934.5	\$ 67.5	\$ 696.7	\$ 4.80

43 (a)

Diluted weighted average common shares were 145.6 million and 145.2 million at the end of fiscal 2024 and 2023, respectively.

(b) See footnotes in the reconciliation of net income to Adjusted EBITDA above for a discussion of the items impacting comparability.

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ITEM 7A. 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, changes in currency 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. All of the following potential changes are based on sensitivity analyses performed on our financial positions as of **May 28, 2023**, **May 26, 2024** and **May 29, 2022**, **May 28, 2023**. Actual results may differ materially.

Commodity Price Risk

The objective of our commodity exposure management is to minimize volatility in earnings due to large fluctuations in the price of commodities. We may use commodity swap or forward purchase contracts, in addition to sourcing from multiple providers, to manage

risks associated with market fluctuations in oil and energy prices. Based on our open commodity contract hedge positions as of May 28, 2023 May 26, 2024, a hypothetical 10 percent 10% decline in market prices applied to the fair value of the instruments would result in a charge to "Cost of sales" of \$9.0 million \$9.2 million (\$6.8 \$6.9 million after-tax). Based on our open commodity hedge positions as of May 29, 2022 May 28, 2023, a hypothetical 10 percent 10% decline in market prices applied to the fair value of the instruments would have resulted in a charge to "Cost of sales" of \$4.5 million \$9.0 million (\$3.5 million after-tax) and a charge to "Equity method investment earnings" of \$6.1 million (\$4.6 \$6.8 million after-tax). It should be noted that any change in the fair value of the contracts, real or hypothetical, likely would be substantially offset by an inverse change in the value of the underlying hedged item.

Foreign Currency Exchange Rate Risk

We are subject to currency exchange rate risk through investments and businesses owned and operated in foreign countries. Our operations in foreign countries export to, and compete with imports from other regions. As such, currency movements can have a number of direct and indirect impacts on our financial statements. Direct impacts include the translation of international operations' local currency financial statements into U.S. dollars and the remeasurement impact associated with non-functional currency financial assets and liabilities. Indirect impacts include the change in competitiveness of exports out of the United States (and the impact on local currency pricing of products that are traded internationally). The currency that has the most impact is the Euro. From time to time, we may economically hedge currency risk with foreign currency contracts, such as forward contracts. Based on monetary assets and liabilities denominated in foreign currencies, we estimate that a hypothetical 10 percent 10% adverse change in exchange rates versus the U.S. dollar would result in losses of \$63.3 million (\$48.1 million after-tax) and \$48.8 million (\$37.1 million after-tax) and \$6.5 million (\$5.0 million after-tax) as of May 28, 2023 May 26, 2024 and May 29, 2022 May 28, 2023, respectively. The increased hypothetical risk from May 29, 2022 is primarily related to the increase in our non-U.S. assets and liabilities.

Interest Rate Risk

We issue fixed and floating rate debt in a proportion that management deems appropriate based on current and projected market conditions. At May 26, 2024, we had \$2,495.0 million of fixed-rate and \$1,341.7 million of variable-rate debt outstanding. At May 28, 2023, we had \$2,170.0 million of fixed-rate and \$1,309.8 million of variable-rate debt outstanding. At May 29, 2022, we had \$2,170.0 million of fixed-rate and \$575.0 million of variable-rate debt outstanding. A one percent increase in interest rates related to variable-rate debt would result in an annual increase in interest expense and a corresponding decrease in income before taxes of \$13.3 million \$13.6 million annually (\$10.6 million after-tax) and \$13.3 million annually (\$10.3 million after-tax) at May 26, 2024 and \$5.8 million annually (\$4.5 million after-tax) at May 28, 2023 and May 29, 2022, respectively.

For more information about our debt, see Note 8, 6, Debt and Financing Obligations, of the Notes to Consolidated Financial

Statements in “Part II, Item 8. Financial Statements and Supplementary Data” of this Form 10-K.

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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Reports of Independent Registered Public Accounting Firm (KPMG, LLP, Seattle, WA, PCAOB ID No. 185)	46
Consolidated Statements of Earnings for the fiscal years ended May 28, 2023, May 26, 2024, May 29, 2022, May 28, 2023, and May 30, 2021, May 29, 2022	50
Consolidated Statements of Comprehensive Income for the fiscal years ended May 28, 2023, May 26, 2024, May 29, 2022, May 28, 2023, and May 30, 2021, May 29, 2022	51
Consolidated Balance Sheets as of May 28, 2023, May 26, 2024, and May 29, 2022, May 28, 2023	52
Consolidated Statements of Stockholders' Equity for the fiscal years ended May 28, 2023, May 26, 2024, May 29, 2022, May 28, 2023, and May 30, 2021, May 29, 2022	53
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Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Lamb Weston Holdings, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Lamb Weston Holdings, Inc. and subsidiaries (the Company) as of **May 28, 2023** **May 26, 2024** and **May 29, 2022** **May 28, 2023**, the related consolidated statements of earnings, comprehensive income, stockholders' equity, and cash flows for each of the years in the three-year period ended **May 28, 2023** **May 26, 2024**, and the related notes and consolidated financial statement schedule (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of **May 28, 2023** **May 26, 2024** and **May 29, 2022** **May 28, 2023**, and the results of its operations and its cash flows for each of the years in the three-year period ended **May 28, 2023** **May 26, 2024**, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of **May 28, 2023 **May 26, 2024**, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated **July 25, 2023** **July 24, 2024** expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.**

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Acquisition date fair value

Sufficiency of audit evidence over the previously finished goods inventory held equity interest in Lamb Weston EMEA

at third-party warehouse locations

As described discussed in Note 31 to the consolidated financial statements, on February 28, 2023 the Company has recognized finished goods inventory of \$867.9 million as of May 26, 2024, the Company acquired majority of which is held at third-party warehouse locations. The tracking of the remaining 50% interest in Lamb Weston EMEA, increasing existence and completeness of finished goods inventory quantities held at third-party warehouse locations is reliant upon manual processes and automated processes within the Company's ownership interest to 100%. As a result of the transaction, the Company remeasured its previously held equity interest at the acquisition date fair value of \$634.4 million and recognized a gain of \$410.7 million, which is included in equity method investment earnings (loss) in the consolidated statement of earnings. The Company determined the estimated fair value of its previously held equity interest using the market approach, which included a control premium assumption.

enterprise resource planning system.

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We identified the evaluation of the acquisition date fair value sufficiency of audit evidence obtained related to the previously quantities of finished goods inventory held equity interest in Lamb Weston EMEA at third-party warehouse locations as a critical audit matter. Specifically, challenging Challenging auditor judgment was required to evaluate the control premium used to determine the acquisition date fair value. Additionally, nature and extent of procedures to be performed over the quantity of finished

goods inventory held at third-party warehouse locations, including the determination of third-party warehouse locations at which to observe physical inventory counts and the need to involve information technology (IT) professionals with specialized skills and knowledge were required to evaluate assess the relevance of comparable transactions in a similar industry.

IT system involved.

The following are the primary procedures we performed to address this critical audit matter. We applied auditor judgment to determine the nature and extent of procedures to be performed over the quantities of finished goods inventory held at third-party warehouse locations by evaluating:

- homogeneity of the locations
- historical results of physical counts of inventory
- inventory quantities by location.

We evaluated the design and tested the operating effectiveness of an certain internal control over controls within the Company's determination and selection of the control premium. We performed a sensitivity analysis inventory process, including controls over the control premium assumption to assess the impact of changes to that assumption on the Company's determination of fair value. finished goods inventory quantities held at third-party warehouse locations. We involved valuation IT professionals with specialized skills and knowledge, who assisted in evaluating:

- testing certain general IT and application controls related to the relevance Company's process of comparable transactions, recording finished goods inventory quantities held at third-party warehouse locations. We tested the existence and completeness of finished goods inventory by observing a sample of physical inventory counts during the year. We also obtained external confirmation of inventory quantities held at certain third-party warehouse locations for a sample of locations. In addition, we evaluated the overall sufficiency of audit evidence obtained over finished goods inventory quantities held at third-party warehouse locations by assessing the results of procedures performed including the industry and time period appropriateness of the identified transactions
- the control premium by comparing it to relevant publicly available data for

comparable transactions.

/s/ KPMG LLP

such evidence.

We have served as the Company's auditor since 2016.

/s/ KPMG LLP

Seattle, Washington

July 25, 2023

24, 2024

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Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors
Lamb Weston Holdings, Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited Lamb Weston Holdings, Inc. and subsidiaries' (the Company) internal control over financial reporting as of May 28, 2023 May 26, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of May 28, 2023 May 26, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of May 28, 2023 May 26, 2024 and May 29, 2022 May 28, 2023, the related consolidated statements of earnings, comprehensive income, stockholders' equity, and cash flows for each of the years in the three-year period ended May 28, 2023 May 26, 2024, and the related notes and consolidated financial statement schedule (collectively, the consolidated financial statements), and our report dated July

25, 2023 July 24, 2024 expressed an unqualified opinion on those consolidated financial statements.

The Company acquired the remaining interest in Lamb-Weston/Meijer v.o.f. (Lamb Weston EMEA), its joint venture in Europe, during the year ended May 28, 2023, and management excluded from its assessment of the effectiveness of the Company's internal control over financial reporting as of May 28, 2023, Lamb Weston EMEA's internal control over financial reporting associated with 30% of total assets and 7% of total net sales included in the consolidated financial statements of the Company as of and for the year ended May 28, 2023. Our audit of internal control over financial reporting of the Company also excluded an evaluation of the internal control over financial reporting of Lamb Weston EMEA.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

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Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Seattle, Washington

July 25, 2023

24, 2024

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Lamb Weston Holdings, Inc.
Consolidated Statements of Earnings

(dollars in millions, except per share amounts)

	For the Fiscal Years Ended May		
	2023	2022	2021
Net sales	\$5,350.6	\$4,098.9	\$3,670.9
Cost of sales	3,918.5	3,266.9	2,838.9
Gross profit	1,432.1	832.0	832.0

Selling, general and administrative expenses	550.0	387.6	357.2
Income from operations	882.1	444.4	474.8
Interest expense, net	109.2	161.0	118.3
Income before income taxes and equity method earnings	772.9	283.4	356.5
Income tax expense	224.6	71.8	90.5
Equity method investment earnings (loss)	460.6	(10.7)	51.8
Net income	<u>\$1,008.9</u>	<u>\$ 200.9</u>	<u>\$ 317.8</u>
Earnings per share:			
Basic	<u>\$ 6.98</u>	<u>\$ 1.38</u>	<u>\$ 2.17</u>
Diluted	<u>\$ 6.95</u>	<u>\$ 1.38</u>	<u>\$ 2.16</u>
Weighted average common shares outstanding:			
Basic	<u>144.5</u>	<u>145.5</u>	<u>146.4</u>
Diluted	<u>145.2</u>	<u>145.9</u>	<u>147.1</u>

	For the Fiscal Years Ended May		
	2024	2023	2022
Net sales	\$ 6,467.6	\$ 5,350.6	\$ 4,098.9
Cost of sales	4,700.9	3,918.5	3,266.9
Gross profit	1,766.7	1,432.1	832.0
Selling, general and administrative expenses	701.4	550.0	387.6
Income from operations	1,065.3	882.1	444.4
Interest expense, net	135.8	109.2	161.0
Income before income taxes and equity method earnings	929.5	772.9	283.4
Income tax expense	230.0	224.6	71.8
Equity method investment earnings (loss)	26.0	460.6	(10.7)
Net income	<u>\$ 725.5</u>	<u>\$ 1,008.9</u>	<u>\$ 200.9</u>
Earnings per share:			
Basic	<u>\$ 5.01</u>	<u>\$ 6.98</u>	<u>\$ 1.38</u>
Diluted	<u>\$ 4.98</u>	<u>\$ 6.95</u>	<u>\$ 1.38</u>
Weighted average common shares outstanding:			
Basic	<u>144.9</u>	<u>144.5</u>	<u>145.5</u>
Diluted	<u>145.6</u>	<u>145.2</u>	<u>145.9</u>

See Notes to Consolidated Financial Statements.

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

	For the Fiscal Years Ended May								
	2023			2022			2021		
	Tax			Tax			Tax		
	Pre-Tax	(Expense)	After-Tax	Pre-Tax	(Expense)	After-Tax	Pre-Tax	(Expense)	After-Tax
	Amount	Benefit	Amount	Amount	Benefit	Amount	Amount	Benefit	Amount
Net income	\$1,233.5	\$(224.6)	\$1,008.9	\$272.7	\$ (71.8)	\$200.9	\$408.3	\$ (90.5)	\$317.8
Other comprehensive income (loss):									
Unrealized pension and post-retirement benefit obligations gain (loss)	3.4	(0.8)	2.6	3.7	(0.8)	2.9	(3.2)	0.7	(2.5)
Unrealized currency translation gains (losses)	(16.6)	2.4	(14.2)	(51.0)	2.1	(48.9)	76.1	(3.8)	72.3
Other	0.5	(0.1)	0.4	1.2	(0.3)	0.9	0.3	(0.1)	0.2
Comprehensive income	<u>\$1,220.8</u>	<u>\$(223.1)</u>	<u>\$ 997.7</u>	<u>\$226.6</u>	<u>\$ (70.8)</u>	<u>\$155.8</u>	<u>\$481.5</u>	<u>\$ (93.7)</u>	<u>\$387.8</u>

	For the Fiscal Years Ended May								
	2024			2023			2022		
	Tax			Tax			Tax		
	Pre-Tax	(Expense)	After-Tax	Pre-Tax	(Expense)	After-Tax	Pre-Tax	(Expense)	After-Tax
	Amount	Benefit	Amount	Amount	Benefit	Amount	Amount	Benefit	Amount
Net income	\$955.5	\$(230.0)	\$725.5	\$1,233.5	\$(224.6)	\$1,008.9	\$272.7	\$ (71.8)	\$200.9
Other comprehensive income (loss):									
Unrealized pension and post-retirement benefit obligations gain (loss)	(5.9)	1.3	(4.6)	3.4	(0.8)	2.6	3.7	(0.8)	2.9
Unrealized currency translation gains (losses)	19.3	(0.4)	18.9	(16.6)	2.4	(14.2)	(51.0)	2.1	(48.9)
Other	(0.5)	0.1	(0.4)	0.5	(0.1)	0.4	1.2	(0.3)	0.9
Comprehensive income	<u>\$968.4</u>	<u>\$(229.0)</u>	<u>\$739.4</u>	<u>\$1,220.8</u>	<u>\$(223.1)</u>	<u>\$ 997.7</u>	<u>\$226.6</u>	<u>\$ (70.8)</u>	<u>\$155.8</u>

See Notes to Consolidated Financial Statements.

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**Lamb Weston Holdings, Inc.
Consolidated Balance Sheets**

(dollars in millions, except share data)

	May 28, 2023	May 29, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 304.8	\$ 525.0
Receivables, less allowance for doubtful accounts of \$2.6 and \$1.1	724.2	447.3
Inventories	932.0	574.4
Prepaid expenses and other current assets	166.2	112.9
Total current assets	2,127.2	1,659.6
Property, plant and equipment, net	2,808.0	1,579.2
Operating lease assets	146.1	119.0
Equity method investments	43.5	257.4
Goodwill	1,040.7	318.0
Intangible assets, net	110.2	33.7
Other assets	244.1	172.9
Total assets	\$6,519.8	\$4,139.8
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings	\$ 158.5	\$ —
Current portion of long-term debt and financing obligations	55.3	32.2
Accounts payable	636.6	402.6
Accrued liabilities	509.8	264.3
Total current liabilities	1,360.2	699.1
Long-term liabilities:		
Long-term debt and financing obligations, excluding current portion	3,248.4	2,695.8
Deferred income taxes	252.1	172.5
Other noncurrent liabilities	247.8	211.9
Total long-term liabilities	3,748.3	3,080.2
Commitments and contingencies		
Stockholders' equity:		
Common stock of \$1.00 par value, 600,000,000 shares authorized; 150,293,511 and 148,045,584 shares issued	150.3	148.0

Treasury stock, at cost, 4,627,828 and 3,974,156 common shares	(314.3)	(264.1)
Additional distributed capital	(558.6)	(813.3)
Retained earnings	2,160.7	1,305.5
Accumulated other comprehensive loss	(26.8)	(15.6)
Total stockholders' equity	1,411.3	360.5
Total liabilities and stockholders' equity	\$6,519.8	\$4,139.8

	May 26, 2024	May 28, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 71.4	\$ 304.8
Receivables, less allowance for doubtful accounts of \$0.9 and \$2.6	743.6	724.2
Inventories	1,138.6	932.0
Prepaid expenses and other current assets	136.4	166.2
Total current assets	2,090.0	2,127.2
Property, plant and equipment, net	3,582.8	2,808.0
Operating lease assets	133.0	146.1
Goodwill	1,059.9	1,040.7
Intangible assets, net	104.9	110.2
Other assets	396.4	287.6
Total assets	\$7,367.0	\$6,519.8
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings	\$ 326.3	\$ 158.5
Current portion of long-term debt and financing obligations	56.4	55.3
Accounts payable	833.8	636.6
Accrued liabilities	407.6	509.8
Total current liabilities	1,624.1	1,360.2
Long-term liabilities:		
Long-term debt and financing obligations, excluding current portion	3,440.7	3,248.4
Deferred income taxes	256.2	252.1
Other noncurrent liabilities	258.2	247.8
Total long-term liabilities	3,955.1	3,748.3
Commitments and contingencies		
Stockholders' equity:		
Common stock of \$1.00 par value, 600,000,000 shares authorized; 150,735,397 and 150,293,511 shares issued	150.7	150.3
Treasury stock, at cost, 7,068,741 and 4,627,828 common shares	(540.9)	(314.3)
Additional distributed capital	(508.9)	(558.6)
Retained earnings	2,699.8	2,160.7
Accumulated other comprehensive loss	(12.9)	(26.8)
Total stockholders' equity	1,787.8	1,411.3
Total liabilities and stockholders' equity	\$7,367.0	\$6,519.8

See Notes to Consolidated Financial Statements.

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Lamb Weston Holdings, Inc.
Consolidated Statements of Stockholders' Equity

(dollars in millions, except share and per share data)

	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 31, 2020	146,038,893	\$ 147.0	\$ (68.2)	\$ (862.9)	\$1,064.6	\$ (40.5)	\$ 240.0
Dividends							
declared, \$0.93							
per share	—	—	—	—	(136.2)	—	(136.2)
Common stock							
issued	646,881	0.6	—	3.5	—	—	4.1
Stock-settled, stock-based compensation expense	—	—	—	20.6	—	—	20.6
Repurchase of common stock and common stock withheld to cover taxes	(493,910)	—	(36.1)	—	—	—	(36.1)
Other	—	—	—	2.0	(1.6)	—	0.4
Comprehensive income	—	—	—	—	317.8	70.0	387.8
Balance at							
May 30, 2021	146,191,864	\$ 147.6	\$ (104.3)	\$ (836.8)	\$1,244.6	\$ 29.5	\$ 480.6
Dividends							
declared, \$0.96							
per share	—	—	—	—	(139.3)	—	(139.3)
Common stock							
issued	404,952	0.4	—	1.5	—	—	1.9
Stock-settled, stock-based compensation expense	—	—	—	21.3	—	—	21.3

Repurchase of common stock and common stock withheld to cover taxes	(2,525,388)	—	(159.8)	—	—	—	(159.8)
Other	—	—	—	0.7	(0.7)	—	—
Comprehensive income	—	—	—	—	200.9	(45.1)	155.8
Balance at							
May 29, 2022	144,071,428	\$ 148.0	\$(264.1)	\$ (813.3)	\$1,305.5	\$ (15.6)	\$ 360.5
Dividends declared, \$1.05 per share	—	—	—	—	(151.6)	—	(151.6)
Common stock issued	2,247,927	2.3	—	196.7	—	—	199.0
Stock-settled, stock-based compensation expense	—	—	—	38.5	—	—	38.5
Repurchase of common stock and common stock withheld to cover taxes	(653,672)	—	(50.2)	—	—	—	(50.2)
Other	—	—	—	19.5	(2.1)	—	17.4
Comprehensive income	—	—	—	—	1,008.9	(11.2)	997.7
Balance at							
May 28, 2023	145,665,683	\$ 150.3	\$(314.3)	\$ (558.6)	\$2,160.7	\$ (26.8)	\$ 1,411.3

	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 30, 2021	146,191,864	\$ 147.6	\$(104.3)	\$ (836.8)	\$1,244.6	\$ 29.5	\$ 480.6
Dividends declared, \$0.96 per share	—	—	—	—	(139.3)	—	(139.3)
Common stock issued	404,952	0.4	—	1.5	—	—	1.9
Stock-settled, stock-based compensation expense	—	—	—	21.3	—	—	21.3
Repurchase of common stock and common stock withheld to cover taxes	(2,525,388)	—	(159.8)	—	—	—	(159.8)
Other	—	—	—	0.7	(0.7)	—	—
Comprehensive income	—	—	—	—	200.9	(45.1)	155.8
Balance at							
May 29, 2022	144,071,428	\$ 148.0	\$(264.1)	\$ (813.3)	\$1,305.5	\$ (15.6)	\$ 360.5

Dividends declared, \$1.05 per share	—	—	—	—	(151.6)	—	(151.6)
Common stock issued	2,247,927	2.3	—	196.7	—	—	199.0
Stock-settled, stock-based compensation expense	—	—	—	38.5	—	—	38.5
Repurchase of common stock and common stock withheld to cover taxes	(653,672)	—	(50.2)	—	—	—	(50.2)
Other	—	—	—	19.5	(2.1)	—	17.4
Comprehensive income	—	—	—	—	1,008.9	(11.2)	997.7
Balance at							
May 28, 2023	145,665,683	\$ 150.3	\$(314.3)	\$ (558.6)	\$2,160.7	\$ (26.8)	\$ 1,411.3
Dividends declared, \$1.28 per share	—	—	—	—	(184.9)	—	(184.9)
Common stock issued	441,886	0.4	—	0.3	—	—	0.7
Stock-settled, stock-based compensation expense	—	—	—	46.8	—	—	46.8
Repurchase of common stock and common stock withheld to cover taxes	(2,440,913)	—	(225.3)	—	—	—	(225.3)
Other	—	—	(1.3)	2.6	(1.5)	—	(0.2)
Comprehensive income	—	—	—	—	725.5	13.9	739.4
Balance at							
May 26, 2024	143,666,656	\$ 150.7	\$(540.9)	\$ (508.9)	\$2,699.8	\$ (12.9)	\$ 1,787.8

See Notes to Consolidated Financial Statements.

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

	For the Fiscal Years Ended May		
	2023	2022	2021
Cash flows from operating activities			
Net income	\$ 1,008.9	\$ 200.9	\$ 317.8

Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of intangibles and debt issuance costs	222.8	192.1	187.8
Loss on extinguishment of debt	—	53.3	1.0
Stock-settled, stock-based compensation expense	38.5	21.3	20.6
Gain on acquisition of interests in joint ventures	(425.8)	—	—
Equity method investment earnings in excess of distributions	(35.7)	29.9	(33.0)
Deferred income taxes	0.4	13.5	3.8
Foreign currency remeasurement (gain) loss	(21.7)	0.5	(0.5)
Other	23.9	(7.0)	10.7
Changes in operating assets and liabilities, net of acquisitions:			
Receivables	(53.6)	(76.3)	(21.0)
Inventories	(125.1)	(63.0)	(22.0)
Income taxes payable/receivable, net	(12.3)	11.6	(3.3)
Prepaid expenses and other current assets	1.8	(6.8)	(4.9)
Accounts payable	83.1	16.5	104.7
Accrued liabilities	56.5	32.1	(9.0)
Net cash provided by operating activities	\$ 761.7	\$ 418.6	\$ 552.7
Cash flows from investing activities			
Additions to property, plant and equipment	(654.0)	(290.1)	(147.2)
Additions to other long-term assets	(82.0)	(16.3)	(16.1)
Acquisition of interests in joint ventures, net	(610.4)	—	—
Other	5.5	(4.1)	0.8
Net cash used for investing activities	\$(1,340.9)	\$(310.5)	\$(162.5)
Cash flows from financing activities			
Proceeds from issuance of debt	529.5	1,676.1	—
Repayments of debt and financing obligations	(32.6)	(1,698.1)	(305.5)
Dividends paid	(146.1)	(138.4)	(135.3)
Repurchase of common stock and common stock withheld to cover taxes	(51.6)	(158.4)	(36.1)
Payments of senior notes call premium	—	(39.6)	—
Proceeds (repayments) of short-term borrowings, net	41.4	—	(498.8)
Other	0.2	(5.0)	1.7
Net cash provided by (used for) financing activities	\$ 340.8	\$(363.4)	\$(974.0)
Effect of exchange rate changes on cash and cash equivalents	18.2	(3.2)	3.3
Net decrease in cash and cash equivalents	(220.2)	(258.5)	(580.5)
Cash and cash equivalents, beginning of period	525.0	783.5	1,364.0
Cash and cash equivalents, end of period	\$ 304.8	\$ 525.0	\$ 783.5

	For the Fiscal Years Ended May		
	2024	2023	2022
Cash flows from operating activities			
Net income	\$ 725.5	\$ 1,008.9	\$ 200.9
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization of intangibles and debt issuance costs	306.8	222.8	192.1
Loss on extinguishment of debt	—	—	53.3
Stock-settled, stock-based compensation expense	46.8	38.5	21.3
Gain on acquisition of interests in joint ventures	—	(425.8)	—
Equity method investment earnings in excess of distributions	(15.5)	(35.7)	29.9

Deferred income taxes	(1.3)	0.4	13.5
Foreign currency remeasurement (gain) loss	(0.1)	(21.7)	0.5
Other	7.0	23.9	(7.0)
Changes in operating assets and liabilities, net of acquisitions:			
Receivables	(15.1)	(53.6)	(76.3)
Inventories	(203.3)	(125.1)	(63.0)
Income taxes payable/receivable, net	20.1	(12.3)	11.6
Prepaid expenses and other current assets	9.7	1.8	(6.8)
Accounts payable	36.5	83.1	16.5
Accrued liabilities	(118.9)	56.5	32.1
Net cash provided by operating activities	\$ 798.2	\$ 761.7	\$ 418.6
Cash flows from investing activities			
Additions to property, plant and equipment	(929.5)	(654.0)	(290.1)
Additions to other long-term assets	(62.3)	(82.0)	(16.3)
Acquisition of interests in joint ventures, net	—	(610.4)	—
Acquisition of business, net of cash acquired	(10.5)	—	—
Other	18.2	5.5	(4.1)
Net cash used for investing activities	\$ (984.1)	\$ (1,340.9)	\$ (310.5)
Cash flows from financing activities			
Proceeds from issuance of debt	592.0	529.5	1,676.1
Repayments of debt and financing obligations	(401.1)	(32.6)	(1,698.1)
Dividends paid	(174.0)	(146.1)	(138.4)
Repurchase of common stock and common stock withheld to cover taxes	(225.3)	(51.6)	(158.4)
Payments of senior notes call premium	—	—	(39.6)
Proceeds of short-term borrowings, net	164.9	41.4	—
Other	(4.5)	0.2	(5.0)
Net cash (used for) provided by financing activities	\$ (48.0)	\$ 340.8	\$ (363.4)
Effect of exchange rate changes on cash and cash equivalents	0.5	18.2	(3.2)
Net decrease in cash and cash equivalents	(233.4)	(220.2)	(258.5)
Cash and cash equivalents, beginning of period	304.8	525.0	783.5
Cash and cash equivalents, end of period	\$ 71.4	\$ 304.8	\$ 525.0

See Notes to Consolidated Financial Statements.

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Notes to Consolidated Financial Statements

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lamb Weston Holdings, Inc. ("we," "us," "our," the "Company," or "Lamb Weston") 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, North America** and **Other**.

International.

Basis of Presentation

These Consolidated Financial Statements present the financial results of Lamb Weston for the fiscal years ended **May 28, 2023**, **May 26, 2024**, **May 29, 2022**, **May 28, 2023**, and **May 30, 2021** (**May 29, 2022** ("fiscal 2024, 2023, 2022, and 2021" 2022)), and have been prepared in accordance with generally accepted accounting principles ("GAAP") in the United States of America ("U.S."). The fiscal year of Lamb Weston ends the last Sunday in May. The fiscal years for the Consolidated Financial Statements presented consist of **52-week** 52-week periods.

The financial statements include all adjustments (consisting only of normal recurring adjustments) that we consider necessary for a fair presentation of such financial statements. Our **consolidated financial statements** Consolidated Financial Statements include the accounts of Lamb Weston and all of our majority-owned subsidiaries. Intercompany investments, accounts, and transactions have been eliminated.

Certain amounts in the prior **year** period consolidated financial statements have been reclassified to conform with the current period presentation.

The equity method of accounting is applied for investments when the Company has significant influence over the investee's operations, or when the

investee is structured with separate capital accounts and our investment is considered more than minor. Our equity method investments are described in Note 4, 12, Joint Venture Investments.

Use of Estimates

The preparation of the consolidated financial statements Consolidated Financial Statements in conformity with GAAP requires us to make certain estimates and assumptions that affect the amounts reported in our consolidated financial statements Consolidated Financial Statements and the accompanying notes. On an ongoing basis, we evaluate our estimates, including but not limited to those related to the measurement of assets acquired and the liabilities assumed based on the fair value at the acquisition date, provisions for income taxes, estimates of sales incentives and trade promotion allowances. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. We adjust such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in these estimates will be reflected in the consolidated financial statements Consolidated Financial Statements in future periods.

Revenue from Contracts with Customers

Generally, we recognize revenue on a point-in-time basis when the customer takes title to the product and assumes the risks and rewards for the product. However, for customized products, which are products manufactured to customers' unique specifications, we recognize revenue over time, utilizing an output method, which is generally as the products are produced. This is because once a customized product is manufactured pursuant to a purchase order, we have an enforceable right to payment for that product. Our Global segment sells the majority of our customized products, Conversely, for which revenue is recognized when a purchase order is received to the extent the product has been manufactured, as opposed to sales of non-customized products, for which revenue is generally recognized upon shipment. As a result, the timing of the receipt of a purchase order may create quarterly fluctuations in this segment.

fluctuations.

The nature of our contracts varies based on the business, customer type, and region; however, in all instances it is our customary business practice to receive a valid order from the customer, in which each party's rights and related payment terms are

clearly identifiable. Our payment terms are consistent with industry standards and generally include

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early pay discounts. Amounts billed and due from customers are short-term in nature and are classified as receivables, since payments are unconditional and only the passage of time is required before payments are due. As of **May 28, 2023**, **May 26, 2024**, and **May 29, 2022**, we had **\$146.9 million**, **\$104.3 million** and **\$122.7 million**, respectively, of unbilled receivables for customized products for which we have accelerated the recognition of revenue and recorded the amounts in "Receivables" on our Consolidated Balance Sheets. We generally do not offer financing to our customers. We also do not provide a general right of return. However, customers may seek to return defective or non-conforming products. Following a customer return, we may offer

remedies, including cash refunds, credit towards future purchases, or product replacement. As a result, customers' right of return and related refund or product liabilities are estimated and recorded as reductions in revenue.

We have contract terms that give rise to variable consideration including, but not limited to, discounts, coupons, rebates, and volume-based incentives. We estimate volume rebates based on the most likely amount method outlined in the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 606, *Revenue from Contracts with Customers*. We estimate early payment discounts and other customer trade incentives based principally on

historical sales and coupon utilization and redemption rates, influenced by judgments about current market conditions such as competitive activity in specific product categories, which is consistent with the expected value method outlined in ASC 606. We have concluded that these methods result in the best estimate of the consideration we are entitled to from our customers. Because of the complexity of some of these trade promotions, however, the ultimate resolution may result in payments that are materially different from our estimates. As additional information becomes known, we may change our estimates. At May 28, 2023, May 26, 2024 and May 29, 2022, May 28, 2023, we had \$86.1 million, \$90.0 million and \$41.2 million, respectively, of sales incentives and trade promotions payable recorded in "Accrued liabilities" on our Consolidated Balance Sheets.

We have elected to present all sales taxes on a net basis, account for shipping and handling activities as fulfillment activities, recognize the incremental costs of obtaining a contract as expense when incurred if the amortization period of the asset we would recognize is one year or less, and not record interest income or interest expense when the difference in timing of control or transfer and customer payment is one year or less.

Advertising and Promotion

Advertising and promotion expenses totaled \$34.4 million, \$49.7 million, \$18.9 million, \$34.4 million, and \$17.8 million, \$18.9 million in fiscal 2024, 2023, 2022, and 2021, 2022, respectively, and are included in "Selling, general and administrative expenses" in the Consolidated Statements of Earnings as the expenses are incurred.

Research and Development

Research and development costs are expensed as incurred and totaled \$17.2 million, \$26.4 million, \$16.2 million, \$17.2 million, and \$12.9 million, \$16.2 million in fiscal 2024, 2023, 2022, and 2021, 2022, respectively, and are included in "Selling,

general and administrative expenses" in the Consolidated Statements of Earnings.

Stock-Based Compensation

Compensation expense resulting from all stock-based compensation transactions is measured and recorded in the consolidated financial statements Consolidated Financial Statements based on the grant date fair value of the equity instruments issued. Compensation expense is recognized over the period the employee or non-employee director provides service in exchange for the award. See Note 10.8, Stock-Based Compensation, for additional information.

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Pension and Post-Retirement Benefits

Certain U.S. employees covered by collective bargaining agreements are covered by a defined benefit pension plans, plan which is now frozen for all participants. We make pension plan contributions that are sufficient to fund our actuarially actuarial determined costs, generally equal to the minimum amounts required by the Employee Retirement Income Security Act of 1974, as amended. From time to time, we may make discretionary contributions based on the funded status of the plans, tax deductibility, income from operations, and other factors. In fiscal 2023 2024 and 2022, 2023, we made \$6.1 million and \$2.0 million of discretionary contributions to our qualified plan. There are noWe expect to make minimum required contributions in fiscal 2024, however, in July 2023, we made a \$2.5 million discretionary contribution 2025 of \$2.3 million to our qualified pension plan.

We also have a nonqualified defined benefit pension plan that provides unfunded supplemental retirement benefits to certain

U.S. executives. This plan is closed to new participants and pension benefit accruals are frozen for active participants.

Our pension benefit obligations and post-retirement benefit obligations, and the related costs, are calculated using actuarial concepts. The measurement of such obligations and expenses requires that certain assumptions be made regarding several factors, most notably including the discount rate and the expected rate of return on plan assets. We evaluate these assumptions on an annual basis. The funded status of our plans are based on company contributions, benefit payments, the plan asset investment return, the discount rate used to measure the liability, and expected participant longevity. The benefit obligations of the plans exceeded the assets by \$9.3 million \$10.0 million and \$11.0 million \$9.3 million for the pension plan and \$4.3 million \$3.8 million and \$5.5 million

\$4.3 million for the other post-retirement benefit plan for the years ended May 28, 2023 May 26, 2024 and May 29, 2022 May 28, 2023, respectively. We recognize the unfunded status of these plans in "Other noncurrent liabilities" on the Consolidated Balance Sheets, and we recognize changes in funded status in the year changes occur through the Consolidated Statements of Comprehensive Income. Net periodic benefit costs were \$2.5 million \$0.8 million, \$2.7 million \$2.5 million, and \$3.8 million \$2.7 million in fiscal 2024, 2023, and 2022, and 2021, respectively.

Participants that do not actively participate in a pension plan are eligible to participate in defined contribution savings plans with employer matching provisions. Eligible U.S. employees participate in a contributory defined contribution plan ("the 401(k) Plan"), which permits participants to make contributions by salary reduction pursuant to Section 401(k) of the Internal Revenue Code of 1986, as amended. Regardless of employee participation level, we generally provide a 3% contribution to the 401(k) Plan. In addition to this, we will generally match 100% of the first 6% of the participating employee's contribution election to the

401(k) Plan. The Plan's matching contributions have a five-year graded vesting with 20% vesting each year. We made employer-matching employer contributions of \$38.7 million \$48.1 million, \$30.5 million \$38.7 million, and \$28.8 million \$30.5 million in fiscal 2024, 2023, 2022, and 2021, 2022, respectively.

We sponsor a non-qualified deferred compensation savings plan that permits eligible U.S. employees to continue to make deferrals and receive company matching contributions when their contributions to the 401(k) Plan are stopped due to limitations under U.S. tax law. In addition, we sponsor a non-qualified deferred compensation plan for non-employee directors that allow directors to defer their cash compensation and stock awards. Both deferred compensation plans are unfunded nonqualified defined contribution plans. Participant deferrals and company matching contributions (for the employee deferred compensation plan only) are not invested in separate trusts, but are paid directly from our general assets at the time benefits become due and payable. At May 28, 2023 May 26, 2024 and May 29, 2022 May 28, 2023, we had \$22.6 million \$27.6 million and \$21.6 million \$22.6 million, respectively, of liabilities attributable to participation in our deferred compensation plans recorded on our Consolidated Balance Sheets.

Cash and Cash Equivalents

Cash and all highly liquid investments with an original maturity of three months or less at the date of acquisition are classified as cash and cash equivalents and stated at cost, which approximates market value. We maintain various banking relationships with high quality financial institutions, and we invest available cash in money market funds that are backed by U.S. Treasury securities and can be redeemed without notice.

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***Trade Accounts Receivable and
Allowance for Doubtful Accounts***

Trade accounts receivable are stated at the amount we expect to collect based on our past experience, as well as reliance on the Perishable Agricultural Commodities Act, which was enacted to help promote fair trade in the fruit and vegetable industry by establishing a code of fair business practices. The collectability of our accounts receivable is based upon a combination of factors. In circumstances where a specific customer is unable to meet its financial obligations (e.g., bankruptcy filings, substantial downgrading of credit sources), a specific reserve for bad debts is recorded against amounts due to the Company to reduce the net recorded receivable to the amount that we reasonably believe will be collected. For all other customers, reserves for bad debts are recognized based on forward-looking information to assess expected credit losses. If collection experience deteriorates, the estimate of the recoverability of amounts due could be reduced. We periodically review our allowance for doubtful accounts and adjustments to the valuation allowance are recorded as income or expense in "Selling, general and administrative expenses" in our Consolidated Statements of Earnings. Trade accounts receivable balances that remain outstanding after we have used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

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. Inventories are reduced to net realizable value after consideration of excess, obsolete, and unsaleable inventories based on quantities on hand and estimated future usage and sales. The majority of our finished goods inventories are held at third-party warehouses not owned or leased by the Company. The components of inventories were as follows:



	May 28,	May 29,
(in millions)	2023	2022
Raw materials and packaging	\$145.7	\$ 96.1
Finished goods	708.3	426.5
Supplies and other	78.0	51.8
Inventories	<u>\$932.0</u>	<u>\$574.4</u>

	May 26,	May 28,
(in millions)	2024	2023
Raw materials and packaging	\$ 178.7	\$ 145.7
Finished goods	867.9	708.3
Supplies and other	92.0	78.0
Inventories	<u>\$1,138.6</u>	<u>\$ 932.0</u>

Leased Assets

Leases consist of real property and machinery and equipment. Operating lease assets and liabilities are recognized at the commencement date of the lease based on the present value of the lease payments over the lease term. Our leases may include options to extend or **terminate these leases. These options terminate.** Options to extend are included in the lease term when it is reasonably certain that we will exercise **that the** option. Some leases have variable payments, however, because they are not based on an index or rate, they are not included in lease assets and liabilities. Variable payments for leases of land and buildings primarily relate to common area maintenance, insurance, taxes, and utilities. Variable payments for equipment, vehicles, and leases within supply agreements primarily relate to usage, repairs, and maintenance. As the implicit rate is not readily determinable for most of our leases, we use an incremental borrowing rate to determine the initial present value of lease payments over the lease terms on a collateralized basis over a similar term, which is based on market and company specific information. **This rate is updated quarterly for measurement of new lease liabilities.** Assets and liabilities related to leases having a lease term of twelve months or less are not recorded on the balance sheet and the related lease expense is recognized on a straight-line basis over the term of the lease. In addition, we account for lease and non-lease components as a single lease component for all of our leases. See Note **9, 7,** Leases, for more information.

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Property, Plant and Equipment

Property, plant and equipment are recorded at cost. Cost includes expenditures for major improvements and replacements and the amount of interest cost associated with significant capital additions. The amount of interest capitalized from construction in progress was \$17.5 million \$49.5 million, \$6.0 million \$17.5 million, and \$1.9 million \$6.0 million in fiscal 2024, 2023, 2022, and 2021, 2022, respectively. Construction in progress does not include deposits made on equipment, materials, and services yet to be received. As of May 28, 2023 May 26, 2024 and May 29, 2022 May 28, 2023, deposits for construction in progress were \$30.5 million \$52.6 million and \$57.8 million \$30.5 million, respectively, and were recorded in "Other assets" on our Consolidated Balance Sheets. Repairs and maintenance costs are expensed as incurred. The components of property, plant and equipment were as follows:

	May 28, 2023	May 29, 2022
(in millions)		
Land and land improvements	\$ 163.2	\$ 114.1
Buildings, machinery and equipment	3,524.3	2,919.0
Furniture, fixtures, office equipment and other	177.5	92.1
Construction in progress	818.8	156.1
Property, plant and equipment, at cost	4,683.8	3,281.3
Less accumulated depreciation	(1,875.8)	(1,702.1)
Property, plant and equipment, net	\$ 2,808.0	\$ 1,579.2

	May 26, 2024	May 28, 2023
(in millions)		
Land and land improvements	\$ 186.2	\$ 163.2
Buildings, machinery and equipment	4,708.8	3,576.6

Furniture, fixtures, office equipment and other	127.7	112.0
Construction in progress	688.2	832.0
Property, plant and equipment, at cost	5,710.9	4,683.8
Less accumulated depreciation	(2,128.1)	(1,875.8)
Property, plant and equipment, net	<u>\$3,582.8</u>	<u>\$2,808.0</u>

Depreciation is computed on a straight-line basis over the estimated useful lives of the respective classes of assets as follows:

Land improvements	1-30 years
Land improvements	
Buildings	1-30 10-40 years
Buildings	10-40 years
Machinery and equipment	5-20 years
Furniture, fixtures, office equipment, and other	3-15 years

We recorded ~~\$211.3 million~~ \$278.2 million, ~~\$181.5 million~~ \$211.3 million, and ~~\$177.7 million~~ \$181.5 million of depreciation expense in fiscal 2024, 2023, and 2022, respectively. Below is a breakout between Cost of sales ("COS") and 2021, respectively. Selling, general and administrative expenses ("SG&A") for depreciation and amortization:

	May 26, 2024	May 28, 2023	May 29, 2022
(in millions)			
Depreciation - COS	\$266.1	\$202.2	\$174.1
Depreciation - SG&A	12.1	9.1	7.4
	<u>\$278.2</u>	<u>\$211.3</u>	<u>\$181.5</u>
Amortization - COS	\$ 1.0	\$ 1.0	\$ 1.0
Amortization - SG&A	18.6	6.0	4.8

	\$ 19.6	\$ 7.0	\$ 5.8
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At May 28, 2023 May 26, 2024 and May 29, 2022 May 28, 2023, purchases of property, plant and equipment included in accounts payable were \$82.6 million \$292.0 million and \$38.3 million \$138.3 million, respectively.

Long-Lived Asset Impairment

We review long-lived assets for impairment upon the occurrence of events or changes in circumstances which indicate that the carrying amount of the assets may not be fully recoverable, measured by comparing their net book value to the undiscounted projected future cash flows generated by their use. Impaired assets are recorded at their estimated fair value.

Goodwill and Other Identifiable Intangible Assets

We perform an annual impairment assessment of goodwill at the reporting unit level in the fourth quarter of each year, or more frequently if indicators of potential impairment exist. We have an option to evaluate goodwill for impairment by first performing a qualitative assessment of events and circumstances to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If we determine that it is not more likely than not that the fair value of a reporting unit is less than its carrying amounts, then a quantitative goodwill impairment test is not required to be performed. The quantitative assessment requires us to estimate the fair value of our reporting units using a weighted approach based on discounted future cash flows, market multiples and transaction multiples. If the carrying amount of the reporting units is in excess of their estimated fair value, the reporting unit will record an impairment charge by the amount that the carrying amount exceeds the reporting unit's fair value, not to exceed the total amount of goodwill allocated to the reporting unit.

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We amortize intangible assets with finite lives over their estimated useful life. We perform a review of significant finite-lived identified intangible assets to determine whether facts and circumstances indicate that the carrying amount may not be recoverable. These reviews can be affected by various factors, including external factors such as industry and economic trends, and internal factors such as changes in our business strategy and our forecasts for our products lines.

See Note 6, 4, Goodwill and Other Identifiable Intangible Assets, for additional information.

Fair Values of Financial Instruments

When determining fair value, we consider the principal or most advantageous market in which we would transact, as well as assumptions that market participants would use when pricing the asset or liability.

The three levels of inputs that may be used to measure fair value are:

Level 1—Quoted market prices in active markets for identical assets or liabilities. We evaluate security-specific market data when determining whether a market is active.

Level 2—Observable market-based inputs other than those included in Level 1, such as quoted prices for similar assets and liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.

Level 3—Unobservable inputs for the asset or liability reflecting our own assumptions and best estimate of what inputs market participants would use in pricing the asset or liability.

See Note 11, 9, Fair Value Measurements, for additional information.

Foreign Currency

Most of our foreign subsidiaries use the local currency of their respective countries as their functional currency. Assets and liabilities are translated at exchange rates prevailing at the balance sheet dates. Revenues and expenses are translated into U.S. dollars using daily and monthly average exchange rates. Gains and losses resulting from the translation of Consolidated Balance Sheets are recorded as a component of "Accumulated other comprehensive income (loss)."

Foreign currency transactions resulted in a loss of \$10.6 million, a gain of \$19.7 million, and a loss of \$3.3 million, and a gain of \$1.3 million in fiscal 2024, 2023, and 2022, and 2021, respectively. Fiscal 2023 includes a \$25.2 million foreign currency transaction gain related to actions taken to mitigate the effect of changes in currency rates on the purchase price of our former European joint venture, Lamb-Weston/Meijer v.o.f. ("LW EMEA"). These amounts were recorded in "Selling, general and administrative expenses" in the Consolidated Statements of Earnings.

Derivative Financial Instruments

We use derivatives and other financial instruments to hedge a portion of our commodity and interest rate risks. We do not hold or issue derivatives and other financial instruments for trading purposes. Derivative instruments are reported in our Consolidated Balance Sheets at their fair values, unless the derivative instruments qualify for the normal purchase normal sale exception ("NPNS") under GAAP and such exception has been elected. If the NPNS exception is elected, the fair values of such contracts are not recognized. Changes in derivative instrument values are recognized

in "Cost of sales" in our Consolidated Statements of Earnings. We do not designate commodity derivatives to achieve hedge accounting treatment.

Income Taxes

We recognize current tax liabilities and assets based on an estimate of taxes payable or refundable in the current year for each of the jurisdictions in which we transact business. As part of the determination of our current tax liability, management exercises judgment in evaluating positions taken in the tax returns. We recognize the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than a 50% likely likelihood of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

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We also recognize deferred tax assets and liabilities for the estimated future tax effects attributable to temporary differences (e.g., the difference in book basis versus tax basis of fixed assets resulting from differing depreciation methods). Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred tax assets and liabilities are remeasured to reflect new tax rates in the periods rate changes are enacted. If appropriate, we recognize valuation allowances to reduce deferred tax assets to amounts that are more likely than not to be ultimately realized, based on our assessment of estimated future taxable income.

See Note 5.3, Income Taxes, for more information.

New and Recently Issued Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07,

Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. ASU 2023-07 expands public entities' segment disclosures by requiring disclosure of significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss, an amount and description of its composition for other segment items, and interim disclosures of a reportable segment's profit or loss and assets. ASU 2023-07 is effective for our Annual Report on Form 10-K for the fiscal year ending May 25, 2025, and subsequent interim periods, with early adoption permitted. We are evaluating the impact of adopting this ASU on our Consolidated Financial Statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, to enhance transparency and decision usefulness of income tax disclosures, particularly around rate reconciliations and income taxes paid information. ASU 2023-09 is effective for our Annual Report on Form 10-K for the fiscal year ending May 24, 2026, on a prospective basis, with early adoption permitted. We are evaluating the impact of adopting this ASU on our Consolidated Financial Statements and related disclosures.

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

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)	For the Fiscal Years Ended May		
	2024	2023	2022
Numerator:			
Net income	\$ 725.5	\$ 1,008.9	\$ 200.9
Denominator:			
Basic weighted average common shares outstanding	144.9	144.5	145.5
Add:			
Dilutive effect of employee incentive plans (a)	0.8	0.7	0.4
Diluted weighted average common shares outstanding	145.6	145.2	145.9
Earnings per share:			
Basic	\$ 5.01	\$ 6.98	\$ 1.38
Diluted	\$ 4.98	\$ 6.95	\$ 1.38

(a)

(in millions, except per share amounts)	For the Fiscal Years Ended May		
	2023	2022	2021
Numerator:			
Net income	\$ 1,008.9	\$ 200.9	\$ 317.8
Denominator:			
Basic weighted average common shares outstanding	144.5	145.5	146.4
Add:			
Dilutive effect of employee incentive plans (a)	0.7	0.4	0.7

Diluted weighted average common shares outstanding	145.2	145.9	147.1
Earnings per share:			
Basic	\$ 6.98	\$ 1.38	\$ 2.17
Diluted	\$ 6.95	\$ 1.38	\$ 2.16

(a) Potential dilutive shares of common stock from 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 share awards. As of May 26, 2024 and May 28, 2023, an insignificant number of stock-based awards were excluded from the computation of diluted earnings per share because they would be antidilutive. As of May 29, 2022 and May 30, 2021, we did not have any stock-based awards that were antidilutive.

3. ACQUISITIONS

On July 5, 2022, we acquired an additional 40% equity interest in Lamb Weston Alimentos Modernos S.A. ("LWAMSA"), which increased our total equity ownership from 50% to 90%, and on February 28, 2023, we purchased the remaining 50% equity interest in Lamb-Weston/Meijer v.o.f. ("LW EMEA"), and now own 100%. After the acquisitions, we began consolidating the results of operations in our Global segment in our fiscal first and fourth quarters, respectively. Prior to the acquisitions, the results of each of LWAMSA and LW EMEA were recorded in "Equity method investment earnings (loss)."

We recorded the assets and liabilities of both acquisitions at fair value based on a market approach. We remeasured our initial equity interests at fair value, after considering control premiums in our industry, which are unobservable inputs, or Level 3, in the fair value hierarchy. The purchase price allocation for LWAMSA is complete while the LW EMEA purchase price allocation is preliminary. We estimated the provisional fair value of the assets acquired and liabilities assumed of LW EMEA and its subsidiaries as of the acquisition date. These provisional amounts could change as additional information becomes available for contingent consideration; property, plant and equipment; intangible assets; and residual goodwill while appraisal reports are finalized.

Fiscal 2023 net income included \$371.7 million of after-tax (\$420.6 million before tax) net gains related to the acquisitions, as follows:

- a. \$379.5 million after-tax (\$425.8 million before tax) non-cash gain recorded in "Equity method investment earnings."
- b. \$20.0 million of after-tax (\$27.0 million before tax) costs related to the step-up and sale of inventory recorded in "Cost of sales."
- c. \$12.2 million of after-tax (\$21.8 million before tax) net gain from acquisition-related expenses (foreign currency gain related to actions taken to mitigate the effect of changes in currency rates on the purchase price, net of advisory, legal, valuation and other professional or consulting expenses).

LWAMSA

The LWAMSA purchase price consisted of \$42.3 million in cash. We recorded LWAMSA's assets and liabilities at fair value, which included remeasuring our initial equity interest at 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 for the periods presented in this report, and

therefore LWAMSA is not included in our unaudited pro forma information presented below.

As of May 28, 2023, total LWAMSA interest not directly attributable to Lamb Weston was \$8.2 million and was recorded in "Additional distributed capital" on our Consolidated Balance Sheet. For the fiscal year ended May 28, 2023, the net income attributable to noncontrolling interest was not significant and was recorded in "Selling, general and administrative expenses" in our Consolidated Statements of Earnings.

LW EMEA

The total consideration for our acquisition of the remaining interest in LW EMEA ("the LW EMEA Acquisition") was \$1,447.5 million, which consisted of €531.6 million (\$564.0 million) in cash, which excluded settlement of pre-existing relationships of \$32.3 million and cash held by LW EMEA of \$28.2 million, and 1,952,421 shares of our common stock (\$197.3 million on the acquisition date). The total consideration also included \$634.4 million for the fair value of our initial equity investment and \$51.8 million of other non-cash consideration (the majority being settlement of preexisting relationships). We recorded LW EMEA's assets and liabilities at fair value.

In fiscal 2023, LW EMEA contributed \$364.0 million of net sales and a \$13.6 million loss from operations, which included \$45.7 million of acquisition-related items (\$27.0 million before tax expenses related to the sale of inventory stepped up in the acquisition and \$18.7 million of derivative losses, before taxes). We do not allocate interest expense and taxes to the acquired operations and therefore, the post-acquisition net earnings are not discernible. As of May 28, 2023, total LW EMEA interest not directly attributable to Lamb Weston was \$9.1 million and represented LW EMEA's 75 percent ownership in a production facility in Austria, and was recorded in "Additional

distributed capital” on our Consolidated Balance Sheet. For the fiscal year ended May 28, 2023, the net loss attributable to noncontrolling interest was not significant and was recorded in “Selling, general and administrative expenses” in our Consolidated Statements of Earnings.

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We have substantially completed our estimates of fair value of assets acquired and liabilities assumed. Our estimates are subject to revisions, which may result in adjustments to the preliminary values discussed below. The total purchase price consideration was allocated to the net assets acquired based upon their respective estimated fair values as follows:

(in millions)	
Cash and cash equivalents	\$ 28.2
Receivables	221.5
Inventories	222.1
Prepaid expenses and other current assets	41.4
Property, plant and equipment (a)	629.1
Goodwill (b)	644.9
Intangible assets (c)	80.0
Other assets	29.6
Assets acquired	<u>\$1,896.8</u>
Accounts payable	(62.2)
Accrued liabilities	(164.0)
Short-term borrowings	(108.2)
Deferred income taxes	(19.2)
Long-term debt	(78.0)
Other non-current liabilities	(17.7)
Liabilities assumed	<u>\$ (449.3)</u>
Net assets acquired	<u>\$1,447.5</u>

(a) Property, plant and equipment acquired are being depreciated on a straight-line basis over their estimated remaining lives, which range from 1 to 30 years.

(b) Goodwill is calculated as the excess of the purchase price over the fair values of the identifiable net assets acquired and recorded in our Global segment. The goodwill is primarily attributable to future growth opportunities in Europe, the Middle East, and Africa. For tax purposes, the acquisition of the remaining LW EMEA interest was treated as a stock acquisition and is not deductible for tax purposes. For more information, see Note 5, Income Taxes, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of this Form 10-K.

(c) Intangible assets include customer relationships which have estimated useful lives of 15 years. Based on the carrying value of these finite-lived assets as of May 28, 2023, amortization expense for each of the next five years is estimated to be approximately \$5.0 million.

The following unaudited pro forma financial information presents the combined results of operations as if we had acquired the remaining interest of LW EMEA on May 31, 2021. These unaudited pro forma results are included for informational purposes only and do not purport to represent what the combined companies' results of operations would have been had the acquisition occurred on that date, nor are they necessarily indicative of future results of operations. They also do not reflect any cost savings, operational synergies, or revenue enhancements that we may achieve or the costs necessary to achieve those cost savings, operational synergies, revenue enhancements, or integration efforts.

Unaudited Pro Forma Information (in millions)	For the Fiscal Years Ended May	
	2023	2022
Net sales	\$ 6,264.0	\$ 5,131.4
Net income (a) (b)	644.9	500.4

(a) The fiscal 2023 and 2022 unaudited pro forma financial information has been adjusted to give effect to adjustments that are directly related to the acquisition and factually supportable. These adjustments include, but are not limited to, the application of our accounting policies; elimination of related party transactions; depreciation and amortization related to fair value adjustments to property, plant, and equipment and intangible assets; and interest expense on acquisition-related debt.

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(b) The fiscal 2023 unaudited pro forma net income was also adjusted to exclude a \$410.7 million (\$364.4 million after-tax) non-cash gain related to the LW EMEA Acquisition, \$27.0 million (\$20.0 million after-tax) of acquisition inventory step-up expense and a \$21.8 million (\$12.2 million after-tax) gain from acquisition-related expenses (foreign currency gain related to actions taken to mitigate the effect of changes in currency rates on the purchase price, net of advisory, legal, valuation and other professional or consulting expenses). These items were included in fiscal 2022 unaudited pro forma net income, along with a non-cash impairment charge of \$62.7 million (before and after-tax) related to LW EMEA's withdrawal from its joint venture in Russia.

4. JOINT VENTURE INVESTMENTS

In fiscal 2023, we purchased additional equity interests in LW EMEA and LWAMSA, and began consolidating financial results in our consolidated financial statements. Prior to acquiring these incremental equity interests, we accounted for these investments under the equity method of accounting. LW EMEA has a 75 percent ownership interest in a joint venture that owns a production facility in Austria, which is included in our consolidated results. For more information, see Note 3, Acquisitions. At May 28, 2023, Lamb-Weston/RDO Frozen ("Lamb Weston RDO"), our joint venture with RDO Frozen

Co., was the only equity method potato processing joint venture accounted for under the equity method of accounting.

Our equity method investments were as follows:

(in millions)	May 28, 2023		May 29, 2022	
	Carrying Ownership		Carrying Ownership	
	Value	Interest	Value	Interest
LW EMEA	\$ —	100%	\$211.2	50%
LWAMSA	—	90%	26.1	50%
Lamb Weston RDO	43.1	50%	19.4	50%
Other	0.4	50%	0.7	50%
	<u>\$ 43.5</u>		<u>\$257.4</u>	

Summarized combined financial information for our equity method investments was as follows:

(in millions)	For the Fiscal Years Ended May		
	2023 (a)	2022	2021
Net sales	\$1,122.3	\$1,333.8	\$1,169.5
Gross profit	237.0	203.8	196.5
Income from operations	83.3	106.9	97.5
Net income			
(loss) (b)	70.1	(21.4)	103.9

(in millions)	May 28,	May 29,
	2023 (c)	2022
Current assets	\$ 98.8	\$557.3
Noncurrent assets	108.3	487.1
Current liabilities	55.1	374.9
Noncurrent liabilities	64.1	170.3

(a) The fiscal 2023 financial information includes the financial results for the parts of the fiscal year when LW EMEA and LWAMSA were being accounted for as unconsolidated joint ventures.

(b) In fiscal 2022, LW EMEA recorded a \$125.4 million charge to write-off its net investment in its former joint venture in Russia, which is included in the fiscal 2022 net loss and the current and noncurrent assets and liabilities. Our portion of the non-cash impairment charge was \$62.7 million.

(c) Reflects Lamb Weston RDO only.

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We made the following sales to and purchases from our equity method affiliates, primarily for finished products sold to or purchased from our joint ventures. We also provided services, such as sales and marketing services, to our joint ventures that are recorded as a reduction to "Selling, general and administrative expenses" in our Consolidated Statements of Earnings. We also received dividends. The following table summarizes the activity with all our equity method affiliates:

(in millions)	For the Fiscal Years Ended May		
	2023 (a)	2022	2021
Sales	\$ 22.2	\$14.3	\$ 15.3
Purchases	42.9	21.0	5.2
Services provided	18.4	15.6	19.3
Dividends received	—	19.2	18.8

(a) The fiscal 2023 financial information includes the financial results for the part of the fiscal year when LW EMEA and LWAMSA were accounted for as unconsolidated joint ventures.

As of May 28, 2023 and May 29, 2022, we had receivables included in "Receivables" on our Consolidated Balance Sheets from our joint ventures of \$4.5 million and \$11.0 million, respectively.

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3. INCOME TAXES

Pre-tax income, (loss), inclusive of equity method investment earnings, consisted of the following:

	For the Fiscal Years Ended May		
(in millions)	2023	2022	2021
United States	\$ 794.2	\$ 287.9	\$ 352.0
Non-U.S.	439.3	(15.2)	56.3
Total pre-tax income	<u>\$1,233.5</u>	<u>\$272.7</u>	<u>\$408.3</u>

	For the Fiscal Years Ended May		
(in millions)	2024	2023	2022
United States	\$ 807.8	\$ 794.2	\$ 287.9
Non-U.S.	147.7	439.3	(15.2)
Total pre-tax income	<u>\$ 955.5</u>	<u>\$1,233.5</u>	<u>\$ 272.7</u>

The provision for income taxes included the following:

	For the Fiscal Years Ended May		
(in millions)	2023	2022	2021
Current			
U.S. federal	\$ 174.1	\$ 45.4	\$ 66.2
State and local	25.8	9.5	15.0
Non-U.S.	<u>24.3</u>	<u>3.4</u>	<u>5.5</u>
Total current provision for taxes	224.2	58.3	86.7
Deferred			
U.S. federal	(12.6)	10.0	(0.4)
State and local	(0.4)	(1.9)	1.2
Non-U.S.	<u>13.4</u>	<u>5.4</u>	<u>3.0</u>
Total deferred provision for taxes	\$ 0.4	\$ 13.5	\$ 3.8
Total provision for taxes	<u>\$ 224.6</u>	<u>\$ 71.8</u>	<u>\$ 90.5</u>

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	For the Fiscal Years Ended May		
(in millions)	2024	2023	2022
Current			
U.S. federal	\$ 140.5	\$ 174.1	\$ 45.4
State and local	36.1	25.8	9.5
Non-U.S.	<u>54.8</u>	<u>24.3</u>	<u>3.4</u>

Total current provision for taxes	231.4	224.2	58.3
Deferred			
U.S. federal	27.7	(12.6)	10.0
State and local	(14.6)	(0.4)	(1.9)
Non-U.S.	(14.5)	13.4	5.4
Total deferred provision for taxes	\$ (1.4)	\$ 0.4	\$ 13.5
Total provision for taxes	\$ 230.0	\$ 224.6	\$ 71.8

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A reconciliation of income tax expense using the 21% U.S. statutory tax rate on income from operations, including equity method earnings and before income taxes, compared with the actual provision for income taxes follows:

	For the Fiscal Years Ended May		
(in millions)	2024	2023	2022
Provision computed at U.S. statutory rate	\$200.7	\$259.0	\$57.3
Increase (decrease) in rate resulting from:			
State and local taxes, net of federal benefit	20.1	21.2	6.4
Non-U.S. operations (a)	9.0	(12.4)	(0.7)
Consolidation of previously held equity interests (b)	—	(43.1)	—
Write-off of net investment in Russia (c)	—	—	13.2
Other	0.2	(0.1)	(4.4)
Total income tax expense	\$230.0	\$224.6	\$71.8
Effective income tax rate (d)	24.1 %	18.2 %	26.3 %

(a)

(in millions)	For the Fiscal Years Ended May		
	2023	2022	2021
Provision computed at U.S. statutory rate	\$ 259.0	\$ 57.3	\$ 85.7
Increase (decrease) in rate resulting from:			
State and local taxes, net of federal benefit	21.2	6.4	13.7
Non-U.S. operations (a)	(12.4)	(0.7)	(4.7)
Consolidation of previously held equity interests (b)	(43.1)	—	—
Write-off of net investment in Russia (c)	—	13.2	—
Other	(0.1)	(4.4)	(4.2)
Total income tax expense	<u>\$ 224.6</u>	<u>\$ 71.8</u>	<u>\$ 90.5</u>
Effective income tax rate (d)	<u>18.2%</u>	<u>26.3%</u>	<u>22.2%</u>

We derive the effective tax rate detriment or (benefit) attributed to non-U.S. income taxed at different rates, including the impact of permanent items. The statutory tax rates range from 0% to 35%.

(b) In connection with the joint venture acquisitions discussed in Note 11, Acquisitions, we recorded a \$43.1 million rate benefit based on a \$425.8 million non-cash gain (\$379.5 million after-tax) related to the remeasurement of our initial equity interests to fair value.

(c) In connection with LW EMEA's withdrawal from Russia, we reflected a \$13.2 million tax detriment as any loss realized upon the sale of shares of the Russian joint venture is a non-deductible permanent difference.

(d) The effective income tax rate is calculated as the ratio of income tax expense to pre-tax income, inclusive of equity method investment earnings. The effective tax rate in fiscal 2023 included the tax impact of the remeasurement of our initial 50% equity

interests in LW EMEA and our joint venture in Argentina, Lamb Weston Alimentos Modernos S.A. ("LWAMSA"), and other acquisition-related items. The fiscal 2023 and 2022 tax rates were both affected by mark-to-market adjustments associated with changes in natural gas and electricity derivatives as commodity markets in Europe experienced significant volatility. Fiscal 2022 also included taxes related to the write-off of our portion of LW EMEA's net investment in its former joint venture in Russia. Excluding these items, our effective tax rate was 21.8% and 21.4% in fiscal 2023 and 2022, respectively.

- (a) We derive the effective tax rate benefit attributed to non-U.S. income taxed at different rates, including the impact of permanent items. The statutory tax rates range from 0% to 35%.
- (b) In connection with the joint venture acquisitions discussed in Note 3, Acquisitions, we recorded a \$43.1 million rate benefit based on a \$425.8 million non-cash gain (\$379.5 million after-tax) related to the remeasurement of our initial 50% equity interests to fair value.
- (c) In connection with LW EMEA's withdrawal from Russia, we reflected a \$13.2 million tax detriment as any loss realized upon the sale of shares of the Russian joint venture is a non-deductible permanent difference.
- (d) The effective income tax rate is calculated as the ratio of income tax expense to pre-tax income, inclusive of equity method investment earnings. The effective tax rate in fiscal 2023 included the tax impact of the remeasurement of our initial 50% equity interests in LW EMEA and LWAMSA and other acquisition-related items. The fiscal 2023 and 2022 tax rates were both affected by mark-to-market adjustments associated with changes in natural gas and electricity derivatives as commodity markets in Europe experienced significant volatility. Fiscal 2022 also included taxes related to the write-off of our portion of LW EMEA's net investment in its former joint venture in Russia. Excluding these items, our effective tax rate was 21.8% and 21.4% in fiscal 2023 and 2022, respectively.

Income Taxes Paid

Income taxes paid, net of refunds, were \$226.5 million \$188.8 million, \$44.3 million \$226.5 million, and \$84.1 million \$44.3 million in fiscal 2024, 2023, and 2022, and 2021, respectively.

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Deferred Income Taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts for income tax purposes. Significant components of our deferred income tax assets and liabilities were as follows:

(in millions)	May 26, 2024		May 28, 2023	
	Assets	Liabilities	Assets	Liabilities
Property, plant and equipment	\$ —	\$ 322.6	\$ —	\$ 285.1
Goodwill and other intangible assets	17.4	—	12.0	—
Compensation and benefit related liabilities	27.8	—	24.4	—
Net operating loss and credit carryforwards (a)	22.9	—	4.4	—
Accrued expenses and other liabilities	20.1	—	13.5	—
Inventory and inventory reserves	17.7	—	5.4	—
Lease obligations	31.4	—	34.4	—
Operating lease assets	—	28.9	—	32.2
R&D expenditures capitalization	21.4	—	22.0	—
Equity method investments	—	7.1	—	8.3
Derivatives	3.1	—	8.8	—
Other	7.9	6.0	8.3	6.9
	169.7	364.6	133.2	332.5

Less:				
Valuation allowance				
(b)	(53.1)	—	(49.5)	—
Net deferred taxes (c)	<u>\$116.6</u>	<u>\$ 364.6</u>	<u>\$83.7</u>	<u>\$ 332.5</u>

(a)

(in millions)	May 28, 2023		May 29, 2022	
	Assets	Liabilities	Assets	Liabilities
Property, plant and equipment (a)	\$ —	\$ 285.1	\$ —	\$ 189.4
Goodwill and other intangible assets (a)	12.0	—	37.6	—
Compensation and benefit related liabilities	24.4	—	21.0	—
Net operating loss and credit carryforwards (b)	4.4	—	4.5	—
Accrued expenses and other liabilities	13.5	—	14.1	—
Inventory and inventory reserves	5.4	—	8.6	—
Lease obligations	34.4	—	26.9	—
Operating lease assets	—	32.2	—	25.1
R&D expenditures capitalization	22.0	—	—	—
Equity method investments	—	8.3	—	3.4
Derivatives	8.8	—	—	8.3
Other	8.3	6.9	3.3	9.5
	<u>133.2</u>	<u>332.5</u>	<u>116.0</u>	<u>235.7</u>
Less: Valuation allowance (c)	(49.5)	—	(50.1)	—
Net deferred taxes (d)	<u>\$ 83.7</u>	<u>\$ 332.5</u>	<u>\$ 65.9</u>	<u>\$ 235.7</u>

At May 26, 2024, Lamb Weston had approximately \$38.2 million of gross (\$10.2 million after-tax) non-U.S. net operating loss carryforwards, of which \$3.2 million (after-tax) will expire by fiscal 2030. The remaining \$7.0 million (after-tax) non-U.S. net operating loss carryforwards will not expire. Lamb Weston also had a state business credit carryforward of \$14.6 million (\$11.5 million net of federal benefit), which will expire by fiscal 2038, and a non-U.S. tax credit carryforward of \$1.2 million, which will expire by fiscal 2033.

- (b) The valuation allowance is predominantly related to non-amortizable intangibles. There was no impact on income tax expense related to changes in the valuation allowance, including net operating loss carryforwards, in fiscal 2024, 2023, and 2022.
- (c) Deferred tax assets of \$8.2 million and \$3.3 million, as of May 26, 2024 and May 28, 2023, respectively, were presented in "Other assets." Deferred tax liabilities of \$256.2

million and \$252.1 million as of May 26, 2024 and May 28, 2023, respectively, were presented in "Deferred income taxes" as "Long-term liabilities" on the Consolidated Balance Sheets. The deferred tax asset and liability net position is determined by tax jurisdiction.

- (a) In connection with our acquisition of LW EMEA, deferred tax liabilities increased \$82.4 million associated with property, plant and equipment and deferred tax assets decreased \$25.4 million associated with intangible assets.
- (b) At May 28, 2023, Lamb Weston had approximately \$7.2 million of gross (\$1.6 million after-tax) non-U.S. net operating loss carryforwards, of which \$0.8 million (after-tax) will expire by fiscal 2029. The remaining \$0.8 million (after-tax) non-U.S. net operating loss carryforwards will not expire. Lamb Weston also had a non-U.S. tax credit carryforward of \$1.6 million, which will expire by fiscal 2033, and a state business credit carryforward of \$1.2 million, which will expire by fiscal 2036.
- (c) The valuation allowance is predominantly related to non-amortizable intangibles. There was no impact on income tax expense related to changes in the valuation allowance, including net operating loss carryforwards, in fiscal 2023, 2022, and 2021.
- (d) Deferred tax assets of \$3.3 million and \$2.7 million, as of May 28, 2023 and May 29, 2022, respectively, were presented in "Other assets." Deferred tax liabilities of \$252.1 million and \$172.5 million as of May 28, 2023 and May 29, 2022, respectively, were presented in "Deferred income taxes" as "Long-term liabilities" on the Consolidated Balance Sheets. The deferred tax asset and liability net position is determined by tax jurisdiction.

The FASB allows companies to adopt an accounting policy to either recognize deferred taxes for global intangible low-taxed income ("GILTI") or treat them as a tax cost in the year incurred. We have elected to recognize the tax on GILTI as a period expense in the period the tax is incurred. Under this policy, we have not provided deferred taxes on temporary differences that upon their reversal ~~will~~would affect the amount of income subject to GILTI in the period.

We have not established deferred income taxes on accumulated undistributed earnings and other basis differences for operations outside the U.S., as such earnings and basis differences are indefinitely reinvested. Determining the unrecognized deferred tax liability for these earnings is not practicable. Generally, no U.S. federal income taxes will be imposed on future distributions of non-U.S. earnings under the current law. However, distributions to the U.S. or other jurisdictions could be subject to withholding and other local taxes, and these taxes would not be material.

Uncertain Tax Positions

The aggregate changes in the gross amount of unrecognized tax benefits, excluding interest and penalties consisted of the following:

(in millions)	For the Fiscal Years Ended May		
	2024	2023	2022
Beginning balance	\$ 59.6	\$ 40.4	\$ 37.1
Decreases from positions established during prior fiscal years	(3.6)	—	—
Increases from positions established during current and prior fiscal years (a)	29.4	26.3	9.5
Decreases relating to settlements with taxing authorities	(0.5)	(4.9)	(1.0)
Expiration of statute of limitations	(5.3)	(2.2)	(5.2)
Ending balance (b)	<u>\$ 79.6</u>	<u>\$ 59.6</u>	<u>\$ 40.4</u>

67 (a)

In connection with the acquisition of LW EMEA during the year ended May 28, 2023, we recognized \$8.9 million of gross unrecognized tax benefits with a corresponding increase to goodwill.

- (b) If we were to prevail on the unrecognized tax benefits recorded as of May 26, 2024 and May 28, 2023, it would result in a tax benefit of \$69.0 million and \$52.2 million, respectively, and a reduction in the effective tax rate. The ending balances exclude \$15.3 million and \$9.2 million of gross interest and penalties in fiscal 2024 and 2023, respectively. We accrue interest and penalties associated with uncertain tax positions as part of income tax expense.

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(in millions)	For the Fiscal Years Ended May		
	2023	2022	2021
Beginning balance	\$ 40.4	\$ 37.1	\$ 31.3
Decreases from positions established during prior fiscal years	—	—	—
Increases from positions established during current and prior fiscal years (a)	26.3	9.5	8.7
Decreases relating to settlements with taxing authorities	(4.9)	(1.0)	(0.8)
Expiration of statute of limitations	(2.2)	(5.2)	(2.1)
Ending balance (b)	<u>\$ 59.6</u>	<u>\$ 40.4</u>	<u>\$ 37.1</u>

- (a) In connection with our acquisition of LW EMEA, we recognized \$8.9 million of gross unrecognized tax benefits with a corresponding increase to goodwill.

(b) If we were to prevail on the unrecognized tax benefits recorded as of May 28, 2023 and May 29, 2022, it would result in a tax benefit of \$52.2 million and \$34.3 million, respectively, and a reduction in the effective tax rate. The ending balances exclude \$9.2 million and \$7.3 million of gross interest and penalties in fiscal 2023 and 2022, respectively. We accrue interest and penalties associated with uncertain tax positions as part of income tax expense.

Lamb Weston conducts business and files tax returns in numerous countries, states, and local jurisdictions. We do not have any significant open tax audits. Major jurisdictions where we conduct business generally have statutes of limitations ranging from three to five years. The expiration Statute of statute of limitations limitation expirations could reduce the uncertain tax positions by approximately \$7 million \$14 million during the next 12 months.

Although the timing of the resolutions and/or closures of audits is highly uncertain, it is reasonably possible that certain U.S. federal, state, and non-U.S. tax audits may be concluded within the next 12 months. This process could increase or decrease the balance of our gross unrecognized tax benefits. The estimated impact on income tax expense and net income is not expected to be significant.

6.

4. GOODWILL AND OTHER IDENTIFIABLE INTANGIBLE ASSETS

The following table presents changes in goodwill balances, by segment, for fiscal years 2023 2024 and 2022:

2023:

(in millions)	North		
	America	International	Total
Balance at May 28, 2023 (a)	\$ 722.4	\$ 318.3	\$1,040.7
Acquisitions	—	8.5	8.5
Foreign currency translation adjustment	6.4	4.3	10.7
Balance at May 26, 2024	<u>\$ 728.8</u>	<u>\$ 331.1</u>	<u>\$1,059.9</u>

(in millions)	Global	Foodservice	Retail	Other	Total
Balance at May 30, 2021	\$276.3	\$ 42.8	\$10.9	\$4.5	\$ 334.5
Foreign currency translation adjustment	(16.5)	—	—	—	(16.5)
Balance at May 29, 2022	\$259.8	\$ 42.8	\$10.9	\$4.5	\$ 318.0
Acquisitions of interests in joint ventures (a)	733.3	—	—	—	733.3
Foreign currency translation adjustment	(10.6)	—	—	—	(10.6)

Balance at May 28, 2023					
	\$982.5	\$ 42.8	\$10.9	\$4.5	\$1,040.7

(a) As a result of our change in segments, effective May 29, 2023, goodwill was reassigned to the North America and International segments based on relative fair value using a market-based approach. Before and after the reassignment of our goodwill, we completed impairment assessments and concluded there were no indications of impairment in our segments. Please refer to Note 13, Segments, and our Current Report on Form 8-K, which we filed with the Securities and Exchange Commission on August 24, 2023 for further information regarding our segment structure.

(a) In fiscal 2023, we recorded \$691.2 million and \$42.1 million of goodwill related to the acquisition of incremental equity interests of LW EMEA and LWAMSA, respectively, that is not deductible for tax purposes. See Note 3, Acquisitions, for more information.

Other identifiable intangible assets were as follows:

	May 28, 2023				May 29, 2022			
	Weighted				Weighted			
	Average	Gross			Average	Gross		
	Useful Life	Carrying	Accumulated	Intangible	Useful Life	Carrying	Accumulated	Intangible
	(in years)	Amount	Amortization	Assets, Net	(in years)	Amount	Amortization	Assets, Net
Non-amortizing intangible assets (a)	n/a	\$ 18.0	\$ —	\$ 18.0	n/a	\$ 18.0	\$ —	\$ 18.0
Amortizing intangible assets (b)	14	121.4	(29.2)	92.2	10	41.4	(25.7)	15.7
		<u>\$139.4</u>	<u>\$ (29.2)</u>	<u>\$ 110.2</u>		<u>\$ 59.4</u>	<u>\$ (25.7)</u>	<u>\$ 33.7</u>

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

	May 26, 2024				May 28, 2023			
	Weighted				Weighted			
	Average	Useful	Gross	Intangible	Average	Useful	Gross	Intangible
	Life	Carrying	Accumulated	Assets,	Life	Carrying	Accumulated	Assets,
	(in years)	Amount	Amortization	Net	(in years)	Amount	Amortization	Net
Non-amortizing intangible assets (a)	n/a	\$ 18.0	\$ —	\$ 18.0	n/a	\$ 18.0	\$ —	\$ 18.0
Amortizing intangible assets (b)	13	123.6	(36.7)	86.9	14	121.4	(29.2)	92.2
		<u>\$141.6</u>	<u>\$ (36.7)</u>	<u>\$104.9</u>		<u>\$139.4</u>	<u>\$ (29.2)</u>	<u>\$110.2</u>

68 (a)

Non-amortizing intangible assets represent brands and trademarks.

- (b) Amortizing intangible assets are primarily comprised of licensing agreements, brands, and customer relationships. In addition, \$227.9 million and \$175.4 million of net developed technology at May 26, 2024 and May 28, 2023, respectively, is recorded as "Other assets" on our Consolidated Balance Sheets and will generally be amortized over seven years once implemented. Foreign intangible assets are affected by foreign currency translation.

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- (b) Amortizing intangible assets are principally comprised of licensing agreements, brands, and customer relationships. In addition, \$175.4 million and \$69.6 million of developed technology at May 28, 2023 and May 29, 2022, respectively, is recorded as "Other assets" on our Consolidated Balance Sheets and will generally be amortized over seven years once implemented. Amortization expense, including developed technology, was \$7.0 million, \$5.8 million, and \$5.0 million in fiscal 2023, 2022, and 2021, respectively. Foreign intangible assets are affected by foreign currency translation.

Based on current intangibles subject to amortization, we expect intangible asset amortization expense, excluding developed technology, will be approximately \$7.2 million in fiscal 2025, \$7.3 million in fiscal 2024, \$7.1 million in fiscal 2025, 2026, \$7.2 million in fiscal 2026, \$7.1 million 2027, \$7.2 million in each of fiscal 2027 and 2028, and \$7.0 million in fiscal 2029, and approximately \$56.4 million \$51.0 million thereafter.

Impairment Testing

During the annual goodwill impairment test we performed in the fourth quarter of fiscal 2023, 2024, we assessed qualitative factors to determine whether it was more likely than not that the fair value of each reporting unit was less than its carrying value. Based on the results of the qualitative impairment test, we determined that it was not more likely than not that the fair value was less than the carrying value of our **Global, Foodservice, Retail, North America** and **Other International** reporting units. Additionally, we completed our tests of our non-amortizing intangibles in the fourth quarter of fiscal 2023 2024 and there was no indication of intangible asset impairment.

7.

5. ACCRUED LIABILITIES

The components of accrued liabilities were as follows:

(in millions)	May 28, 2023	May 29, 2022
Compensation and benefits	\$ 187.5	\$ 81.0
Accrued trade promotions	86.1	41.2
Derivative liabilities and payables	53.9	—
Dividends payable to shareholders	40.8	35.3
Accrued interest	31.1	42.1
Current portion of operating lease obligations	28.5	22.4
Plant utilities and accruals	27.2	14.3
Taxes payable	21.2	12.1
Other	33.5	15.9
Accrued liabilities	<u>\$ 509.8</u>	<u>\$ 264.3</u>

(in millions)	May 26, 2024	May 28, 2023
Accrued trade promotions	\$ 90.0	\$ 86.1
Compensation and benefits	72.8	187.5

Dividends payable to shareholders	51.7	40.8
Accrued interest	31.7	31.1
Current portion of operating lease obligations	29.3	28.5
Taxes payable	24.8	21.2
Derivative liabilities and payables	24.6	53.9
Plant utilities and accruals	23.9	27.2
Other	58.8	33.5
Accrued liabilities	<u>\$ 407.6</u>	<u>\$ 509.8</u>

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8.6. DEBT AND FINANCING OBLIGATIONS

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

(in millions)	May 28, 2023		May 29, 2022	
	Amount	Interest Rate	Amount	Interest Rate
Short-term borrowings:				
U.S. revolving credit facility	\$ —	7.710 %	\$ —	— %
Euro revolving credit facility	149.2	4.230	—	—
Other credit facilities	11.4	(a)	—	—
	<u>160.6</u>		<u>—</u>	
Long-term debt:				
Term A-1 loan facility, due June 2026 (b)	243.8	5.210	258.7	1.860
Term A-2 loan facility, due April 2025 (b)	280.3	5.380	296.6	2.150
Term A-3 loan facility, due January 2030 (b)	450.0	6.850	—	—
RMB loan facility, due February 2027	94.7	4.600	19.7	4.750
Euro loan facility, due December 2024	80.4	2.010	—	—
4.875% senior notes, due May 2028	500.0	4.875	500.0	4.875
4.125% senior notes, due January 2030	970.0	4.125	970.0	4.125
4.375% senior notes, due January 2032	700.0	4.375	700.0	4.375
	<u>3,319.2</u>		<u>2,745.0</u>	
Financing obligations:				
Lease financing obligations due on various dates through 2040 (c)	7.7		7.0	
Total debt and financing obligations	<u>3,487.5</u>		<u>2,752.0</u>	
Debt issuance costs and debt discounts (d)	(25.3)		(24.0)	
Short-term borrowings, net of debt discounts	(158.5)		—	
Current portion of long-term debt and financing obligations	<u>(55.3)</u>		<u>(32.2)</u>	
Long-term debt and financing obligations, excluding current portion	<u>\$3,248.4</u>		<u>\$2,695.8</u>	

- (a) The other credit facilities consist of several short-term facilities at one of our subsidiaries used for working capital needs and have various interest rates.
- (b) The interest rates on the Term A-1, A-2, and A-3 loans do not include anticipated patronage dividends. We have received and expect to continue receiving patronage dividends under all three Term Loan Facilities.
- (c) The interest rates on our lease financing obligations ranged from 2.08% to 6.19% at May 28, 2023 and 2.08% to 3.32% at May 29, 2022. For more information on our lease financing obligations, see Note 9, Leases.
- (d) Excludes debt issuance costs of \$2.5 million and \$3.3 million as of May 28, 2023 and May 29, 2022, respectively, related to our U.S. Revolving Credit Facility, which are recorded in "Other assets" on our Consolidated Balance Sheets. In fiscal 2023, 2022, and 2021, we recorded \$4.1 million, \$4.8 million, and \$6.1 million, respectively, of amortization expense in "Interest expense" in our Consolidated Statements of Earnings. Fiscal 2022 also included a \$13.7 million write-off of debt issuance costs associated with our senior notes due 2024 and 2026 which we redeemed in fiscal 2022.

(in millions)	May 26, 2024		May 28, 2023	
	Amount	Interest Rate	Amount	Interest Rate
Short-term borrowings:				
Global revolving credit facility	\$ 291.3	6.580 %	\$ —	— %
U.S. revolving credit facility	—	6.680	—	7.710
Euro revolving credit facility	—	4.790	149.2	4.230
Other credit facilities (a)	35.0		11.4	
	<u>326.3</u>		<u>160.6</u>	
Long-term debt:				
Term A-1 loan facility, due June 2026 (b)	228.8	7.240	243.8	5.210
Term A-2 loan facility, due April 2025 (b) (c)	—	—	280.3	5.380
Term A-3 loan facility, due January 2030 (b)	427.5	7.390	450.0	6.850
Term A-4 loan facility, due May 2029 (b)	325.0	6.540	—	—
RMB loan facility, due February 2027	142.2	4.450	94.7	4.600
Euro term loan facility, due December 2024 (d)	—	—	80.4	2.010
Euro term loan facility, due May 2029	216.9	5.080	—	—
4.875% senior notes, due May 2028	500.0	4.875	500.0	4.875
4.125% senior notes, due January 2030	970.0	4.125	970.0	4.125
4.375% senior notes, due January 2032	700.0	4.375	700.0	4.375
	<u>3,510.4</u>		<u>3,319.2</u>	
Financing obligations:				
Lease financing obligations due on various dates through 2040 (e)	5.7		7.7	
Total debt and financing obligations	<u>3,842.4</u>		<u>3,487.5</u>	
Debt issuance costs and debt discounts (f)	(19.0)		(25.3)	
Short-term borrowings, net of debt discounts	(326.3)		(158.5)	
Current portion of long-term debt and financing obligations	(56.4)		(55.3)	
Long-term debt and financing obligations, excluding current portion	<u>\$ 3,440.7</u>		<u>\$ 3,248.4</u>	

70 (a)

The Other credit facilities consist of various short-term facilities at one of our subsidiaries used for working capital needs and have various interest rates.

(b) The interest rates on the Term A-1, A-2, A-3, and A-4 loans do not include anticipated patronage dividends. We have received and expect to continue receiving patronage dividends under all Term loan facilities.

(c) The Term A-2 loan facility was repaid in full in connection with our entry into the New Term Loan Credit Agreement discussed below.

Table (d). The Euro term loan facility, due December 2024 was repaid in full in connection with our entry into the Global Revolving Credit Agreement discussed below.

(e) [The interest rates on our lease financing obligations ranged from 2.08% to 6.19% at May 26, 2024 and May 28, 2023. For more information on our lease financing obligations, see Note 7, Leases.](#)

(f) [Excludes debt issuance costs of Contents](#)

U.S. \$4.9 million and \$2.5 million as of May 26, 2024 and May 28, 2023, respectively, related to our Global Revolving Credit Facility,

We which are party to a senior secured recorded in “Other assets” on our Consolidated Balance Sheets. In fiscal 2024, 2023, and 2022, we recorded \$4.5 million, \$4.1 million, and \$4.8 million, respectively, of amortization expense in “Interest expense” in our Consolidated Statements of Earnings.

Global Revolving Credit Facility

On May 3, 2024, we entered into an amended and restated credit agreement (the “Global Revolving Credit Agreement”), which replaced our then-existing credit agreement, dated as of November 9, 2016, as (as amended, that provides available the “U.S. Revolving Credit Agreement”). The U.S. Revolving Credit Agreement provided for, among other things, a \$1.0 billion revolving credit facility (the “U.S. Revolving Credit Facility”), including borrowings and letters of \$1.0 billion through August 11, 2026 (“credit available in U.S. dollars and various foreign currencies. The Global Revolving Credit Agreement modified the U.S. Revolving Credit Facility”). In June 2023, we further amended our U.S. Agreement for the purpose of, among other things, (i) increasing the commitments under the Global Revolving Credit Facility to fully transition \$1.5 billion, (ii) extending the maturity date of the Global Revolving Credit Facility from LIBOR August 2026 to May 2029, and (iii) establishing a Secured Overnight Financing Rate (“SOFR” new €200.0 million term loan facility maturing May 2029 (the “New Euro Term Loan Facility”). As part of that amendment, the SOFR Adjustment with respect to Term SOFR was set at 0.10% for any interest period.

Borrowings under the U.S. Global Revolving Credit Facility bear interest at a per annum rate equal to (i) an applicable rate described in the table below plus (ii)(a) for U.S. dollar denominated loans, Term SOFR, (including the Adjusted Daily Simple SOFR Adjustment), or the Base Rate, the Alternative Currency Daily Rate, or the Alternative Currency Term Rate (each as defined in the U.S. Global Revolving Credit Facility) plus Agreement), and (b) for Alternative Currency denominated loans, the Alternative Currency Term Rate or the Alternative Currency Daily Rate (each as defined in the Global Revolving Credit Agreement). Borrowings under the New Euro Term Loan Facility bear interest at a per annum rate equal to (i) an applicable rate stated described in the table below, below plus (ii) the Alternative Currency Term Rate applicable to Euro denominated loans. The U.S. Global Revolving Credit Facility Agreement contains certain covenant restrictions, a consolidated net leverage ratio and an interest coverage ratio and customary events of default.

At May 28, 2023 and May 29, 2022 May 26, 2024, we had no borrowings outstanding under the U.S. Revolving Credit Facility. At May 28, 2023, we had \$994.6 million \$1,203.3 million of availability under the facility, Global Revolving Credit Facility, which is net of outstanding letters of credit of \$5.4 million.

Term A-1, A-2 and A-3 Loan Facilities

On

We are party to a May 3, 2024, we entered into an amended and restated credit agreement (the “New Term Loan Credit Agreement”), which replaced our then-existing credit agreement, dated as of June 28, 2019, as June 28, 2019 (as amended, that provides the “Prior Term Loan Credit Agreement”). The Prior Term Loan Credit Agreement provided for, among other things, (i) a \$300.0 million \$300.0 million term loan facility and, under certain circumstances, the ability to add incremental facilities in an aggregate amount of up to \$100.0 million (collectively, due June 2026 (the “Term A-1 Loan Facility”), and (ii) a \$325.0 million \$325.0 million term loan facility due April 2025 (“Term (the “Term A-2 Loan Facility”).

On January 31, 2023, we further amended the credit agreement relating to our Term A-1 and A-2 (iii) a \$450.0 million term loan facility due January 2030 (the “Term A-3 Loan Facilities (“Amended Facility”). The New Term Loan Agreement”) to, Credit Agreement modified the Prior Term Loan Credit Agreement for the purpose of, among other things, establish a new \$450.0 million establishing an additional \$325.0 million term loan facility with a maturity date of January 31, 2030 (“Term A-3 due May 2029 (the “Term A-4 Loan Facility”) and extend the maturity of our existing Term A-1 loan from June 28, 2024 to June 28, 2026. Borrowings under the Term A-3 A-4 Loan Facility were used in part to purchase repay the remaining equity interest Term A-2 Loan Facility in LW EMEA, full. The Term A-1 Loan Facility and the Term A-3 Loan Facility both remain outstanding under the New Term Loan Credit Agreement.

Borrowings under the New Term Loan Credit Agreement bear interest, before anticipated patronage dividends, at a per annum rate equal to (i) an applicable rate described in the table below plus (ii) Adjusted Term SOFR, or the Base Rate (as or, in the case of Term A-4 Loan Facility, the Fixed Rate (each as defined in the Amended New Term Loan Credit Agreement) plus an applicable rate noted in the table below.

Under the Amended . The New Term Loan Credit Agreement LIBOR-based rates have been replaced with SOFR-based rates. Effective February 28, 2023, the Term A-1 contains certain covenant restrictions, a consolidated net leverage ratio and A-2 loan an interest rates are SOFR based (with a SOFR adjustment) coverage ratio and Base Rate-based loans and the Term A-1 loan applicable margin increased to match the applicable margin customary events of our Term A-2 loan.

default.

RMB Loan Facility

On February 18, 2022, our wholly owned subsidiary, Ulanqab Lamb Weston Food Co., Ltd., entered into a facility agreement providing for a RMB 1,079.0 million 1,079.0 million (approximately \$152.7 million \$149.0 million based on prevailing interest exchange rates on May 28, 2023 May 26, 2024) term loan facility (the "RMB Loan Facility"). The RMB Loan Facility matures on February 18, 2027 February 25, 2027. The RMB Loan Facility contains covenants that are standard for credit facilities originated in the People's Republic of China. Payment obligations under the RMB Loan Facility are unconditionally guaranteed by Lamb Weston.

4.875% Senior Notes due 2028

In May 2020, we issued \$500.0 million aggregate principal amount of 4.875% senior notes due May 15, 2028 ("2028 Notes"). Our obligations under the 2028 Notes are unconditionally guaranteed on a senior unsecured basis by the same subsidiaries as the U.S. Global Revolving Credit Facility. The 2028 Notes are senior unsecured obligations and rank equally with all of our current and future senior indebtedness (including the 2030 and 2032 Notes), rank senior to all our current and future subordinated indebtedness and are subordinated to all of our current and future secured indebtedness (including all borrowings with respect to the U.S. Global Revolving Credit Facility and Term A-1, A-2, A-3, and A-3 A-4 Loan Facilities

to the extent of the value of the assets securing such indebtedness). Upon a change of control (as defined in the indenture governing the 2028 Notes), we must offer to repurchase the 2028 Notes at 101% of the principal amount of the notes, plus accrued and unpaid interest.

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4.125% Senior Notes due 2030 and 4.375% Senior Notes due 2032

On November 8, 2021 November 8, 2021, we issued (i) \$970.0 \$970.0 million aggregate principal amount of 4.125% senior notes due January 31, 2030 January 31, 2030 ("2030 Notes") and (ii) \$700.0 \$700.0 million aggregate principal amount of 4.375% senior notes due January 31, 2032 January 31, 2032 ("2032 Notes") pursuant to indentures, each dated as of November 8, 2021 November 8, 2021 (together, the "Indentures"). Our obligations under the 2030 Notes and 2032 Notes are unconditionally guaranteed on a senior unsecured basis by the same subsidiaries as the U.S. Global Revolving Credit Facility.

The 2030 Notes and 2032 Notes are effectively subordinated to all of our existing and future secured debt, rank equally with all of our existing and future senior debt and rank senior to all of our existing and future subordinated debt. The guarantees of the 2030 Notes and 2032 Notes are effectively subordinated to all of the guarantors' existing and future secured debt, rank equally with all of their existing and future senior debt and rank senior to all of their existing and future subordinated debt. The 2030 Notes and 2032 Notes are structurally subordinated to all of the liabilities of our non-guarantor subsidiaries.

Former Euro Revolving Credit Facility and Term Loan Facility

In

On May 3, 2024, in connection with our entry into the Global Revolving Credit Agreement, we terminated LW EMEA Acquisition, we assumed the liability associated with a term loan ("Euro Loan") and a EMEA's then-existing €400.0 million revolving credit facility ("Euro (the "Euro Revolving Credit Facility"). On December 10, 2021, LW EMEA entered into the Euro Loan for €75.0 million and Euro Revolving Credit Facility for €400.0 million with certain lenders for a total amount of €475.0 million (approximately \$509.3 million based on prevailing interest exchange rates on May 28, 2023). The Euro Loan and Euro Revolving Credit Facility contain covenants that are standard for credit facilities including, among others, financial covenants, covenants with regards to mergers and consolidations and asset sales, and is subject to acceleration upon various events of default.

The Euro Loan interest rate is dependent on the ratio of consolidated net borrowing to adjusted consolidated EBITDA, and matures on December 10, 2024.

The Euro Revolving Credit Facility interest rate is dependent on the ratio of consolidated total net borrowings to adjusted consolidated EBITDA. It matures on December 10, 2026, with an option to extend for two individual years. For the three months ended May 28, 2023, we drew €45.0 million available under the Euro Revolving Credit Facility and repaid €10.0 million. At May 28, 2023, we had €260.0 million of availability under the facility.

LW EMEA's then-existing €75.0 million term loan facility, due December 2024, in full.

Other Credit Facilities

At May 28, 2023 May 26, 2024 and May 29, 2022 May 28, 2023, one two of our subsidiaries had \$51.0 million \$58.3 million and \$53.7 million \$51.0 million, respectively, of availability under an their overdraft line of credit facility facilities with a financial institution, institutions, with no borrowings outstanding, outstanding of \$35.0 million and \$11.4 million, respectively. We guarantee the full amount of one of our subsidiary's subsidiaries' obligations to the financial institution institutions up to the maximum amount of borrowings under the credit facility.

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Variable Rate Interest

Additional information regarding our variable rate debt modifiers is shown below:

	SOFR/LIBOR Reference Rate-Based Loans	Base Rate-Based Loans
U.S. Revolving Credit Facility		0.125 -
Global revolving credit facility (a)	1.125 - 1.750%	0.750%
Term A-1 Loan Facility		0.850 -
loan facility	1.850 - 2.600%	1.600%
Term A-2 Loan Facility		0.850 -
loan facility (b)	1.850 - 2.600%	1.600%
Term A-3 Loan Facility		1.000 -
loan facility	2.000 - 2.750%	1.750%
		0.850 -
Term A-4 loan facility (c)	1.850 - 2.850%	1.850%

(a) Borrowings under the Global Revolving Credit Facility have the same margin whether loans are denominated in U.S. dollars or non-U.S. currencies.

(b) The Term A-2 Loan Facility was repaid in full in connection with our entry into the New Term Loan Credit Agreement.

(c) The Term A-4 Loan Facility is considered fixed-rate debt, however, the last year of its term under the New Term Loan Credit Agreement will be variable-rate based, as noted above.

	Reference Rate-Based Loans	PRC Prime Rate-Based Loans
RMB Loan Facility		
loan facility, due February 2027	N/A	Prime + 0.300%
Euro Loan Facility		
term loan facility, due May 2029	1.125 - 1.750%	N/A
Euro term loan facility, due December 2024 (a)	0.400 - 1.100%	N/A
Euro Revolving Credit Facility revolving credit facility (British Pound Loans)		
(b)	1.250 - 2.100%	N/A
Euro Revolving Credit Facility revolving credit facility (Other Loans)		
(b)	1.050 - 1.900%	N/A

(a) The Euro term loan facility, due December 2024 was repaid in full in connection with our entry into the Global Revolving Credit Agreement.

(b) The Euro Revolving Credit Facility was terminated in connection with our entry into the Global Revolving Credit Agreement.

Debt Maturities

The aggregate minimum principal maturities of our long-term debt, including current portion, for the next five fiscal years and thereafter, are as follows:

(in millions)	Debt (a)
2025	\$ 381.0
2026	65.8
2027	362.6
2028	538.8
2029	503.5
Thereafter	1,985.0
	<u>\$ 3,836.7</u>

(a)

(in millions)	Debt (a)
2024	\$ 214.4
2025	385.2
2026	45.6
2027	304.6
2028	522.5
Thereafter	2,007.5
	<u>\$3,479.8</u>

See Note 7, Leases, for maturities of our lease financing obligations.

Other

(a) See Note 9, Leases, for maturities of our lease financing obligations.

Other

During fiscal 2024, 2023, 2022, and 2021, 2022, we paid \$151.8 million \$191.3 million, \$80.6 million \$151.8 million, and \$120.6 million, \$80.6 million, respectively, of interest on debt. The increase in fiscal 2023 relates to higher interest rates on variable rate debt and debt facilities associated with the LW EMEA Acquisition.

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7. LEASES

9. LEASES

We lease various real estate, including certain operating facilities, warehouses, office space, and land. We also lease material handling equipment, vehicles, and certain other equipment. Our leases have remaining lease terms of one to 17 16 years.

The components of total lease costs, net, consisted of the following:

(in millions)	For the Fiscal Year Ended May (a)		
	2024	2023	2022
Operating lease costs	\$ 38.5	\$ 35.8	\$ 33.9
Short-term and variable lease costs	15.6	10.4	7.8
Sublease income	(4.7)	(5.0)	(4.9)
Finance lease costs:			
Amortization of lease assets	1.4	1.0	1.1
Interest on lease obligations	0.3	0.2	0.2
Total lease costs, net	<u>\$ 51.1</u>	<u>\$ 42.4</u>	<u>\$ 38.1</u>

(in millions)	For the Fiscal Year Ended May (a)		
	2023	2022	2021
Operating lease costs	\$ 35.8	\$ 33.9	\$ 33.2
Short-term and variable lease costs	10.4	7.8	9.0

Sublease income	(5.0)	(4.9)	(3.4)
Finance lease costs:			
Amortization of lease assets	1.0	1.1	1.9
Interest on lease obligations	0.2	0.2	0.3
Total lease costs, net	<u>\$ 42.4</u>	<u>\$ 38.1</u>	<u>\$ 41.0</u>

(a) Supply-chain-related lease costs are included in "Cost of sales," and the remainder is recorded in "Selling, general and administrative expenses," in our Consolidated Statements of Earnings. Interest on finance lease obligations is included in "Interest expense, net," in our Consolidated Statements of Earnings.

(a) Supply-chain-related lease costs are included in "Cost of sales," and the remainder is recorded in "Selling, general, and administrative expenses," in our Consolidated Statements of Earnings. Interest on finance lease obligations is included in "Interest expense, net," in our Consolidated Statements of Earnings.

Operating and finance leases, with initial terms greater than one year, were as follows:

(in millions)	Classification	May 28, 2023	May 29, 2022
Assets:			
Operating lease assets	Operating lease assets	\$ 146.1	\$ 119.0
Finance lease assets	Property, plant and equipment, net (a)	3.8	4.4
Total leased assets		<u>\$ 149.9</u>	<u>\$ 123.4</u>
Liabilities:			
Lease obligations due within one year:			
Operating lease obligations	Accrued liabilities	\$ 28.5	\$ 22.4
Finance lease obligations	Current portion of long-term debt and financing obligations	1.5	0.9
Long-term lease obligations:			
Operating lease obligations	Other noncurrent liabilities	127.5	104.7
Finance lease obligations	Long-term debt and financing obligations, excluding current portion	6.2	6.1
Total lease obligations		<u>\$ 163.7</u>	<u>\$ 134.1</u>

(a) Finance leases are net of accumulated amortization of \$6.8 million and \$5.8 million at May 28, 2023 and May 29, 2022, respectively.

(in millions)	Classification	May 26, 2024	May 28, 2023
Assets:			
Operating lease assets	Operating lease assets	\$ 133.0	\$ 146.1
Finance lease assets	Property, plant and equipment, net (a)	3.9	3.8
Total leased assets		<u>\$ 136.9</u>	<u>\$ 149.9</u>
Liabilities:			
Lease obligations due within one year:			
Operating lease obligations	Accrued liabilities	\$ 29.3	\$ 28.5
Finance lease obligations	Current portion of long-term debt and financing obligations	1.5	1.5
Long-term lease obligations:			
Operating lease obligations	Other noncurrent liabilities	115.4	127.5
Finance lease obligations	Long-term debt and financing obligations, excluding current portion	4.2	6.2
Total lease obligations		<u>\$ 150.4</u>	<u>\$ 163.7</u>

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Finance leases are net of accumulated amortization of \$8.2 million and \$6.8 million at May 26, 2024 and May 28, 2023, respectively.

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The maturities of our lease obligations for operating and finance leases at **May 28, 2023** **May 26, 2024** for the next five fiscal years and thereafter are as follows:

(in millions, except for lease term and discount rate amounts)	Operating	Finance	Total
	Leases	Leases	
2024	\$ 33.1	\$ 1.7	\$ 34.8
2025	26.3	1.5	27.8
2026	22.8	1.4	24.2
2027	21.5	0.8	22.3
2028	21.0	0.3	21.3
Thereafter	66.2	3.9	70.1
Total lease payments	190.9	9.6	200.5
Less: Interest	(34.9)	(1.9)	(36.8)
Present value of lease obligations	<u>\$ 156.0</u>	<u>\$ 7.7</u>	<u>\$ 163.7</u>
Weighted-average remaining lease term (years)	7.5	11.1	
Weighted-average discount rate	5.4%	3.8%	

(in millions, except for lease term and discount rate amounts)	Operating	Finance	Total
	Leases	Leases	
2025	\$ 33.4	\$ 1.5	\$ 34.9
2026	26.7	1.4	28.1
2027	23.2	0.8	24.0
2028	22.1	0.3	22.4
2029	20.2	0.3	20.5
Thereafter	47.6	3.4	51.0
Total lease payments	173.2	7.7	180.9
Less: Interest	(28.5)	(2.0)	(30.5)
Present value of lease obligations	<u>\$ 144.7</u>	<u>\$ 5.7</u>	<u>\$ 150.4</u>
Weighted-average remaining lease term (years)	6.7	11.0	
Weighted-average discount rate	5.6%	3.7%	

Supplemental cash flow information related to leases was as follows:

(in millions)	For the Fiscal Years Ended May		
	2023	2022	2021
Cash paid for amounts included in the measurement of lease obligations:			
Operating cash flows for operating leases	\$ 26.2	\$ 29.1	\$ 30.9
Financing cash flows for finance leases	0.5	1.1	1.7
Non-cash investing and financing activities:			
Assets obtained in exchange for new operating lease obligations	44.6	1.4	5.2
Assets obtained in exchange for new finance lease obligations	0.5	0.5	—

(in millions)	For the Fiscal Years Ended May		
	2024	2023	2022
Cash paid for amounts included in the measurement of lease obligations:			
Operating cash flows for operating leases	\$ 29.8	\$ 26.2	\$ 29.1
Financing cash flows for finance leases	0.5	0.5	1.1
Non-cash investing and financing activities:			
Assets obtained in exchange for new operating lease obligations	7.0	44.6	1.4
Assets obtained in exchange for new finance lease obligations	0.4	0.5	0.5

8. STOCK-BASED COMPENSATION

On October 29, 2016, our Board of Directors adopted the Lamb Weston Holdings, Inc. 2016 Stock Plan, which was amended in July 2017 ("Stock Plan").

The Compensation and Human Capital Committee ("the Committee") of our Board of Directors (the "Board") administers our stock compensation plan ("Stock Plan"). The Committee, in its discretion, authorizes grants of restricted stock units ("RSUs"), performance share awards payable upon the attainment of specified performance goals ("Performance Shares"), dividend equivalents, and other stock-based awards. At May 28, 2023 May 26, 2024, we had 10.0 million 10.0 million shares authorized for issuance under the Stock Plan, and 6.1 million 5.9 million were available for future grant.

grants.

RSUs and Performance Shares

We grant RSUs to eligible employees and non-employee directors. The employee RSUs generally vest over a three-year period following the grant date, while the non-employee director RSUs generally vest one year after the grant date. 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.

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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, will be paid in shares of our common stock. Subject to limited exceptions set forth in the Stock Plan, any shares earned will generally vest over a three-year period following the grant date. 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 following the grant date, 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 determined using a Monte Carlo simulation, and are amortized over the service period.

The weighted average Monte Carlo assumptions for Performance Shares granted during the fiscal year ended May 28, 2023 May 26, 2024 were:

	Assumptions
Dividend yield (%)	0.00 - 1.42
Expected volatility of stock (%)	29.1% - 30.1%
Risk-free interest rate (%)	4.46% - 4.76%
Expected life (years)	2.54 - 2.84
Weighted average grant date fair value per unit	\$122.25

The following table summarizes RSU and Performance Shares activity for fiscal 2023:

	RSUs		Performance Shares	
	Weighted-Average Grant-Date Fair	Value	Weighted-Average Grant-Date Fair	Value
Outstanding at May 29, 2022	807,727	\$ 65.25	309,997	\$ 66.27
Granted (a)	394,918	73.28	258,080	92.28
Vested (b)	(181,277)	66.43	(95,586)	67.56
Forfeited/expired/cancelled	(40,325)	66.36	(27,847)	71.86
Outstanding at May 28, 2023	981,043	\$ 68.22	444,644	\$ 80.74

(a) Granted represents new grants and dividend equivalents accrued.

(b) The aggregate fair value of awards that vested in fiscal 2023, 2022, and 2021 was \$20.8 million, \$22.4 million, and \$29.3 million, respectively, which represents the market value of our common stock on the date that the RSUs and Performance Shares vested. The number of RSUs and Performance Shares vested includes shares of common stock that we withheld on behalf of employees to satisfy the minimum statutory tax withholding requirements. RSUs that are expected to vest are net of estimated future forfeitures.

2024:

	RSUs		Performance Shares	
	Weighted-Average Grant-Date Fair	Value	Weighted-Average Grant-Date Fair	Value
Outstanding at May 28, 2023	981,043	\$ 68.22	444,644	\$ 80.74
Granted (a)	377,162	101.51	116,929	103.65
Vested (b)	(334,342)	67.84	(92,080)	63.53
Forfeited/expired/cancelled	(49,172)	81.70	(28,431)	93.11
Outstanding at May 26, 2024	974,691	\$ 80.55	441,062	\$ 89.61

Granted represents new grants and dividend equivalents accrued.

Table (b). The aggregate fair value of Contents awards that vested in fiscal 2024, 2023, and 2022 was \$44.3 million, \$20.8 million, and \$22.4 million, respectively, which represents the market value of our common stock on the date that the RSUs and Performance Shares vested. The number of RSUs and Performance Shares vested includes shares of common stock that we withheld on behalf of employees to satisfy the minimum statutory tax withholding requirements. RSUs that are expected to vest are net of estimated future forfeitures.

Stock Options

Under some circumstances, we have granted options to employees and non-employee directors to purchase shares of our common stock at exercise prices equal to the fair market value of the underlying common stock on the grant date. Options granted to employees generally become exercisable in three annual installments beginning on the first anniversary of the grant date and have a maximum term of seven years. Options granted to non-employee directors generally vest one year after the grant date and have a term of ten years. During the fifty-two weeks fiscal year ended May 28, 2023May 26, 2024, we granted 0.6 million stock options at a weighted-average grant date fair value of \$25.93.

The following table provides the related assumptions used in the Black-Scholes model used to determine the fair value an immaterial amount of stock options granted during the fiscal year ended May 28, 2023:

	Assumptions
Dividend yield (%)	1.20 - 1.22
Expected volatility of stock (%)	33.73 - 34.06
Risk-free interest rate (%)	2.82 - 4.42
Expected life of stock option (years)	5.74 - 5.75

The following table summarizes stock option activity for fiscal 2023: 2024:

	Shares	Weighted-Average Exercise Price (per share)	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in millions)
Outstanding at May 28, 2023	701,839	\$ 69.92	7.9	\$ 27.8
Granted	5,003	81.25		
Exercised	(14,049)	56.89		
Forfeited/cancelled	(26,189)	79.66		
Outstanding at May 26, 2024	666,604	\$ 69.90	6.9	\$ 12.9
Exercisable at May 26, 2024	332,221	\$ 59.85	5.6	\$ 9.8 (a)

(a)

	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value

	Shares	(per share)	Term (Years)	(in millions)
Outstanding at May 29, 2022	197,106	\$ 33.36	4.1	\$ 6.8
Granted	557,223	79.69		
Exercised	(49,595)	33.81		
Forfeited/cancelled	(2,895)	79.66		
Outstanding at May 28, 2023	701,839	\$ 69.92	7.9	\$ 27.8
Exercisable at May 28, 2023	158,429	\$ 36.05	3.6	\$ 11.6 (a)

The aggregate intrinsic values represent

(a). The aggregate intrinsic values represent the total pre-tax intrinsic value (the difference between our closing stock price on the last trading day of our fiscal 2023, or \$109.45 as of May 26, 2023, and the exercise price, multiplied by the number of in-the-money options) that would have been received by the option holders had all option holders exercised their in-the-money options at the end of the fiscal year. The amount changes based on the fair market value of our common stock.

2024, and the exercise price, multiplied by the number of in-the-

Compensation Expense would have been received by the option holders had all option holders exercised their in-the-money options at the end of the fiscal

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:

the fair market value of our common stock.

(in millions)	For the Fiscal Years Ended May		
	2023	2022	2021
Stock-settled RSUs	\$ 20.1	\$ 15.1	\$ 13.9
Performance Shares	14.2	6.2	6.7
Stock options	4.2	—	—
Stock-settled compensation expense	38.5	21.3	20.6
Income tax benefit (a)	(7.1)	(3.9)	(3.7)
Total compensation expense, net of tax benefit	\$ 31.4	\$ 17.4	\$ 16.9

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

(in millions)	For the Fiscal Years Ended May		
	2024	2023	2022
Stock-settled RSUs	\$ 27.3	\$ 20.1	\$ 15.1
Performance Shares	14.9	14.2	6.2
Stock options	4.6	4.2	—
Stock-settled compensation expense	46.8	38.5	21.3
Income tax benefit (a)	(7.5)	(7.1)	(3.9)
Total compensation expense, net of tax benefit	\$ 39.3	\$ 31.4	\$ 17.4

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

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Based on estimates at May 28, 2023 May 26, 2024, total unrecognized compensation expense related to stock-based awards was as follows:

Unrecognized	Remaining Weighted Average
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	Compensation	Recognition
(in millions, except data in years)	Expense	Period (in years)
Stock-settled RSUs	\$ 32.1	1.3
Performance Shares	25.1	1.9
Stock options	10.2	1.6
Total unrecognized compensation expense	<u>\$ 67.4</u>	

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	Unrecognized	Remaining
(in millions, except data in years)	Compensation	Weighted
	Expense	Average
		Recognition
		Period (in years)
Stock-settled RSUs	\$ 38.5	1.3
Performance Shares	17.1	1.5
Stock options	5.1	1.0
Total unrecognized compensation expense	<u>\$ 60.7</u>	

9. FAIR VALUE MEASUREMENTS

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 May 26, 2024			
(in millions)	Level 1	Level 2	Level 3	Fair Value of Assets (Liabilities)
Pension plan assets	\$ 22.9	\$ 0.1	\$ —	\$ 23.0
Derivative assets (a)	—	1.4	—	1.4
Derivative liabilities (a)	—	(21.7)	—	(21.7)
Deferred compensation liabilities (b)	—	(27.6)	—	(27.6)
Fair value, net	<u>\$ 22.9</u>	<u>\$ (47.8)</u>	<u>\$ —</u>	<u>\$ (24.9)</u>

	As of May 28, 2023			
(in millions)	Level 1	Level 2	Level 3	Fair Value of Assets (Liabilities)
Pension plan assets	\$ 15.7	\$ 7.3	\$ —	\$ 23.0
Derivative assets (a)	—	3.0	—	\$ 3.0
Derivative liabilities (a)	—	(46.6)	—	(46.6)
Deferred compensation liabilities (b)	—	(22.6)	—	(22.6)
Fair value, net	<u>\$ 15.7</u>	<u>\$ (58.9)</u>	<u>\$ —</u>	<u>\$ (43.2)</u>

(a)

	As of May 28, 2023			
(in millions)	Level 1	Level 2	Level 3	Fair Value of Assets (Liabilities)
Pension plan assets	\$ 15.7	\$ 7.3	\$ —	\$ 23.0

Derivative assets (a)	—	3.0	—	3.0
Derivative liabilities (a)	—	(46.6)	—	(46.6)
Deferred compensation liabilities (b)	—	(22.6)	—	(22.6)
Fair value, net	\$ 15.7	\$ (58.9)	\$ —	\$ (43.2)

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

(in millions)	As of May 29, 2022			Fair Value of Assets (Liabilities)
	Level 1	Level 2	Level 3	
Pension plan assets	\$ 17.3	\$ 7.8	\$ —	\$ 25.1
Derivative assets (a)	—	7.0	—	7.0
Deferred compensation liabilities (b)	—	(21.6)	—	(21.6)
Fair value, net	\$ 17.3	\$ (6.8)	\$ —	\$ 10.5

(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.

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

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

Non-financial assets such as property, plant and equipment, and intangible assets are recorded at fair value only if an impairment is recognized. Cost and equity investments are measured at fair value on a non-recurring basis.

At May 28, 2023 May 26, 2024, we had \$2,170.0 million \$2,495.0 million of fixed-rate and \$1,309.8 million \$1,341.7 million of variable-rate debt outstanding. Based on current market rates, the fair value of our fixed-rate debt at May 28, 2023 May 26, 2024 was estimated to be \$1,965.3 million \$2,296 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. We estimated the fair value of our fixed-rate debt using quoted market prices (Level 2 inputs) within the fair value hierarchy that is described above, above with an exception being the Term A-4 Loan Facility, which is quoted at face value (Level 1 inputs). 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.

10. STOCKHOLDERS' EQUITY

Our certificate of incorporation authorizes 600,000,000 shares of common stock and 60,000,000 shares of preferred stock. We had 145,665,683 143,666,656 shares of common stock issued and outstanding as of May 28, 2023 May 26, 2024. Each share of common stock entitles the holder to one vote on matters to be voted on by our stockholders. No preferred stock was issued or outstanding on May 28, 2023 as of May 26, 2024.

Share Repurchase Program

Our Board of Directors has authorized a program, with no expiration date, to repurchase up to \$500.0 million shares of our common stock. During fiscal 2023, 2024, we purchased an aggregate of 569,698 2,294,654 shares for \$45.0 million \$210.0 million, or a weighted-average price of \$78.99 \$91.51 per share. In October 2023, the Board approved an increase to the share repurchase authorization, which reset the unused capacity under the program to an aggregate \$500.0 million. As of May 28, 2023 May 26, 2024, \$223.9 million \$390.0 million remained authorized for repurchase share repurchases under the program.

Dividends

Dividends

During fiscal 2024, 2023, 2022, and 2021, 2022, we paid \$146.1 million \$174.0 million, \$146.1 million, \$138.4 million, and \$135.3 million, \$138.4 million, respectively, of cash dividends to common stockholders. On June 2, 2023 May 31, 2024, we paid \$40.8 million \$51.7 million of dividends to stockholders of record as of the close of business on May 5, 2023 May 3, 2024. On July 19, 2023 July 18, 2024, our Board of Directors declared a cash dividend of \$0.280 \$0.36 per share of common stock. This dividend will be paid on September 1, 2023 August 30, 2024, to stockholders of record as of the close of business on August 4, 2023 August 2, 2024.

Accumulated Other Comprehensive Income (Loss) ("AOCI")

Comprehensive income includes net income, currency translation adjustments, and changes in prior service cost and net actuarial gains (losses) from pension and post-retirement benefit plans. We generally deem our foreign investments to be indefinite in nature and we do not provide for taxes on currency translation adjustments arising from converting the investment denominated in a foreign currency to the U.S. dollar. If we determine that a foreign investment, as well as undistributed earnings, are no longer indefinite in nature, estimated taxes are provided for the related deferred tax liability (asset), if any, resulting from currency translation adjustments.

Changes in AOCI, net of tax, as of May 28, 2023 May 26, 2024, were as follows:

(in millions)	Foreign Currency Translation	Pension and Post-Retirement Benefits	Other	Accumulated Other Comprehensive Loss
	Losses	Benefits		
Balance as of May 29, 2022	\$ (12.9)	\$ (3.3)	\$ 0.6	\$ (15.6)
Other comprehensive income (loss) before reclassifications, net of tax	(14.2)	2.6	0.4	(11.2)
Net current-period other comprehensive income (loss)	(14.2)	2.6	0.4	(11.2)
Balance as of May 28, 2023	\$ (27.1)	\$ (0.7)	\$ 1.0	\$ (26.8)

(in millions)	Foreign Currency Translation	Pension and Post-Retirement Benefits	Other	Accumulated Other Comprehensive Loss
	Losses			
Balance as of May 28, 2023	\$ (27.1)	\$ (0.7)	\$ 1.0	\$ (26.8)
Other comprehensive income (loss) before reclassifications, net of tax	18.9	(4.6)	(0.4)	13.9
Net current-period other comprehensive income (loss)	18.9	(4.6)	(0.4)	13.9
Balance as of May 26, 2024	\$ (8.2)	\$ (5.3)	\$ 0.6	\$ (12.9)

11. ACQUISITIONS

Table In July 2022, we acquired an additional 40% equity interest in LWAMSA, which increased our total equity ownership from 50% to 90%. In addition, in February 2023, we purchased the remaining 50% equity interest in LW EMEA, and now own 100%. After the acquisitions, we consolidated the results of Contents operations of LWAMSA and LW EMEA in our International segment in our fiscal first and fourth quarters of fiscal 2023, respectively. Prior to the acquisitions, the results of each of LWAMSA and LW EMEA were recorded in "Equity method investment earnings (loss)."

We recorded the assets and liabilities of both acquisitions at fair value based on a market approach. We remeasured our initial equity interests at fair value, after considering control premiums in our industry, which are unobservable inputs, or Level 3, in the fair value hierarchy.

Fiscal 2023 net income included \$371.7 million of after-tax (\$420.6 million before tax) net gains related to the acquisitions, as follows:

- \$379.5 million after-tax (\$425.8 million before tax) non-cash gain recorded in "Equity method investment earnings."
- \$20.0 million of after-tax (\$27.0 million before tax) costs related to the step-up and sale of inventory recorded in "Cost of sales."
- \$12.2 million of after-tax (\$21.8 million before tax) net gain from acquisition-related expenses (foreign currency gain related to actions taken to mitigate the effect of changes in currency rates on the purchase price, net of advisory, legal, valuation and other professional or consulting expenses).

LWAMSA

The purchase price to acquire the additional 40% interest in LWAMSA consisted of \$42.3 million in cash. The net sales, income from operations, and total assets acquired were not material to our consolidated net sales, income from operations, and total assets for the periods presented in this report, and therefore LWAMSA is not included in our unaudited pro forma information presented below.

LW EMEA

The total consideration for our acquisition of the remaining interest in LW EMEA (the "LW EMEA Acquisition") was \$1,447.5 million, which consisted of €531.6 million (\$564.0 million) in cash, which excluded settlement of pre-existing relationships of \$32.3 million and cash held by LW EMEA of \$28.2 million, and 1,952,421 shares of our common stock (valued at \$197.3 million as of the acquisition closing date). The total consideration also included \$634.4 million for the fair value of our initial equity investment and \$51.8 million of other non-cash consideration (the majority being settlement of preexisting relationships). We recorded LW EMEA's assets and liabilities at fair value.

In fiscal 2023, LW EMEA contributed \$364.0 million of net sales and a \$13.6 million loss from operations, which included \$52.3 million of acquisition-related items (\$27.0 million before tax expenses related to the sale of inventory stepped up in the acquisition and \$25.3 million of unrealized losses related to mark-to-market adjustments for commodity and currency hedging contracts, before taxes). We do not allocate interest expense and taxes to the acquired operations and therefore, the post-acquisition net earnings are not discernible.

The total purchase price consideration was allocated to the net assets acquired based upon their respective estimated fair values as follows:

(in millions)

Cash and cash equivalents	\$	28.2
Receivables		221.5
Inventories		222.1
Prepaid expenses and other current assets		41.4
Property, plant and equipment (a)		629.1
Goodwill (b)		644.9
Intangible assets (c)		80.0
Other assets		29.6
Assets acquired	\$	1,896.8
Accounts payable		(62.2)
Accrued liabilities		(164.0)
Short-term borrowings		(108.2)
Deferred income taxes		(19.2)
Long-term debt		(78.0)
Other non-current liabilities		(17.7)
Liabilities assumed	\$	(449.3)
Net assets acquired	\$	1,447.5

(a) Property, plant and equipment acquired are being depreciated on a straight-line basis over their estimated remaining lives, which range from 1 to 30 years.

(b) Goodwill is calculated as the excess of the purchase price over the fair values of the identifiable net assets acquired. The goodwill is primarily attributable to future growth opportunities in Europe, the Middle East, and Africa. For tax purposes, the acquisition of the remaining LW EMEA interest was treated as a stock acquisition and is not deductible for tax purposes. For more information, see Note 5, Income Taxes, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" of the Annual Report on Form 10-K for period ended May 28, 2023, which we filed with the Securities and Exchange Commission on July 25, 2023.

(c) Intangible assets include customer relationships which have estimated useful lives of 15 years. Based on the carrying value of these finite-lived assets as of May 28, 2023, amortization expense for each of the next five years is estimated to be approximately \$5.0 million.

The following unaudited pro forma financial information presents the combined results of operations as if we had acquired the remaining interest of LW EMEA on May 31, 2021 (the first day of fiscal 2022). These unaudited pro forma results are included for informational purposes only and do not purport to represent what the combined companies' results of operations would have been had the acquisition occurred on that date, nor are they necessarily indicative of future results of operations. They also do not reflect any cost savings, operational synergies, or revenue enhancements that we may achieve or the costs necessary to achieve those cost savings, operational synergies, revenue enhancements, or integration efforts.

Unaudited Pro Forma Information (in millions)	For the Fiscal Years Ended May	
	2023	2022
Net sales	\$ 6,264.0	\$ 5,131.4
Net income (a) (b)	644.9	500.4

(a) The fiscal 2023 and 2022 unaudited pro forma financial information has been adjusted to give effect to adjustments that are directly related to the LW EMEA Acquisition and factually supportable. These adjustments include, but are not limited to, the application of our accounting policies; elimination of related party transactions; depreciation and amortization related to fair value adjustments to property, plant, and equipment and intangible assets; and interest expense on acquisition-related debt.

(b) The fiscal 2023 unaudited pro forma net income was also adjusted to exclude a \$410.7 million (\$364.4 million after-tax) non-cash gain related to the LW EMEA Acquisition, \$27.0 million (\$20.0 million after-tax) of acquisition inventory step-up expense and a \$21.8 million (\$12.2 million after-tax) gain from acquisition-related expenses (foreign currency gain related to actions taken to mitigate the effect of changes in currency rates on the purchase price, net of advisory, legal, valuation and other professional or consulting expenses). These items were included in fiscal 2022 unaudited pro forma net income, along with a non-cash impairment charge of \$62.7 million (before and after-tax) related to LW EMEA's withdrawal from its joint venture in Russia in fiscal 2021.

12. JOINT VENTURE INVESTMENTS

In fiscal 2023, we purchased additional equity interests in LW EMEA and LWAMSA, and began consolidating their respective financial results in our Consolidated Financial Statements. Prior to acquiring these incremental equity interests, we accounted for these investments under the equity method of accounting.

In addition, LW EMEA has a 75% ownership interest in a joint venture that owns a production facility in Austria, which is included in our consolidated results. At May 26, 2024, Lamb-Weston/RDO Frozen (“Lamb Weston RDO”), our joint venture with RDO Frozen Co., was the only joint venture accounted for under the equity method of accounting.

Our equity method investments were as follows:

(in millions)	May 26, 2024		May 28, 2023	
	Carrying Value	Ownership Interest	Carrying Value	Ownership Interest
Lamb Weston RDO	\$ 59.2	50%	\$ 43.1	50%
Other			0.4	50%
	<u>\$ 59.2</u>		<u>\$ 43.5</u>	

Summarized combined financial information for our equity method investments were as follows:

(in millions)	For the Fiscal Years Ended May		
	2024 (c)	2023 (a)	2022
Net sales	\$ 339.8	\$ 1,122.3	\$ 1,333.8
Gross profit	88.1	237.0	203.8
Income from operations	55.3	83.3	106.9
Net income (loss) (b)	51.9	70.1	(21.4)

(in millions)	May 26, 2024 (c)	May 28, 2023 (c)
Current assets	\$ 124.7	\$ 98.8
Noncurrent assets	113.5	108.3
Current liabilities	64.3	55.1
Noncurrent liabilities	55.5	64.1

(a) The fiscal 2023 financial information includes the financial results for the parts of the fiscal year when LW EMEA and LWAMSA were being accounted for as unconsolidated joint ventures.

(b) In fiscal 2022, LW EMEA recorded a \$125.4 million charge to write-off its net investment in its former joint venture in Russia, which is included in the fiscal 2022 net loss. Our portion of the non-cash impairment charge related to this write-off was \$62.7 million.

(c) Reflects Lamb Weston RDO only.

We made the following sales to and purchases from our joint venture investments, primarily for finished products sold to or purchased from our joint ventures. We also provided services, such as sales and marketing services, to our joint ventures that are recorded as a reduction to “Selling, general and administrative expenses” in our Consolidated Statements of Earnings. We also received dividends. The following table summarizes the activity with all our joint venture investments:

(in millions)	For the Fiscal Years Ended May		
	2024	2023 (a)	2022
Sales	\$ 18.1	\$ 22.2	\$ 14.3
Purchases	74.9	42.9	21.0
Services provided	22.8	18.4	15.6
Dividends received	11.8	—	19.2

(a) The fiscal 2023 financial information includes the financial results for the part of the fiscal year when LW EMEA and LWAMSA were accounted for as unconsolidated joint ventures.

As of May 26, 2024 and May 28, 2023, we had receivables included in “Receivables” on our Consolidated Balance Sheets from our joint ventures of \$8.2 million and \$4.5 million, respectively.

13. SEGMENTS

We

Effective May 29, 2023, to align with our expanded global footprint following the completion of the LW EMEA Acquisition, management, including our chief executive officer (who is our chief operating decision maker), began managing operations in two business segments based on management's change to the way it monitors performance, aligns strategies, and allocates resources. As a result of this change, we have **four** two operating segments, each of which is a reportable segment: **Global, Foodservice, Retail, North America and Other, International**. 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 as discussed above, informs** operating decisions, performance assessment, and resource allocation decisions at the segment level. **The These** reportable segments are each managed by a general manager and supported by a cross functional team assigned to support the segment. **See "Part I, Item 1. Business"**

(in millions)	For the Fiscal Years Ended May		
	2024	2023	2022
Segment Net Sales			
North America	\$ 4,363.2	\$ 4,249.4	\$ 3,497.3
International (a)	2,104.4	1,101.2	601.6
	<u>\$ 6,467.6</u>	<u>\$ 5,350.6</u>	<u>\$ 4,098.9</u>

(in millions)	For the Fiscal Years Ended May		
	2024	2023	2022
Segment Adjusted EBITDA			
North America	\$ 1,263.1	\$ 1,162.3	\$ 711.6
International (a)	331.9	231.0	78.2
Total Reportable Segments Adjusted EBITDA	<u>1,595.0</u>	<u>1,393.3</u>	<u>789.8</u>
Unallocated corporate costs (b)	(178.3)	(143.9)	(83.1)
Depreciation and amortization (c)	306.2	247.4	229.3
Unrealized derivative (gains) losses	(24.9)	41.7	8.2
Unconsolidated joint venture unrealized derivative losses (gains)	—	32.7	(26.5)
Foreign currency exchange losses (gains)	10.6	5.5	(0.7)
Items impacting comparability:			
Inventory step-up from acquisition	20.7	27.0	—
Integration and acquisition-related items, net	12.8	(21.8)	—
Gain on acquisition of interest in joint ventures (d)	—	(425.8)	—
Write-off of net investment in Russia	—	—	62.7
Interest expense, net (e)	<u>135.8</u>	<u>109.2</u>	<u>161.0</u>
Income before income taxes	955.5	1,233.5	272.7
Income tax expense	<u>230.0</u>	<u>224.6</u>	<u>71.8</u>
Net income	<u>\$ 725.5</u>	<u>\$ 1,008.9</u>	<u>\$ 200.9</u>

(a) We acquired the remaining equity interest in LW EMEA in the fourth quarter of **this Form 10-K for more information on our segments.**

(in millions)	For the Fiscal Years Ended May		
	2023	2022	2021
Net sales			
Global	\$2,934.4	\$2,064.2	\$1,911.5
Foodservice	1,489.1	1,318.2	1,017.3
Retail	797.7	594.6	603.4
Other	129.4	121.9	138.7
Total net sales	<u>5,350.6</u>	<u>4,098.9</u>	<u>3,670.9</u>
Product contribution margin (a)			
Global (b)	595.5	252.2	306.2
Foodservice	551.0	449.3	340.0
Retail	280.1	109.4	120.2

Other (c)	(28.9)	2.2	47.8
	<u>1,397.7</u>	<u>813.1</u>	<u>814.2</u>
Add: Advertising and promotion expenses (a)	34.4	18.9	17.8
Gross profit	1,432.1	832.0	832.0
Selling, general and administrative expenses (d)	550.0	387.6	357.2
Income from operations	<u>882.1</u>	<u>444.4</u>	<u>474.8</u>
Interest expense, net (e)	109.2	161.0	118.3
Income tax expense	224.6	71.8	90.5
Equity method investment earnings (loss) (f)	460.6	(10.7)	51.8
Net income	<u>\$1,008.9</u>	<u>\$ 200.9</u>	<u>\$ 317.8</u>

(a) Product contribution margin represents fiscal 2023. Accordingly, LW EMEA's 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 fiscal year ended May 28, 2023 included a charge of \$27.0 million (\$20.0 million after-tax) related to the step-up and sale of inventory acquired from LW EMEA.

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

(d) Selling, general and administrative expenses for the fiscal year ended May 28, 2023 included a net \$21.8 million (\$12.2 million after-tax) gain related to actions taken to mitigate the effect of changes in currency rates on our purchase of the remaining equity interest in LW EMEA, net of other acquisition-related costs.

(e) The fiscal year ended May 29, 2022 included a loss on extinguishment of debt of \$53.3 million (\$40.5 million after-tax), which includes a call premium of \$39.6 million related to the redemption of our senior notes due 2024 and 2026, and the write-off of \$13.7 million of previously unamortized debt issuance costs associated with those notes.

(f) Equity method investment earnings (loss) for the fiscal year ended May 28, 2023 included a \$425.8 million (\$379.5 million after-tax) gain recognized in connection with our purchase of an additional 50% equity interest in LW EMEA, increasing our equity ownership from 50% to 100%, and our purchase of an additional 40% equity interest in LWAMSA, increasing our equity ownership from 50% to 90%. The gains related to remeasuring our initial equity interests in LW EMEA and LWAMSA to fair value. See Note 3, Acquisitions, for additional information.

Equity method investment earnings (loss) also included a \$37.8 million (\$28.0 million after-tax) unrealized loss, a \$31.7 million (\$23.5 million after-tax) unrealized gain, and a \$8.6 million (\$6.4 million after-tax) unrealized gain adjusted EBITDA for the thirteen weeks ended May 28, 2023 are reported in the International segment, whereas in the first three quarters of fiscal years ended May

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28, 2023, May 29, 2022, and May 30, 2021, respectively, related to mark-to-market adjustments associated with changes our initial 50% equity interest in natural gas and electricity derivatives as commodity markets in Europe have experienced significant volatility.

In May 2022, LW EMEA announced its intent to withdraw from its joint venture investment in Russia, was recorded using equity method accounting. As a result, LW EMEA's net sales are not included in the International segment's net sales for the first three quarters of the fifty-two weeks ended May 28, 2023, and only 50% of LW EMEA's adjusted EBITDA is reported in the International segment for those periods.

(b) Unallocated corporate costs included costs related to corporate support staff and support services, foreign exchange gains and losses and unrealized mark-to-market derivative gains and losses. Support services include, but are not limited to, our administrative, information technology, human resources, finance, and accounting functions that are not specifically allocated to the segments.

Unallocated corporate costs for the fifty-two weeks ended May 26, 2024 included unallocated corporate costs of LW EMEA determined that its net investment in Russia was impaired and recognized a non-cash impairment charge, whereas the fifty-two weeks ended May 28, 2023 included thirteen

weeks with unallocated corporate costs. For the first three quarters of which fiscal 2023, our portion was \$62.7 million (before of LW EMEA's unallocated corporate costs were recorded in "Equity method investment earnings" in the Consolidated Statements of Earnings in the International segment.

(c) Depreciation and amortization included interest expense, income tax expense, and depreciation and amortization from equity method investments of \$8.3 million, \$29.1 million, and \$42.0 million for the fifty-two weeks ended May 26, 2024, May 28, 2023, and May 29, 2022, respectively.

(d) The fiscal year ended May 28, 2023 included a \$425.8 million (\$379.5 million after-tax) gain recognized in connection with our purchase of an additional 50% equity interest in LW EMEA, increasing our equity ownership from 50% to 100%, and our purchase of an additional 40% equity interest in LWAMSA, increasing our equity ownership from 50% to 90%. The gains related to remeasuring our initial equity interests in LW EMEA and LWAMSA to fair value.

(e)

The fiscal year ended May 29, 2022 included a loss on extinguishment of debt of \$53.3 million (\$40.5 million after-tax), which includes a call premium of \$39.6 million related to the redemption of our senior notes due 2024 and 2026, and the write-off of \$13.7 million of previously unamortized debt issuance costs associated with those notes.

Assets by Segment

The manufacturing assets of Lamb Weston are shared across all reporting segments. Output from these facilities used by each reporting segment can change from fiscal year to fiscal year. Therefore, it is impracticable to allocate those assets to the reporting segments, as well as disclose total assets by segment.

Concentrations

Lamb Weston's largest customer, McDonald's Corporation, accounted for approximately 13% 14%, 10% 13%, and 11% 10% of our consolidated net sales in fiscal 2024, 2023, and 2022, and 2021, respectively. Sales to McDonald's Corporation are included in our Global segment.

Other Information

The net sales of each of our Global, Foodservice, and Retail reporting segments are comprised of sales of frozen potato and frozen sweet potato products. The net sales of our Other reporting segment include:

(in millions)	For the Fiscal Years Ended May		
	2023	2022	2021
Net sales			
Vegetable	\$ 86.7	\$ 74.9	\$ 91.3
Byproducts	27.8	33.5	36.1
Dairy	14.9	13.5	11.3
Total net sales	<u>\$ 129.4</u>	<u>\$ 121.9</u>	<u>\$ 138.7</u>

Our operations are principally We have 27 production facilities, 15 located in the U.S. With respect to operations and 12 located outside of the U.S. as of May 26, 2024. Foreign long-lived assets were \$1,520.8 million and \$1,195.8 million as of May 26, 2024 and May 28, 2023, no single respectively. Long-lived assets located in the Netherlands were \$808.0 million and \$680.7 million as of May 26, 2024 and May 28, 2023, respectively.

Sales are classified as domestic or foreign based on the address to which the product is shipped. No individual foreign country was significant with respect is material to the consolidated operations in fiscal 2023, 2022, and 2021, however our international presence is growing. results. Foreign net sales, including sales by domestic segments locations to external customers located outside of the U.S., were \$1,225.2 million \$2,189.6 million, \$682.7 million \$1,225.2 million, and \$700.2 million \$682.7 million in fiscal 2024, 2023, and 2022, and 2021, respectively. Foreign long-lived assets are \$1,195.8 million as of May 28, 2023. Foreign long-lived assets were not significant as of May 29, 2022.

Labor

At **May 28, 2023** **May 26, 2024**, we had approximately **10,200** **10,700** employees, of which approximately **2,500** **2,900** of these employees work outside of the U.S. Approximately 30% of our employees are parties to collective bargaining agreements with terms that we believe are typical for the industry in which we operate. Most of the union workers at our facilities are represented under contracts that expire at various times over the next several years.

Fiscal 2024 Segment Realignment

Effective May 29, 2023, in connection with our recent acquisitions and to align with our expanded global footprint, our management, including our chief executive officer, who is our chief operating decision maker, began managing our operations as two business segments based on management's change to the way it monitors performance, aligns strategies, and allocates resources. This resulted in a change from four reportable segments to two (North America and International), effective the beginning of fiscal 2024. All summary financial information on a prospective basis will be presented under the new reportable segments beginning with the Company's Quarterly Report on Form 10-Q for the fiscal quarter ending August 27, 2023.

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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 (discussed in Note **8**, **6**, Debt and Financing Obligations), lease obligations (discussed in Note **9**, **7**, Leases), purchase obligations and capital commitments for goods and services, and legal proceedings (discussed below).

Purchase Obligations and Capital Commitments

A summary of our purchase obligations **excluding and** capital commitments **that are enforceable and legally binding**, as of **May 28, 2023** **May 26, 2024**, are as follows. The expected timing of payments of the obligations in the table are estimated based on current information. Timing of payments and actual amounts paid may be different, depending on the time of receipt of goods or services, or changes to agreed-upon amounts for some obligations:

(in millions)	Purchase Obligations and Capital Commitments	
2025 (a)	\$	591.0
2026		77.8
2027		56.7
2028		49.2
2029		44.0
Thereafter		329.7
Total (b)	\$	1,148.4

(a)

(in millions)	Purchase Obligations	
2024	\$	93.2
2025		103.7

2026	38.6
2027	28.4
2028	24.4
Thereafter	321.7
Total (a)	\$ 610.0

(a) The amounts in the table above exclude purchase commitments under potato supply agreements due to uncertainty of pricing and quantity. Potato supply agreements have maximum contracted pricing with deductions for certain quality attributes, and quantities purchased are determined by the yields produced on contracted acres. Total purchases under all our potato supply agreements were \$844.6 million, \$717.6 million, and \$621.4 million in fiscal 2023, 2022, and 2021, respectively.

We had capital commitments of approximately \$402.7 million and \$623.9 million and \$304.7 million as of May 28, 2023 May 26, 2024 and May 29, 2022 May 28, 2023, respectively, that represent commitments for construction of previously announced plants, french fry production lines, capacity expansions or plant factory modernization investments. While these commitments are intended to be paid within the next 12-months, we recognize that the timing of payments and actual amounts paid may be different, depending on the time of receipt of goods or services, or changes to agreed-upon amounts for some obligations. Capital commitments were not recorded as liabilities on our Consolidated Balance Sheets as of May 28, 2023 May 26, 2024 as we had not yet received the related goods nor taken title to the property.

Capital purchases that we have taken title to, but not yet paid for, are recorded as liabilities on our Consolidated Balance Sheets as of May 26, 2024, and are disclosed in Note 1, Nature of Operations and Summary of Significant Accountant Policies, within Property, Plant and Equipment.

(b)

The amounts in the table above exclude purchase commitments under potato supply agreements due to uncertainty of pricing and quantity. Potato supply agreements have maximum contracted pricing with deductions for certain quality attributes, and quantities purchased are determined by the yields produced on contracted acres. Total purchases under all our potato supply agreements were \$1,397.8 million, \$844.6 million, and \$717.6 million in fiscal 2024, 2023, and 2022, respectively.

Guarantees and Indemnifications

We provide guarantees, indemnifications, and other assurances to third parties in the normal course of our business. These include tort indemnifications, environmental assurances, and representations and warranties in commercial agreements. At May 28, 2023 May 26, 2024, we were not aware of any material liabilities arising from any guarantee, indemnification, or financial assurance we have provided. If the fair value of such liability becomes material, we will accrue for it at that time.

We are a party to various potato purchase supply agreements with partner growers, under which they deliver their potato crop from the contracted acres to Lamb Weston during the harvest season, and pursuant to the potato supply agreements, pricing for this inventory is determined after delivery, taking into account crop size and quality, among other factors. Total purchases under these agreements were \$166.6 million \$213.2 million, \$146.6 million \$166.6 million, and \$139.8 million \$146.6 million in fiscal 2024, 2023, 2022, and 2021, 2022, respectively, under the terms of the potato supply agreements. These purchases are initially recorded in inventory and charged to cost of sales as related inventories are produced and subsequently sold. Under the terms of these potato supply agreements, we have guaranteed repayment of short-term bank loans of the potato suppliers, under certain conditions. At May 28, 2023 May 26, 2024, we have effectively guaranteed \$44.9 million \$37.2 million of supplier loans. We have not established a liability for these guarantees, as we have determined that the likelihood of our required performance under the guarantees is remote. Under certain other potato supply agreements, we make advances to growers prior to the delivery of potatoes. The aggregate amounts of these advances were \$22.5 million \$40.3 million and \$28.1million \$22.5 million at May 28, 2023 May 26, 2024 and May 29, 2022 May 28, 2023, respectively, and were recorded in "Prepaid expenses and other current assets," on our Consolidated Balance Sheets.

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After taking into account liabilities recognized for all of the foregoing matters, management believes the ultimate resolution of such matters would not have a material adverse effect on our financial condition, results of operations, or cash flows. It is reasonably possible that a change to an estimate of the foregoing matters may occur in the future.

On June 13, 2024, the Cleveland Bakers and Teamsters Pension Fund filed a securities class action lawsuit against the Company and certain of our executive officers in the U.S. District Court for the District of Idaho on behalf of a putative class of stockholders for alleged violations of the federal securities laws. Plaintiffs allege that the defendants made misrepresentations and omissions regarding the design and implementation of our ERP system. We believe the lawsuit lacks merit and intend to vigorously defend against the allegations.

We are also a party to various other 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 that are pending or threatened will not have a material adverse effect on our financial condition, results of operations, or cash flows.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

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 Rules Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of May 28, 2023 May 26, 2024.

On February 28, 2023, we acquired the remaining interest in our Lamb-Weston/Meijer v.o.f. ("LW EMEA") joint venture. We are in the process of integrating LW EMEA and have not yet included LW EMEA in our assessment of the effectiveness of our internal control over financial reporting. We are analyzing, evaluating, and where necessary, will implement changes in controls and procedures relating to the LW EMEA business as integration proceeds. As a result, this process may result in additions or changes to internal control over financial reporting. For fiscal 2023, LW EMEA accounted for 7% of consolidated net sales and as of May 28, 2023 represented 30% of consolidated total assets.

Based on this evaluation, which excludes the LW EMEA operations as indicated above, Lamb Weston's 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.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules Rule 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with U.S. GAAP. Our internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets;
- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets;

provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with U.S. GAAP;

- provide reasonable assurance that receipts and expenditures are being made only in accordance with management and director authorization;
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the consolidated financial statements; and
- provide reasonable assurance as to the detection of fraud.

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- provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with U.S. GAAP;
- provide reasonable assurance that receipts and expenditures are being made only in accordance with management and director authorization;
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the consolidated financial statements; and
- provide reasonable assurance as to the detection of fraud.

Our management, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer and oversight of the Board of Directors, assessed the effectiveness of our internal control over financial reporting as of May 28, 2023 May 26, 2024. Management based this assessment on criteria for effective internal control over financial reporting described in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Management's assessment included evaluation of elements such as the design and operating effectiveness of key financial reporting controls, process documentation, accounting policies, and our overall control environment. Management's assessment of internal control over financial reporting as of May 28, 2023 excludes internal control over financial reporting related to LW EMEA (acquired February 28, 2023), which accounted for 7% of consolidated net sales and 30% of consolidated total assets as of and for the year ended May 28, 2023. Based on this assessment, management concluded that, as of May 28, 2023 May 26, 2024, our internal control over financial reporting was effective to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external reporting purposes in accordance with GAAP. We reviewed the results of management's assessment with the Audit and Finance Committee of our Board of Directors.

Our independent registered public accounting firm, KPMG LLP, audited the consolidated financial statements prepared by us. KPMG LLP has also issued an attestation report on our internal control over financial reporting. Their report on the consolidated financial statements and attestation report are included in "Part II, Item 8. Financial Statements and Supplementary Data" of this Form 10-K.

Inherent Limitations on Effectiveness of Controls

Because of its inherent limitations, our internal control over financial reporting may not prevent or detect misstatements. A control system, no matter how well conceived designed and operated, can provide only reasonable, not absolute, assurance that objectives of the control system are system's objectives will be met. Because of the inherent Due to these 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. Also, projections 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 the risk risks, including that controls become inadequate because of changes in conditions or that the degree of compliance with the policies and procedures may deteriorate.

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 that occurred during the quarter ended May 28, 2023 May 26, 2024. During the third quarter of fiscal 2024, we transitioned certain central systems and functions, including order to cash, produce to deliver, source to pay, and inventory management, among others, in North America to a new enterprise resource planning ("ERP") system, as part of our multi-year effort to upgrade our information systems and ERP infrastructure across the Company. This implementation included changes to certain financial processes impacting key controls related

to our internal controls over financial reporting. We have updated our internal controls as appropriate in light of the system implementation and continue to monitor the impact of the implementation on our processes, procedures, and internal control over financial reporting. Except as it relates may relate to the acquisition continued implementation of the remaining interest of LW EMEA, our new ERP system, there have been no changes in our internal control over financial reporting during the fourth quarter of fiscal 2023 2024 that has have materially affected, or is are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

84

Our directors and officers (as defined in Rule 16a-1 under the Exchange Act) may from time to time enter into plans or other arrangements for the purchase or sale of our shares that are intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or may represent a non-Rule 10b5-1 trading arrangement under the Exchange Act. During the quarter ended May 26, 2024, no such plans or arrangements were adopted or terminated, including by modification.

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ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information required by this Item 10 is included under the headings "Information About Our Executive Officers" and "Ethics and Governance" in Part 1, Item 1 of this Form 10-K, and will be included under the headings "Item 1. Election of Directors," "Corporate Governance – Code of Conduct and Code of Ethics for Senior Corporate Financial Officers," "Corporate Governance – Delinquent Section 16(a) Reports," and "Board Committees and Membership – Audit and Finance Committee" in our definitive Proxy Statement for our Annual Meeting of Stockholders scheduled to be held on September 28, 2023 ("2023 September 26, 2024 (the "2024 Proxy Statement)"). This information from the 2023 2024 Proxy Statement is incorporated by reference into this Form 10-K.

We have adopted an insider trading policy that governs the purchase, sale, and/or other dispositions of our securities by directors, officers and employees and other covered persons and is designed to promote compliance with insider trading laws, rules and regulations, and the listing standards of the New York Stock Exchange. A copy of our Insider Trading Policy is filed as Exhibit 19.1 to this Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION

Information required by this Item 11 will be included under the headings "Board Committees and Membership – Compensation and Human Capital Committee," "Non-Employee Director Compensation," "Compensation Discussion and Analysis," and "Executive Compensation Tables" in our 2023 2024 Proxy Statement. This information from the 2023 2024 Proxy Statement is incorporated by reference into this Form 10-K.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table provides information about shares of our common stock that may be issued upon the exercise of options, warrants, and rights under existing equity compensation plans as of our most recent fiscal year ended **May 28, 2023** **May 26, 2024**.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants, and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column A) (c)
Equity compensation plans approved by securityholders	2,065,657	\$ 69.90	5,930,261
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	2,065,657	\$ 69.90	5,930,261

(a)

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants, and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column A) (c)
Equity compensation plans approved by securityholders	2,215,563	\$ 27.46	6,059,951
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	2,215,563	\$ 27.46	6,059,951

Includes outstanding stock options, RSUs, and performance shares (assuming the target performance payout level) granted under the Amended and Restated Lamb Weston Holdings, Inc. 2016 Stock Plan, as amended in 2017 (the "Stock Plan"). This number also includes shares payable with respect to certain compensation deferred under the Lamb Weston Holdings, Inc. Voluntary Deferred Compensation Plan and the Lamb Weston Holdings, Inc. Directors' Deferred Compensation Plan. The number of securities to be issued excludes options that were exercised but not settled with our stock transfer agent as of May 26, 2024.

(b) Weighted average exercise price of outstanding stock options only.

(c) Represents shares available for issuance under the Stock Plan.

(a) Includes outstanding stock options, RSUs, and performance shares (assuming the target performance payout level) granted under the Amended and Restated Lamb Weston Holdings, Inc. 2016 Stock Plan, as amended in 2017 (the "Stock Plan"). This number also includes shares payable with respect to certain compensation deferred under the Lamb Weston Holdings, Inc. Voluntary Deferred Compensation Plan and the Lamb Weston Holdings, Inc. Directors' Deferred Compensation Plan. The number of securities to be issued excludes options that were exercised but not settled with our stock transfer agent as of May 28, 2023.

(b) Weighted average exercise price of outstanding stock options only.

(c) Represents shares available for issuance under the Stock Plan.

Information related to the security ownership of certain beneficial owners, directors and management will be included in our **2023** **2024** Proxy Statement under the heading "Information on Stock Ownership" and is incorporated by reference into this Form 10-K.

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ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required by this Item 13 will be included under the headings "Corporate Governance – Director Independence" and "Corporate Governance – Review of Transactions with Related Persons" in our **2023** **2024** Proxy Statement. This information from the **2023** **2024** Proxy Statement is incorporated by reference into this Form 10-K.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information required by this Item 14 will be included under the heading “Board Committees and Membership – Audit and Finance Committee” in our 2023 2024 Proxy Statement. This information from the 2023 2024 Proxy Statement is incorporated by reference into this Form 10-K.

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PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

a)

a) List of documents filed as part of this report:

List of documents filed as part of this report:

1. Financial Statements

1.

Financial Statements

All financial statements of the Company as set forth under Item 8 of this Annual Report on Form 10-K.

2.

2. Financial Statement Schedules

Financial Statement Schedules

The following consolidated financial statement schedule for fiscal 2024, 2023, 2022, and 2021 2022 is included in this report:

Schedule II – Lamb Weston – Valuation and Qualifying Accounts

	Balance	Additions		Balance
	Beginning of	Charged		End of
	Year	to Costs,	Deductions	Year
(in millions)		Expenses	from	
		and Equity	Reserves	
Year ended May 28, 2023				
Deferred tax asset valuation allowance	\$ 50.1	\$ —	\$ 0.6	\$ 49.5
Year ended May 29, 2022				
Deferred tax asset valuation allowance	\$ 53.1	\$ —	\$ 3.0	\$ 50.1
Year ended May 30, 2021				

Deferred tax asset valuation allowance	\$	54.5	\$	—	\$	1.4	\$	53.1
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		Balance Beginning of Year	Additions Charged to Costs, Expenses and Equity		Deductions from Reserves		Balance End of Year
(in millions)							
Year ended May 26, 2024							
Deferred tax asset valuation allowance	\$	49.5	\$	3.6	\$	—	\$ 53.1
Year ended May 28, 2023							
Deferred tax asset valuation allowance	\$	50.1	\$	—	\$	0.6	\$ 49.5
Year ended May 29, 2022							
Deferred tax asset valuation allowance	\$	53.1	\$	—	\$	3.0	\$ 50.1

All other schedules are omitted because they are not applicable, not material, not required, or because the required information is included in the consolidated financial statements or the accompanying notes to financial statements, and therefore, have been omitted.

87 b)

Table The following exhibits are filed as part of, Contents or incorporated by reference into, this Form 10-K:

Exhibit No.	b)	The following exhibits are filed as part of, or incorporated by reference into, this Form 10-K: Descriptions
Exhibit No.		Descriptions
2.1		
2.1		<u>Separation and Distribution Agreement, dated as of November 8, 2016, by and between ConAgra Foods, Inc. and Lamb Weston Holdings, Inc., incorporated herein by reference to Exhibit 2.1 of Lamb Weston Holdings, Inc.'s Current Report on Form 8-K filed on November 10, 2016 (File No. 001-37830)</u>
2.2		<u>Sale and Purchase Agreement, by and among Lamb Weston Holdings, Inc., Lamb Weston Holland B.V., Meijer Beheer B.V. and Mr. Kees Meijer, dated as of October 19, 2022, incorporated herein by reference to Exhibit 2.1 to Lamb Weston Holdings, Inc.'s Current Report on Form 8-K/A filed on October 21, 2022 (File No. 001-37830)</u>

3.1

[Amended](#)
[and](#)
[Restated](#)
[Certificate of](#)
[Incorporation](#)
[of Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.,](#)
[incorporated](#)
[herein by](#)
[reference to](#)
[Exhibit 3.1 of](#)
[Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.'s](#)
[Current](#)
[Report on](#)
[Form 8-K](#)
[filed on](#)
[November](#)
[10, 2016](#)
[\(File No.](#)
[001-37830\)](#)

3.2

[Amended](#)
[and](#)
[Restated](#)
[Bylaws of](#)
[Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.,](#)
[incorporated](#)
[herein by](#)
[reference to](#)
[Exhibit 3.1 of](#)
[Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.'s](#)
[Current](#)
[Report on](#)
[Form 8-K](#)
[filed on](#)
[March 24,](#)
[2023 \(File](#)
[No. 001-](#)
[37830\)](#)

4.1

[2028 Notes](#)
[Indenture,](#)
[dated as of](#)
[May 12,](#)
[2020, by and](#)
[among Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc., the](#)
[Guarantors](#)
[\(as defined](#)
[therein\) and](#)
[Wells Fargo](#)
[Bank,](#)
[National](#)
[Association,](#)
[as trustee](#)
[\(including](#)
[form of note](#)
[relating to](#)
[the 2028](#)
[Notes\).](#)
[incorporated](#)
[herein by](#)
[reference to](#)
[Exhibit 4.1 of](#)
[Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.'s](#)
[Current](#)
[Report on](#)
[Form 8-K](#)
[filed on May](#)
[12, 2020](#)
[\(File No.](#)
[001-37830\)](#)

4.2

[2030 Notes](#)
[Indenture,](#)
[dated as of](#)
[November 8,](#)
[2021, by and](#)
[among Lamb](#)
[Weston](#)
[Holdings, Inc.,](#)
[the Guarantors](#)
[\(as defined](#)
[therein\) and](#)
[Computershare](#)
[Trust](#)
[Company,](#)
[N.A., as trustee](#)

4.3

(including form
of note relating
to the 2030
Notes),
incorporated
herein by
reference to
Exhibit 4.1 of
Lamb Weston
Holdings, Inc.'s
Current Report
on Form 8-K
filed on
November 8,
2021 (File No.
001-37830)

2032 Notes
Indenture,
dated as of
November 8,
2021, by and
among Lamb
Weston
Holdings, Inc.,
the Guarantors
(as defined
therein) and
Computershare
Trust
Company,
N.A., as trustee
(including form
of note relating
to the 2032
Notes),
incorporated
herein by
reference to
Exhibit 4.2 of
Lamb Weston
Holdings, Inc.'s
Current Report
on Form 8-K
filed on
November 8,
2021 (File No.
001-37830)

4.4

Description of
Lamb Weston
Holdings, Inc.'s
Securities,
incorporated
herein by
reference to

[Exhibit 4.3 of Lamb Weston Holdings, Inc.'s Annual Report on Form 10-K filed on July 25, 2019 \(File No. 001-37830\)](#)

10.1

[Trademark License Agreement, dated as of November 8, 2016, by and between ConAgra Foods, Inc. and Lamb Weston Holdings, Inc., incorporated herein by reference to Exhibit 10.4 of Lamb Weston Holdings, Inc.'s Current Report on Form 8-K filed on November 10, 2016 \(File No. 001-37830\)](#)

10.2

[Amendment No. 6, dated as of August 11, 2021, to Amended and Restated Credit Agreement, dated as of November 9, 2016 May 3, 2024, among Lamb Weston Holdings, Inc., Lamb Weston/Meijer v.o.f., the guarantors party thereto, the lenders named therein, party](#)

[thereto](#) and
[Bank](#) of
[America, N.A.](#),
as
[administrative](#)
[agent](#),
[incorporated](#)
[herein](#) by
[reference](#) to
[Exhibit 10.1](#) of
[Lamb Weston](#)
[Holdings, Inc.'s](#)
[Current Report](#)
[on Form 8-K](#)
[filed on August](#)
[13, 2021](#) May
[8, 2024](#) (File
No. 001-
37830).

10.3

[Table of Contents](#)

10.3 [Fourth Amendment, dated as of January 31, 2023, to Amended and Restated Credit Agreement, dated as of June 28, 2019 May 3, 2024, by and among Lamb Weston Holdings, Inc., the guarantors party thereto, the lenders and voting participants party thereto and AgWest Farm Credit, PCA, \(successor by merger to Northwest Farm Credit Services, PCA\), as administrative agent, incorporated herein by reference to Exhibit 10.1 10.2 of Lamb Weston Holdings, Inc.'s Current Report on Form 8-K filed on January 31, 2023 May 8, 2024 \(File No. 001-37830\)](#)

10.4

[Facility Agreement, dated as of February 28, 2022, among Ulangab Lamb Weston Food Co., Ltd., the financial institutions party thereto and HSBC Bank \(China\) Company, Limited, Shanghai Branch, as the facility agent, incorporated herein by reference to Exhibit 10.1 of Lamb Weston Holdings, Inc.'s Current Report on Form 8-K filed on February 22, 2022 \(File No. 001-37830\).](#)

10.5

[Amended and Restated Lamb Weston Holdings, Inc. 2016 Stock Plan, incorporated herein by reference to Exhibit 10.2 of Lamb Weston Holdings, Inc.'s Quarterly Report on Form 10-Q filed on January 4, 2018 \(File No. 001-37830\)*](#)

10.6

[Lamb Weston Holdings, Inc. Executive Change of Control Severance Plan, incorporated herein by reference to Exhibit 10.7 of Lamb Weston Holdings, Inc.'s Annual Report on Form 10-K filed on July 25, 2017 \(File No. 001-37830\)*](#)

10.7

[Form of Lamb Weston Holdings, Inc. Executive Change of Control Severance Plan Participation Agreement, incorporated herein by reference to Exhibit 10.8 of Lamb Weston Holdings, Inc.'s Annual Report on Form 10-K filed on July 25, 2017 \(File No. 001-37830\)*](#)

10.8

[Lamb Weston Holdings, Inc. Voluntary Deferred Compensation Plan, amended and restated as of September 22, 2021, incorporated herein by reference to Exhibit 10.3 of Lamb Weston Holdings, Inc.'s Quarterly Report on Form 10-Q filed on January 6, 2022 \(File No. 001-37830\)*](#)

10.9

[Lamb Weston Holdings, Inc. Directors' Deferred Compensation Plan, incorporated herein by reference to Exhibit 4.4 of Lamb Weston Holdings, Inc.'s Registration Statement on Form S-8 filed on June 14, 2017 \(Commission File No. 333-218742\)*](#)

10.10

[Form of Lamb Weston Holdings, Inc. Nonqualified](#)

[_____](#)
[Stock](#)
[Option](#)
[Agreement](#)
[for](#)
[Employees](#)
[\(pre-March](#)
[2017\).](#)
[incorporated](#)
[herein by](#)
[reference to](#)
[Exhibit](#)
[10.14 of](#)
[Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.'s](#)
[Quarterly](#)
[Report on](#)
[Form 10-Q,](#)
[filed on](#)
[January 10,](#)
[2017 \(File](#)
[No. 001-](#)
[37830\)*](#)

10.11

[Form of](#)
[Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.](#)
[Restricted](#)
[Stock Unit](#)
[Agreement](#)
[\(Stock-](#)
[settled\).](#)
[\(pre-July 21,](#)
[2021\).](#)
[incorporated](#)
[herein by](#)
[reference to](#)
[Exhibit 10.1](#)
[of Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.'s](#)
[Quarterly](#)
[Report on](#)
[Form 10-Q,](#)
[filed on](#)
[October 7,](#)
[2020 \(File](#)
[No. 001-](#)
[37830\)*](#)

10.12

[Form of](#)
[Lamb](#)

10.13

[Weston Holdings, Inc. Restricted Stock Unit Agreement \(Stock-settled\) \(post-July 21, 2021\), incorporated herein by reference to Exhibit 10.3 of Lamb Weston Holdings, Inc.'s Quarterly Report on Form 10-Q filed on October 7, 2021 \(File No. 001-37830\)*](#)

[Form of Lamb Weston Holdings, Inc. Nonqualified Stock Option Agreement for Employees \(post-March 2017\), incorporated herein by reference to Exhibit 10.23 of Lamb Weston Holdings, Inc.'s Annual Report on Form 10-K filed on July 25, 2017 \(File No. 001-37830\)*](#)

10.14

[Form](#) [of](#)
[Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.](#)
[Restricted](#)
[Stock](#) [Unit](#)
[Agreement](#)
[for](#) [Non-](#)
[Employee](#)
[Directors,](#)
[incorporated](#)
[herein](#) [by](#)
[reference](#) [to](#)
[Exhibit](#) [10.3](#)
[of](#) [Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.'s](#)
[Quarterly](#)
[Report](#) [on](#)
[Form](#) [10-Q](#)
[filed](#) [on](#)
[January](#) [4,](#)
[2018](#) [\(File](#)
[No.](#) [001-](#)
[37830\)*](#)

10.15

[Table of Contents](#)

10.15	Form of Lamb Weston Holdings, Inc. Performance Share Agreement (pre-July 21, 2021), incorporated herein by reference to Exhibit 10.2 of Lamb Weston Holdings, Inc.'s Quarterly Report on Form 10-Q filed on October 7, 2020 (File No. 001-37830)*
-------	---

10.16

[Form _____ of
Lamb
Weston
Holdings,
Inc.
Performance
Share
Agreement
\(post-July
21, 2021\),
incorporated
herein by
reference to
Exhibit 10.4
of _____ Lamb
Weston
Holdings,
Inc.'s
Quarterly
Report on
Form 10-Q
filed on
October 7,
2021 \(File
No. 001-
37830\)*](#)

10.17

[Form _____ of
Lamb
Weston
Holdings,
Inc.
Nonqualified
Stock Option
Agreement
for _____ Non-
Employee
Directors,
incorporated
herein by
reference to
Exhibit 10.1
of _____ Lamb
Weston
Holdings,
Inc.'s
Quarterly
Report on
Form 10-Q
filed on
January 5,
2023 \(File
No. 001-
37830\)*](#)

10.18

[Form](#) [of](#)
[Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.](#)
[Restricted](#)
[Stock](#) [Unit](#)
[Agreement](#)
[\(Stock-](#)
[settled\)](#)
[\(post-July](#)
[20,](#) [2022\)](#),
[incorporated](#)
[herein](#) [by](#)
[reference to](#)
[Exhibit 10.1](#)
[of](#) [Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.'s](#)
[Quarterly](#)
[Report](#) [on](#)
[Form 10-Q](#)
[filed](#) [on](#)
[October 5,](#)
[2022](#) (File
[No. 001-](#)
[37830\)*](#)

10.19

[Form](#) [of](#)
[Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.](#)
[Performance](#)
[Share](#)
[Agreement](#)
[\(post-July](#)
[20,](#) [2022\)](#),
[incorporated](#)
[herein](#) [by](#)
[reference to](#)
[Exhibit 10.2](#)
[of](#) [Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.'s](#)
[Quarterly](#)
[Report](#) [on](#)
[Form 10-Q](#)
[filed](#) [on](#)
[October 5,](#)
[2022](#) (File
[No. 001-](#)
[37830\)*](#)

10.20

[Form](#) [of](#)
[Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.](#)
[Nonqualified](#)
[Stock Option](#)
[Agreement](#)
[for](#)
[Employees](#)
[\(post-July](#)
[20, 2022\).](#)
[incorporated](#)
[herein by](#)
[reference to](#)
[Exhibit 10.3](#)
[of Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.'s](#)
[Quarterly](#)
[Report on](#)
[Form 10-Q](#)
[filed on](#)
[October 5,](#)
[2022 \(File](#)
[No. 001-](#)
[37830\)*](#)

10.21

[Form](#) [of](#)
[Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.](#)
[Leveraged](#)
[Performance](#)
[Share](#)
[Agreement,](#)
[incorporated](#)
[herein by](#)
[reference to](#)
[Exhibit 10.4](#)
[of Lamb](#)
[Weston](#)
[Holdings,](#)
[Inc.'s](#)
[Quarterly](#)
[Report on](#)
[Form 10-Q](#)
[filed on](#)
[October 5,](#)
[2022 \(File](#)
[No. 001-](#)
[37830\)*](#)

10.22

[Letter Agreement, dated as of May 21, 2021, between Lamb Weston Holdings, Inc. and Bernadette Madarieta, incorporated herein by reference to Exhibit 10.1 of Lamb Weston Holdings, Inc.'s Current Report on Form 8-K filed on May 25, 2021 \(File No. 001-37830\)*](#)

10.23

19.1

[Amendment No. 7, dated as of June 15, 2023, to Credit Agreement, dated as of November 9, 2016, among Lamb Weston Holdings, Inc., the guarantors party thereto, the lenders named therein, and Bank of America, N.A., as administrative agent, Insider Trading Policy](#)

21.1	Subsidiaries of Lamb Weston Holdings, Inc.
23.1	Consent of KPMG LLP
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
97.1	Lamb Weston Holdings, Inc. Compensation Recoupment Policy, dated October 2, 2023
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)

*

*

Management contract or compensatory plan.

ITEM 16. FORM 10-K SUMMARY

None.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

LAMB
WESTON
HOLDINGS,
INC.
By:

/s/
BERNADETTE
M.
MADARIETA
Bernadette
M.
Madarieta
Chief
Financial
Officer

By:

July
25,
2023
Date: 24,
Date: 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Title	Date
/s/ THOMAS P. WERNER Thomas P. Werner	President and Chief Executive Officer and Director (Principal Executive Officer)	July 25, 2023 24, 2024
/s/ BERNADETTE M. MADARIETA Bernadette M. Madarieta	Chief Financial Officer (Principal Financial Officer)	July 25, 2023 24, 2024

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/s/ GREGORY W. JONES				Vice President and Controller (Principal Accounting Officer)	July 25, 2023 24, 2024
Gregory W. Jones					
/s/ PETER J. BENSEN	Director	Director			July 25, 2023 24, 2024
Peter J. Bensen					
/s/ CHARLES A. BLIXT	Director	Director			July 25, 2023 24, 2024
Charles A. Blixt					
/s/ ROBERT J. COVIELLO	Director	Director			July 25, 2023 24, 2024
Robert J. Coviello					
/s/ RITA FISHER	Director	Director			July 25, 2023 24, 2024
Rita Fisher					
/s/ ANDRÉ J. HAWAUX	Director	Director			July 25, 2023 24, 2024
André J. Hawaux					
/s/ WILLIAM G. JURGENSEN	Director	Director			July 25, 2023 24, 2024
William G. Jurgensen					
/s/ THOMAS P. MAURER				July 25, 2023	
Thomas P. Maurer				2023	
/s/ HALA G. MODELMOG	Director	Director			July 25, 2023 24, 2024
Hala G. Modellmog					
	Director	Director			July 25, 2023 24,

/s/ ROBERT A. NIBLOCK
Robert A. Niblock

2024

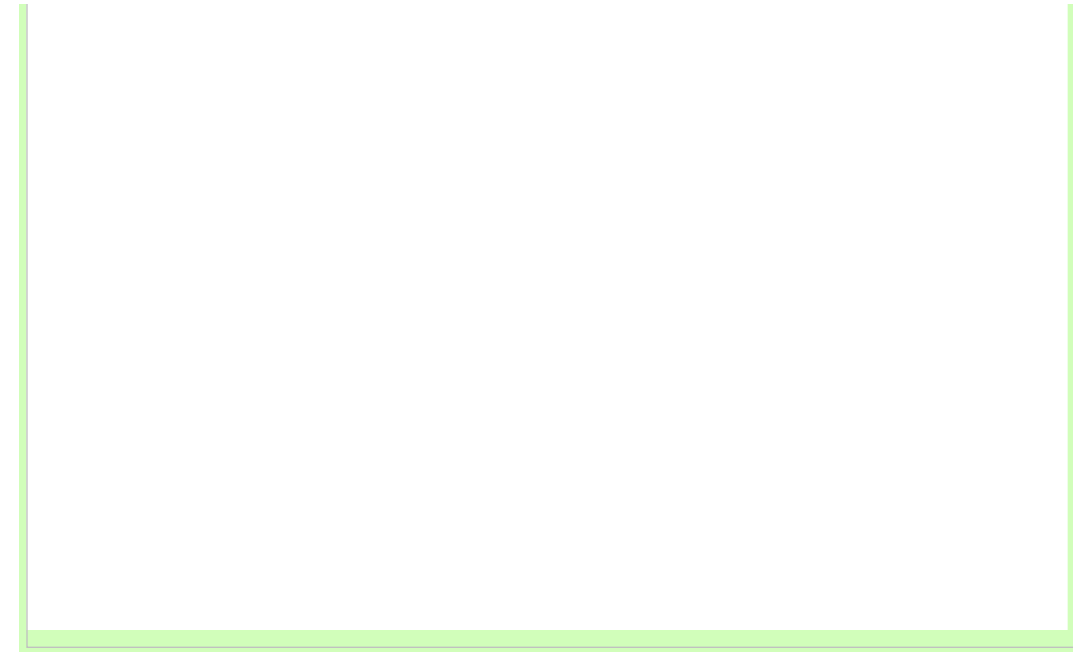
/s/ MARIA RENNA SHARPE
Maria Renna Sharpe

Director Director

July
25,
2023
24,
2024

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AMENDMENT NO. 7 TO CREDIT AGREEMENT

AMENDMENT NO. 7 TO CREDIT AGREEMENT 19.1 Insider Trading Policy 1 1.0 Purpose Lamb Weston Holdings, Inc. ("Lamb Weston") complies with all applicable United States securities laws and regulations and similar non-U.S. laws and regulations. Lamb Weston has adopted this Insider Trading Policy **"Amendment"** "Policy", dated as to prevent and detect violations June 15, 2023 (the "Amendment Effective Date"), is entered into among LAMB WESTON HOLDINGS, INC., a Delaware corporation (the "Borrower"), each insider trading laws and to protect our reputation for integrity and to protect you from unintentional violations of insider trading laws. 2.0 Scope This Policy applies worldwide to (i) Lamb Weston and its subsidiaries and their employees, including officers, contractors (whether independent or employed by an agency) assigned to work at Lamb Weston, regardless of position, location or level of responsibility, and any entity owned or controlled by any such person, and (ii) members of Lamb Weston's Board of Directors. This Policy also applies to your Immediate Family and you are responsible for ensuring that your Immediate Family complies with this Policy. 3.0 Definitions Term Definition Directors Members Lenders party hereto (collectively constituting all Lenders under Board of Directors of Lamb Weston. Immediate Family Those people who live in your household, whether related or not (except for tenants or staff) and any family member who does not live in your household, but whose transactions in securities are directed by you or are subject to your influence or control (such as parents or children who consult with you before they buy or sell Lamb Weston stock). Material Non-Public Information Material information about a company that is not generally known or available to Credit Agreement (as defined below) public. It can be positive or negative information. Information should be regarded material if there is a substantial likelihood that it would be considered important to a reasonable investor in making an investment decision to buy, sell or hold a company's securities. Put another way, the information would likely influence an investor to buy, sell or hold a security or where the information is likely to significantly alter the total mix of available information about the company. Information is also considered material if it could reasonably be expected to have a significant effect on the market price date hereof), security. Material information can be positive or negative and can relate to virtually any aspect of a company's business or to any type of security, debt or equity. In this regard, while it is not possible to define all categories of material information, Guarantors party hereto following are some examples: ☐ Projections of future earnings or losses or other earnings guidance; ☐ Earnings that are inconsistent with the expectations of the investment community;

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RECITALS

WHEREAS, reference is hereby made to the Credit Agreement, dated as of November 9, 2016 (as amended by Amendment No. 1, dated as of August 15, 2017, Amendment No. 2, dated as of December 1, 2017, Amendment No. 3, dated as of June 25, 2019, Amendment No. 4, dated as of April 17, 2020, Amendment No. 5, dated as of September 17, 2020, and Amendment No. 6, dated as of August 11, 2021, the "Credit Agreement", and as further amended by this Amendment, the "Amended Credit Agreement"), among the Borrower, the Guarantors, the Administrative Agent, your Immediate Family, securities held in trusts for which you are a trustee, partnerships, corporations, or other arrangements when you control investment decisions; financial institutions party thereto.;

WHEREAS, certain loans, disbursements and/right to acquire securities through the exercise of an option, conversion of preferred stock, by any extensions/method. 4.0 Policy This Policy applies to all transactions in Lamb Weston's securities, including common stock, options to purchase common stock and any other securities that Lamb Weston may issue from time to time, such as preferred stock, warrants, bonds, notes, debentures, convertible securities and derivative securities relating to Lamb Weston's stock, whether or not issued by Lamb Weston, such as publicly traded options, but also including stock appreciation rights, restricted stock units, stock awards, performance grants and similar equity awards. United States federal and state securities laws (and similar laws outside the United States) prohibit the buying and selling credit (the "Loans") a company's securities by persons who are aware of Material Non-Public Information. It is also illegal to pass along Material Non-Public Information to another person who may trade on that information. It is important that you understand the wide range of activities that constitute illegal insider trading and the consequences, which can be severe, including criminal fines and imprisonment. Both the United States Securities and Exchange Commission ("SEC" under and Credit Agreement denominated in Dollars (the "Impacted Currency," New York Stock Exchange ("NYSE" incur or investigate and permitted/very effective at detecting insider trading. They have successfully prosecuted cases against employees and others who traded: (i) using accounts outside the United States; (ii) only a very small number of shares; and (iii) through family members and close friends. Each of us has the individual responsibility incur interest, fees, commissions or other amounts based on the London Interbank Offered Rate as administered by the ICE Benchmark Administration ("LIBOR") in accordance/comply the terms of the Credit Agreement; and

WHEREAS, the Borrower, the Administrative Agent, this Policy of the Lenders party hereto (collectively constituting all of the Lenders under the Credit Agreement as of the date hereof) determined that LIBOR for the Impacted Currency should be replaced with a successor rate/applicable insider trading in connection therewith, certain conforming changes are necessary or advisable.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Defined Terms.** Capitalized terms used herein but not otherwise defined herein (including on any Appendix attached hereto) shall have the meanings provided to such terms in the Credit Agreement, as amended by this Amendment.

2. **Agreement.** Notwithstanding any provision of the Credit Agreement or any other document related thereto (the "Loan Documents") to the contrary, the parties hereto hereby agree that the terms set forth on Appendix A shall apply to the Impacted Currency. For the avoidance of doubt, to the extent provisions in the Credit Agreement apply to the Impacted Currency and such provisions are not specifically addressed or modified by Appendix A, the provisions in the Credit Agreement shall continue to apply to the Impacted Currency (including, for the avoidance of doubt, provisions regarding Base Rate and Base Rate Loans).

3. **Conflict with Loan Documents.** In the event of any conflict between the terms of this Amendment and the terms of the Credit Agreement or the other Loan Documents, the terms hereof shall control.

4. **Conditions Precedent.** This Amendment shall become effective (the "Amendment Effective Date") upon receipt by the Administrative Agent of counterparts of this Amendment, properly executed by the Borrower, each Guarantor, each Lender and the Administrative Agent.

5. **Payment of Expenses.** The Borrower agrees to reimburse the Administrative Agent for all reasonable fees, charges and disbursements of the Administrative Agent in connection with the preparation, execution and delivery of this Amendment, including all reasonable fees, charges and disbursements of counsel to the Administrative Agent (paid directly to such counsel if requested by the Administrative Agent).

6. **Miscellaneous.**

(a) The Loan Documents, and the obligations of the Borrower and the Guarantors under the Loan Documents, are hereby ratified and confirmed and shall remain in full force and effect according to their terms. This Amendment is a Loan Document.

(b) The Borrower and each Guarantor (i) acknowledges and consents to all of the terms and conditions of this Amendment, (ii) affirms all of its obligations under the Loan Documents and (iii) agrees that this Amendment and all documents executed in connection herewith do not operate to reduce or discharge its obligations under the Loan Documents, (iv) agrees that the Collateral Documents continue to be in full force and effect and are not impaired or adversely affected in any manner whatsoever, (v) confirms its grant of security interests pursuant to the Collateral Documents to which it is a party as Collateral for the Obligations, and (vi) acknowledges that all Liens granted (or purported to be granted) pursuant to the Collateral Documents remain and continue in full force and effect in respect of, and to secure, the Obligations. Each Guarantor hereby reaffirms its obligations under the Guaranty and agrees that its obligation to guarantee the Obligations is in full force and effect as of the date hereof.

(c) The Borrower and each Guarantor represents and warrants that:

(i) The execution, delivery and performance by such Person of this Amendment is within such Person's organizational powers and has been duly authorized by all necessary organizational, partnership, member or other action, as applicable, as may be necessary or required.

(ii) This Amendment has been duly executed and delivered by such Person, and constitutes a valid and binding obligation of such Person, enforceable against it in accordance with the terms hereof, except as enforceability may be limited by applicable Debtor Relief Laws and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

(iii) The execution, delivery and performance by such Person of this Amendment have been duly authorized by all necessary corporate or other organizational action, and do not and will not (i) contravene the terms of its certificate or articles of incorporation or organization or other applicable constitutive documents, (ii) conflict with or result in any breach or contravention of, or the creation of any lien under, or require any payment to be made under (x) any contractual obligation to which such Person is a party or affecting such Person or the properties of such Person or any subsidiary thereof or (y) any order, injunction, writ or decree of any governmental authority or any arbitral award to which such Person or any subsidiary thereof or its property is subject or (c) violate any law.

(iv) Before and after giving effect to this Amendment, (A) all representations and warranties of such Person set forth in the Loan Documents are true and correct in all material respects (and in all respects if any such representation or

warranty is already qualified by materiality (after giving effect to such materiality qualification)) on and as of the Amendment Effective Date (except to the extent that such representations and warranties specifically refer to an earlier date, in which case they were true and correct in all material respects (and in all respects if any such representation or warranty is already qualified by materiality (after giving effect to such materiality qualification)) as of such earlier date), and (B) no Event of Default exists.

(d) This Amendment may be in the form of an electronic record (in “.pdf” form or otherwise) and may be executed using electronic signatures, which shall be considered as originals and shall have the same legal effect, validity and enforceability as a paper record. This Amendment may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts shall be one and the same Agreement. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by the Administrative Agent of a manually signed Agreement which has been converted into electronic form (such as scanned into “.pdf” format), or an electronically signed Agreement converted into another format, for transmission, delivery and/or retention.

(e) Any provision of this Amendment held to be illegal, invalid or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of such illegality, invalidity or unenforceability without affecting the legality, validity or enforceability of the remaining provisions hereof and the illegality, invalidity or unenforceability of a particular provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(f) The terms of the Credit Agreement with respect to governing law, submission to jurisdiction, waiver of venue and waiver of jury trial are incorporated herein by reference, *mutatis mutandis*, and the parties hereto agree to such terms.

[remainder of page intentionally left blank]

Each of the parties hereto has caused a counterpart of this Amendment to be duly executed and delivered as of the date first above written.

BORROWER:

LAMB WESTON HOLDINGS, INC.
as the Borrower

By: /s/ Ken Barfuss

Name: Ken Barfuss

Title: Vice President

GUARANTORS:

LAMB WESTON, INC.
as a Guarantor

By: /s/ Ken Barfuss
Name: Ken Barfuss
Title: Vice President

LAMB WESTON SALES, INC.
as a Guarantor

By: /s/ Ken Barfuss
Name: Ken Barfuss
Title: Vice President

LAMB WESTON/MIDWEST, INC.
as a Guarantor

By: /s/ Ken Barfuss
Name: Ken Barfuss
Title: Vice President

LAMB WESTON BSW, LLC
as a Guarantor

By: /s/ Ken Barfuss
Name: Ken Barfuss
Title: Vice President

[Lamb Weston – Signature Page to Amendment No. 7]

ADMINISTRATIVE AGENT: BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ J. Casey Cosgrove
Name: J. Casey Cosgrove
Title: Managing Director

BANK OF AMERICA, N.A.
as a Lender

By: /s/ J. Casey Cosgrove
Name: J. Casey Cosgrove

Title: Managing Director

COOPERATIEVE RABOBANK U.A., NEW YORK
BRANCH, as a Lender

By: /s/ Michael Falter

Name: Michael Falter

Title: Managing Director

By: /s/ Regan Rybarczyk

Name: Regan Rybarczyk

Title: Vice President

Goldman Sachs Bank USA, as a Lender

By: /s/ Keshia Leday

Name: Keshia Leday

Title: Authorized Signatory

JPMORGAN CHASE BANK, N.A., as a Lender

By: /s/ Sean Bodkin

Name: Sean Bodkin

Title: Executive Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a
Lender

By: /s/ Michael J. Stein

Name: Michael J. Stein

Title: Director

CITIBANK N.A., as a Lender

By: /s/ Jonathan Enns

Name: Jonathan Enns

Title: Authorized Signatory

HSBC Bank USA, N.A., as a Lender

By: /s/ Mike Mitchell

Name: Mike Mitchell

Title: Senior Corporate Manager

PNC BANK, NATIONAL ASSOCIATION, as a Revolving A-
1 Lender

By: /s/ Andrew Lepley
Name: Andrew Lepley
Title: Vice President

U.S. Bank National Association, as a Lender

By: /s/ Adam J. Kultgen
Name: Adam J. Kultgen
Title: Vice President

ING Capital LLC, as a Lender

By: /s/ Daniel W. Lamprecht
Name: Daniel W. Lamprecht
Title: Managing Director

By: /s/ Gonzalo D. Sanchez
Name: Gonzalo D. Sanchez
Title: Director

ROYAL BANK OF CANADA, as a Revolving A-2 Lender

By: /s/ John Flores
Name: John Flores
Title: Authorized Signatory

SANTANDER BANK, N.A., as a Lender

By: /s/ Irv Roa
Name: Irv Roa
Title: Managing Director

AGWEST FARM CREDIT, PCA (formerly known as Northwest Farm Credit Services, PCA and successor by merger of Farm Credit West, PCA into Northwest Farm Credit Services, PCA) as a Voting Participant.

By: /s/ Jeremy A. Roewe
Name: Jeremy A. Roewe
Title: Vice President

Appendix A

TERMS APPLICABLE TO TERM SOFR LOANS

1. **Defined Terms.** The following terms shall have the meanings set forth below:

"Administrative Agent's Office" means, with respect to Dollars, the Administrative Agent's address and, as appropriate, account specified in the Credit Agreement with respect to Dollars, or such other address or account with respect to Dollars as the Administrative Agent securities laws. You may, from time to time, notify be required to decline a proposed transaction in Lamb Weston securities even if you planned to make the Borrower transaction before learning of the Material Non-Public Information and you believe you may suffer an economic loss or lose the Lenders profit you expected. This Policy cannot address every aspect of applicable securities regulations and insider trading laws. As a result, you are expected to always use good judgment and if you have questions you are expected to seek prompt assistance because the consequences of illegal insider trading can be severe. 5.0 Prohibited Transactions and Insider Trading Rules You may not engage, directly or indirectly, in transactions in Lamb Weston securities while in possession of Material Non-Public Information. To avoid any violations of this Policy and applicable law, you must follow these rules:

"Applicable Rate" means the Applicable Rate or any similar or analogous definition

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3. 5.1 Restrict your transaction(s) the Credit Agreement.

"Base Rate" means the Base Rate or any similar or analogous definition in the Credit Agreement.

"Base Rate Loans" means a Loan that bears interest at a rate based on the Base Rate.

"Borrowing" means a Borrowing, or any similar or analogous definition in the Credit Agreement.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent's Office is located.

"CME" means CME Group Benchmark Administration Limited.

"Committed Loan Notice" means a Committed Loan Notice, Loan Notice, Borrowing Notice, Continuation/Conversion Notice, or any similar or analogous definition in the Credit Agreement, and such term shall be deemed to include the form of Committed Loan Notice attached hereto as Exhibit A.

"Conforming Changes" means, with respect to Lamb Weston securities use, administration period following public release quarterly any conventions associated with SOFR or any proposed Benchmark Replacement or Term SOFR, year-end financial information ("Open Window Period"). The Open Window Period normally operates applicable, any conforming changes to the definitions of "Base Rate", "SOFR", "Term SOFR" and "Interest Period", timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters (including, for the avoidance of doubt, the definitions of "Business Day" and "U.S. Government Securities Business Day", timing of borrowing requests or prepayment, conversion or continuation notices and length of lookback periods) as may be appropriate, in the discretion of the Administrative Agent in consultation with the Borrower, to reflect the adoption and implementation of such applicable rate(s) and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent reasonably determines that adoption of any portion of such market practice is not administratively feasible or that no market practice

for the administration of such rate exists, in such other manner of administration as the Administrative Agent reasonably determines is reasonably necessary in connection with the administration of this Amendment and any other Loan Document).

"Daily Simple SOFR" with respect to any applicable determination date means the SOFR published on such date on the Federal Reserve Bank of New York's website (or any successor source).

"Dollar" and "\$" mean lawful money of the United States.

"Eurocurrency Rate" means Eurocurrency Rate, LIBOR or any similar or analogous definition in the Credit Agreement.

"Eurocurrency Rate Loans" means a Loan that bears interest at a rate based on the definition of Eurocurrency Rate.

"Interest Payment Date" means, as to any Term SOFR Loan, the last day of each Interest follows: 5.1.1 The Open Window Period applicable to such Loan and the applicable maturity date set forth in the Credit Agreement; provided, however, that if any Interest Period for a Term SOFR Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates.

"Interest Period" means as to each Term SOFR Loan, the period commencing on the date such Term SOFR Loan is disbursed or converted to or continued as a Term SOFR Loan and ending on the date one, three or six months thereafter, as selected by the Borrower in its Committed Loan Notice, or such other period that is twelve months or less requested by the Borrower and consented to by all the Lenders and the Administrative Agent (in the case of each requested Interest Period, subject to availability); provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a Term SOFR Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period pertaining to a Term SOFR Loan that begins on the last Business Day of a calendar month (or 3rd full trading day after Lamb Weston publicly announces its quarterly or year-end earnings release. For example, if Lamb Weston issues its earnings release on a Tuesday before the NYSE opens for trading, then you may begin trading in Lamb Weston stock on Thursday (e.g., Tuesday is considered the first full trading day). However, if Lamb Weston issues its earnings release either during the day for which there is no numerically corresponding day in the calendar month on Tuesday, or at the end of such Interest Period) shall end any time after trading on the last Business Day NYSE ends for the day on Tuesday, then you may not trade in Lamb Weston stock until Friday when the NYSE opens. 5.1.2 The Open Window Period remains open until the 15th day of the calendar last month at the end of such Interest Period; in Lamb Weston's fiscal quarter (e.g., February, May, August, and

(c) no Interest Period shall extend beyond the Maturity Date.

"Required Lenders" means the Required Lenders, Requisite Lenders, Majority Lenders November, or, any similar or analogous definition in the Credit Agreement, subject to Section 2(g) of this Appendix A.

"Scheduled Unavailability Date" has the meaning set forth in Section 2(g) of this Appendix A.

"SOFR" means the Secured Overnight Financing Rate as administered by the Federal Reserve Bank of New York (or a successor administrator).

"SOFR Adjustment" with respect to Term SOFR means 0.10% (10 basis points) for any Interest Period.

"Successor Rate" has the meaning set forth in Section 2(g) of this Appendix A.

"Term SOFR" means:

(a) for any Interest Period with respect to a Term SOFR Loan, the rate per annum equal to the Term SOFR Screen Rate two U.S. Government Securities Business Days prior to the commencement of such Interest Period with a term equivalent to such Interest Period; provided if that if the rate is not published prior to 11:00 a.m. on such determination date then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto, in each case, plus the SOFR Adjustment for such Interest Period; and

(b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to the Term SOFR Screen Rate two U.S. Government Securities Business Days prior to such date with a term of one month commencing that day; provided that if the rate is not published prior to 11:00 a.m. on such determination date then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto, in each case, plus the SOFR Adjustment for such term;

provided that if Term SOFR determined in accordance with either of the foregoing provisions (a) or (b) of this definition would otherwise be less than zero, Term SOFR shall be deemed zero for purposes of this Amendment.

"Term SOFR Loan" means a Loan that bears interest at a rate based on clause (a) of the definition of Term SOFR.

"Term SOFR Screen Rate" means the forward-looking SOFR term rate administered by CME (or any successor administrator satisfactory to the Administrative Agent) and published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time).

"Type" means, with respect to a Loan denominated in Dollars, its character as a Base Rate Loan or a Term SOFR Loan.

"U.S. Government Securities Business Day" means any Business Day, except any Business Day on which any of the Securities Industry and Financial Markets Association, the New York Stock Exchange or the Federal Reserve Bank of New York is not open for business because such day is a legal holiday under non-business day, the federal

laws business day immediately preceding the 15th. 5.2 When trading in an established investment program such as a deferred compensation plan, dividend reinvestment plan or a trading plan that complies with the SEC's Rule 10b5-1 (a "10b5-1 Trading Plan"), when the timing of securities transactions is outside of your control, trading is permitted outside of an Open Window Period. However, you may change the United States terms of your established investment program only during an Open Window Period. 5.2.1 The initiation of, and any amendment or the laws of the State of New York, as applicable.

2. Terms Applicable modification to, Term SOFR Loans. From and after the Amendment Effective Date with respect to this Appendix A, the parties hereto agree as follows:

(a) Impacted Currency. (i) Dollars shall not be considered a currency for which there is a published LIBOR rate and (ii) any request for a new Eurocurrency Rate Loan denominated in Dollars, or to continue an existing Eurocurrency Rate Loan denominated in Dollars, shall such 10b5-1 Trading Plan will be deemed to be a request for a new Loan bearing interest at Term SOFR.

To the extent transaction in Lamb Weston securities, and such initiation or modification is subject to all limitations and prohibitions relating to transactions in Lamb Weston Securities. Each such 10b5-1 Trading Plan, and any Loan denominated in Dollars bearing interest at the Eurocurrency Rate is outstanding amendment or other modification thereof, must be submitted to and pre-approved by Lamb Weston's Corporate Secretary, who may impose such conditions on the Amendment Effective Date, such Loan shall continue to bear interest at the Eurocurrency Rate until the end implementation and operation of the current Interest Period 10b5-1 Trading Plan as the Corporate Secretary deems necessary or payment period applicable to such Loan.

(b) References to Eurocurrency Rate advisable. However, compliance of the 10b5-1 Trading Plan with the terms of Rule 10b5-1 and Eurocurrency Rate Loans in the Credit Agreement and Loan Documents.

(i) References execution of transactions pursuant to the Eurocurrency Rate and Eurocurrency Rate Loans, in provisions 10b5-1 Trading Plan are the sole responsibility of the Credit Agreement person initiating the 10b5-1 Trading Plan, not Lamb Weston nor any Lamb Weston employee. 5.2.2 A 10b5-1 Trading Plan must take the form of a binding contract, instruction or written plan that specifies the amount, price and date on which Lamb Weston securities are to be purchased or sold and that is intended to satisfy the affirmative defenses of Rule 10b5-1, and the Rule 10b5-1 Trading Plan must be established at a time when the person adopting the 10b5-1 Trading Plan does not possess Material Non-Public Information. Arrangements under the rule may specify amount, price and date through a formula or may specify trading parameters that another person has discretion to administer, but the person adopting the 10b5-1 Trading Plan must not exercise any subsequent discretion affecting the transactions, and if his or her broker or any other person exercises discretion in implementing the trades, the person adopting the 10b5-1 Trading Plan must not influence this other person's actions and the other Loan Documents person must not possess any Material Nonpublic Information at the time of the trades. 5.2.3 Upon adopting a 10b5-1 Trading Plan, a Lamb Weston officer or Director must certify in writing that are he or she is not specifically addressed herein (other than aware of any Material Non-Public Information and is adopting the definitions plan in good faith and not as part of Eurocurrency Rate a plan or scheme to avoid the prohibitions against illegal

insider trading. 5.2.4 Revocation of, or amendments or other modifications to, 10b5-1 Trading Plans should occur only in unusual circumstances. No revocation, amendment or other modification of a 10b5-1 Trading Plan may be made without the prior review and Eurocurrency Rate Loan approval of Lamb Weston's Corporate Secretary. Once a 10b5-1 Trading Plan has been revoked, the participant should wait at least 90 days before establishing a new 10b5-1 Trading Plan.

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4. 5.2.5 In the event the person party to a 10b5-1 Trading Plan desires to amend, modify, suspend or terminate his or her respective 10b5-1 Trading Plan, such amendment, modification, suspension or termination must be (a) reviewed [redacted] that apply approved in advance by Lamb Weston's Corporate Secretary and in compliance with all guidelines, policies and procedures established by Lamb Weston, and (b) implemented at a time when the person was not aware of Material Non-Public Information. 5.2.6 Beginning with Lamb Weston's Quarterly Report on Form 10-Q for the quarter ended August 27, 2023, Lamb Weston is required [redacted] Eurocurrency Rate Loans denominated disclose [redacted] Dollars shall each periodic report filed with the SEC all trading plans (including both Rule 10b5-1 Trading Plans and non-Rule 10b5-1 trading arrangements) adopted, modified or terminated by Lamb Weston officers or Directors during the previous quarter covered by the report. The required disclosures include a description of the material terms of each plan, including the name and title of the Lamb Weston officer or Director, the date the plan was adopted, modified or terminated, the plan's duration, and the total amount of securities to [redacted] deemed purchased or sold under the plan (without disclosing pricing terms). Lamb Weston will consider in each case whether a public announcement of a particular 10b5-1 Trading Plan should be made upon adoption, and Lamb Weston may determine [redacted] reference a public announcement that a particular trading plan is being implemented in accordance with Rule 10b5-1. Lamb Weston may also make public announcements or respond [redacted] Term SOFR and Term SOFR Loans inquiries from the media applicable. In addition, references transactions are made under a 10b5-1 Trading Plan. 5.2.7 The rules governing 10b5-1 Trading Plans are complex. Please refer [redacted] Eurocurrency Rate in the definition of Base Rate in the Credit Agreement shall be deemed separate Lamb Weston Rule 10b5-1 Trading Plan Guidelines for additional information, including with respect [redacted] refer to Term SOFR.

(ii) For purposes of required waiting or "cooling off" periods. Please contact Lamb Weston's Corporate Secretary if you have [redacted] requirement for the Borrower to compensate Lenders for losses in the Credit Agreement resulting from questions about 10b5-1 Trading Plans (compliance@lambweston.com). 5.2.8 Neither Lamb Weston nor [redacted] continuation, conversion, payment or prepayment of any Loan on a day other than the last day of any Interest Period (as defined in the Credit Agreement), references to the Interest Period (as defined in the Credit Agreement) shall be deemed to include any relevant interest payment date or payment period for a Term SOFR Loan.

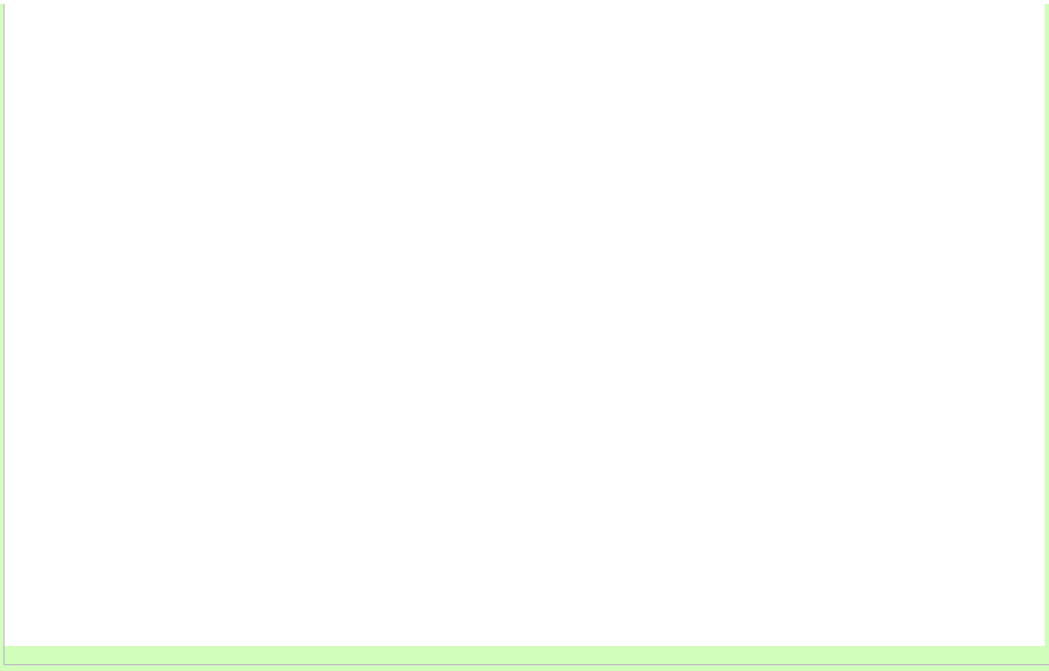
(c) [redacted] Interest Rates. The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent [redacted] Lamb Weston employee will [redacted] for any delay in reviewing, or refusal of, a 10b5-1 Trading Plan submitted for approval in accordance [redacted] respect this Section 5. Notwithstanding any review of a 10b5-1 Trading Plan pursuant to this Section 5, neither Lamb Weston nor any Lamb Weston employee assumes any liability for the legality or consequences relating to such 10b5-1 Trading Plan [redacted] administration, submission or person adopting such 10b5-1 Trading Plan. 5.3 During the Open Window Period, [redacted] other matter related to individual possessing Material Non-Public Information should not engage in [redacted] reference rate referred to herein or with respect to any rate (including, for transactions in Lamb Weston's securities until [redacted] avoidance beginning [redacted] doubt, [redacted] selection 3rd full trading day following the date of public disclosure [redacted] rate and any related spread information, whether or not Lamb Weston has recommended a suspension of trading to that individual. 5.4 The restrictions in this Section 5 also apply to securities that the SEC considers to be Beneficially Owned. 5.5 Lamb Weston's Corporate Secretary may authorize longer or additional trading windows in which buying, selling [redacted] adjustment transactions in Lamb Weston's securities are permitted by this Policy as if those longer or additional trading windows were the Open Window Period. In addition, the Corporate Secretary may impose special blackout periods during which certain persons will be prohibited from buying, selling, or engaging in other transactions in any stock or other or derivative securities of Lamb Weston even though the Open Window Period would otherwise be open. If a special blackout period is imposed, Lamb Weston will notify affected individuals, who should thereafter not engage in any transaction involving the purchase or sale of Lamb Weston's securities and should not disclose the suspension of trading to others. Even if you do not receive a notice and have Material Non-Public Information, you should not trade. 5.6 This Policy continues to apply to transactions in Lamb Weston securities even after termination of service or employment with Lamb Weston. If an individual is in possession of Material Non-Public Information when his or her service terminates, [redacted] individual may not trade in Lamb Weston securities

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5 until that information has become public or an alternative or replacement for or successor to any such rate (including, without limitation, any Successor Rate) (or any component of any to longer material. Further, Lamb Weston's Corporate Secretary may apply additional blackout periods following the termination foregoing individual's employment directorship. 6.0 Special Responsibilities of Executive Officers and Directors 6.1 Pre-Clearance of Trades by Section 16 Officers and Directors All executive officers and other officers of Lamb Weston subject to affect reporting obligations any Section 16 foregoing U.S. Securities and Exchange Act of 1934 ("Section 16 Officers") and Directors may not buy, sell any Lamb Weston securities, even during an Open Window Period, without first contacting Lamb Weston's Corporate Secretary (compliance@lambweston.com) and obtaining pre-clearance to buy or sell. This pre-clearance includes securities transactions involving members any Conforming Changes. The Administrative Agent and its affiliates a Section 16 Officer's Director's Immediate Family, stock held by the Section 16 Officer or Director as trustee or stock held in related may engage or accounts transactions which the Section 16 Officer other activities that affect any reference rate referred to herein, or any alternative, successor or replacement rate (including, without limitation, any Successor Rate) (or any component) Director controls investment decisions. In addition, Directors who are not also employees any of the foregoing) or any related spread or other adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any reference rate referred to herein or any alternative, successor or replacement rate (including, without limitation, any Successor Rate) (or any component of any of the foregoing), in each case pursuant Lamb Weston are subject the Non-Employee Director Insider Trading Agreement between Lamb Weston and each such Director. 6.2 No Short Swing Trading SEC rules prohibit Section 16 Officers and Directors from buying and selling (or selling and buying) Lamb Weston equity securities during the same 6-month period. Section 16 Officers and Directors are subject to short-swing liability, which means that Lamb Weston may recover any profit realized by a Section 16 Officer or Director from the purchase and sale or from the sale and purchase of any Lamb Weston equity security within any period of less than 6 months. It is not relevant that different blocks of securities were purchased and sold (or sold and purchased) within the 6-month period, or whether any Material Non-Public Information was involved. If Lamb Weston fails to act to recover a profit, any stockholder may sue on behalf of Lamb Weston to recover the profit. Such litigation could lead to adverse publicity for both Lamb Weston and the Section 16 Officer or Director. Section 16 Officers and Directors who have questions about exposure to short-swing liability should consult Lamb Weston's Corporate Secretary (compliance@lambweston.com). 6.3 SEC Reporting Requirements of Section 16 Officers and Directors The SEC imposes reporting obligations on Section 16 Officers and Directors. The reporting rules are complex. Section 16 Officers and Directors are encouraged to contact Lamb Weston's Corporate Secretary for assistance prior to any securities transactions and when a Section 16 Officer ceases to have Section 16 Officer status. 6.3.1 Required Reports of Beneficial Ownership. The SEC requires that all Section 16 Officers and Directors report all stock directly or indirectly Beneficially Owned (beneficial ownership is defined in Section 3.0 of Amendment Policy). 6.3.2 Forms to be Filed by Section 16 Officers shall Directors. The SEC requires the filing of Forms 3, 4, 5 and 144 (when applicable). The filing deadlines for these reports vary but can be as short as 2 business days following the transaction. Lamb Weston's Corporate Secretary will assist Section 16 Officers and Directors with these filings; however, Section 16 Officers and Directors must notify the Corporate Secretary immediately for timely filing. U.S. securities law imposes penalties for violations of Forms 3, 4, and 5 reporting. A Section 16 Officer or Director who does not timely and accurately file a required report will be named in Lamb Weston's proxy statement and identified as a delinquent filer. In addition, the SEC can impose fines of up to US\$5,000 per day for each filing violation. 6.4 Reporting After Termination

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6. Section 16 Officers and Directors may be required to file Forms 4, 5 and 144 even after ceasing to be a Section 16 Officer or Director. 7.0 Special Illegal Tips You may not pass along Material Non-Public Information to others (including a member of your Immediate Family) or recommend to anyone the purchase or sale of any securities when you are aware of such Material Non-Public Information. This practice, known as "tipping," also violates securities laws and can result in the same penalties that apply to insider trading, even though you did not trade and did not gain any benefit from the trade. 8.0 Limit Orders A limit order is an order to buy a security at or below a specific price or an order to sell a security at or above a specific price. A limit order transaction can be executed at any time during the order period, as soon as the price criteria are met. 8.1 You may not enter into limit orders covering securities of any company about which you **no liability** Material Non-Public Information. 8.2 Section 16 Officers and Directors may not enter into limit orders covering Lamb Weston securities at any time. Limit orders present a challenge in timely reporting of the trade **Borrower** SEC. They also present the risk that the trade occurs at a time the Section 16 Officer or Director has Material Non-Public Information. 8.3 Limit orders should not extend beyond **Lender** Open Window Period and should be cancellable upon an imposition of a blackout period. If you become subject to a blackout period, you may not enter into limit orders covering Lamb Weston securities and must terminate any limit orders before the blackout period begins. 9.0 Transactions in Derivative Securities Derivative securities include options, warrants, convertible securities, stock appreciation rights, restricted stock units, stock awards and performance grants. Similar rights whose value is derived from the value of an equity security, such as Lamb Weston stock. You may not engage in transactions involving Lamb Weston-based derivative securities, short-selling or certain hedging transactions that create an actual or potential bet against Lamb Weston (i.e., making money when Lamb Weston's stock price goes down). This prohibition includes, but is not limited to, trading in Lamb Weston-based option contracts (for example, buying and/or writing puts and calls or transacting in straddles). This Policy's trading restrictions generally do not apply to the exercise of a stock option. They do apply, however, to sale of the underlying stock or to a cashless exercise of the option through a broker, as this involves selling a portion of the underlying stock to cover the exercise price. 10.0 Margin Accounts and Pledged Securities Generally, securities held as collateral for a margin account or pledged to secure a loan may be sold without the customer's consent, including at a time when the customer has Material Non-Public

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7. Information about the company that issued the securities. Because of this risk, Lamb Weston discourages employees from such activity. Section 16 Officers and Directors may not hold Lamb Weston securities in a margin account or pledge Lamb Weston securities as collateral for a loan. 11.0 Prohibited Transactions in Other Companies' Securities The Policy's prohibition on insider trading also includes trading in securities of publicly traded companies with whom we do business, such as customers, vendors, suppliers, joint venture partners and those with whom Lamb Weston may be negotiating a transaction. You may not engage in any transaction involving the purchase or sale of another company's securities while in possession of Material Non-Public Information about that company. 12.0 Whom to Contact with Questions You are encouraged to ask questions and seek advice before acting, rather than after. If you have any questions regarding this Policy or whether certain information is Material Non-Public Information, please contact compliance@lambweston.com. 13.0 Enforcement Those who violate this Policy are subject to disciplinary action by Lamb Weston, which may include ineligibility for future participation in Lamb Weston's equity and **person** incentive plans, recoupment of equity, **entity** other incentive awards, or termination of employment. Pursuant to U.S. federal and state securities laws (and similar laws outside the United States), individuals may be subject to criminal and civil fines and penalties as well as imprisonment **damages of any kind, including** engaging in transactions in Lamb Weston's securities at a time when they know Material Non-Public Information regarding Lamb Weston or its **special, punitive, incidental** subsidiaries. In addition, individuals may be responsible for improper transactions by any person to whom they have disclosed tips. 14.0 Reporting Concerns We count on you to speak up if there is reason to suspect that an employee, officer, Director, **consequential damages, costs, losses** any third party has violated Lamb Weston policies, **expenses (whether in tort, contract or otherwise and whether at local** to report any activity that could damage Lamb Weston's reputation. You may use any of the following reporting channels: ☐ Your supervisor or manager (provided they are not involved **equity** the violation); ☐ Lamb Weston Human Resources Representative; ☐ For violations related to bribery, financial recording and reporting, internal accounting controls, an auditing matter or fraud, you may contact the Audit and Finance Committee of the Lamb Weston Board of Directors, by mail: Lamb Weston Holdings, Inc. Attn: Audit and Finance Committee of the Board of Directors 599 S. Rivershore Ln., Eagle, ID 83616 or by email: audit_committee@lambweston.com ☐ Lamb Weston's General Counsel: compliance@lambweston.com ☐ The Lamb Weston Helpline: lambweston.ethicspoint.com

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(d) **Borrowings, Conversions, Continuations and Prepayments of Term SOFR Loans.** In addition to any other borrowing or prepayment requirements set forth in the Credit Agreement or any other Loan Document:

(i) **Term SOFR Loans.** Each Borrowing, each conversion of Loans (other than Swing Line Loans) from one Type to the other, and each continuation of Term SOFR Loans shall be made upon the Borrower's irrevocable notice to the Administrative Agent, which may be given by (A) telephone or (B) a Committed Loan Notice; provided that any telephonic notice must be confirmed immediately by delivery to the Administrative Agent of a Committed Loan Notice. Each such Committed Loan Notice must be received by the Administrative Agent not later than 1:00 p.m. (Eastern time) two Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Term SOFR Loans

or of any conversion of Term SOFR Loans to Base Rate Loans; provided, however, that if the Borrower wishes to request Term SOFR Loans having an Interest Period other than one, three or six months in duration as provided in the definition of "Interest Period," the applicable notice must be received by the Administrative Agent not later than 11:00 a.m. five Business Days prior to the requested date of such Borrowing, conversion or continuation, whereupon the Administrative Agent shall give prompt notice to the Lenders of such request and determine whether the requested Interest Period is acceptable to all of them. Not later than 11:00 a.m., four Business Days before the requested date of such Borrowing, conversion or continuation, the Administrative Agent shall notify the Borrower (which notice may be by telephone) whether or not the requested Interest Period has been consented to by all the Lenders and the Administrative Agent. Each Borrowing of, conversion to or continuation of Term SOFR Loans shall be in a principal amount of \$1,000,000 or a whole multiple of \$500,000 in excess thereof. Each Committed Loan Notice for Loans denominated in Dollars shall specify (i) whether the Borrower is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of Term SOFR Loans, (ii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Loans to be borrowed, converted or continued, (iv) the Type of Loans to be borrowed or to which existing Loans are to be converted, and (v) if applicable, the duration of the Interest Period with respect thereto. If the Borrower fails to specify a Type of Loan in a Committed Loan Notice or if the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Base Rate Loans. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Term SOFR Loans. If the Borrower requests a Borrowing of, conversion to, or continuation of Term SOFR Loans in any such Committed Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

(ii) **Conforming Changes.** With respect to SOFR or Term SOFR, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Amendment or any other Loan Document; provided that, with respect to any such amendment effected, the Administrative Agent shall post each such amendment

implementing such Conforming Changes to the Borrower and the Lenders reasonably promptly after such amendment becomes effective.

(iii) Committed Loan Notice. For purposes of a Borrowing of Term SOFR Loans, or a continuation of a Term SOFR Loan, the Borrower shall use the Committed Loan Notice attached hereto as Exhibit A.

(e) Interest.

(i) Subject to the provisions of the Credit Agreement with respect to default interest, each Term SOFR Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the sum of Term SOFR for such Interest Period plus the Applicable Rate.

(ii) Interest on each Term SOFR Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified in the Credit Agreement; provided, that any prepayment of any Term SOFR Loan shall be

accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any debtor relief law.

(f) Computations. All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to Term SOFR) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest with respect to Term SOFR Loans shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to the provisions in the Credit Agreement addressing payments generally, bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(g) Inability to Determine Rates; Successor Rates.

(i) Defined Terms. For purposes of this Section 2(g), those Lenders that have not made and do not have an obligation under the Credit Agreement to make, the relevant Loans in Dollars shall be excluded from any determination of Required Lenders.

(ii) Inability to Determine Rate. If in connection with any request for a Term SOFR Loan or a conversion of Base Rate Loans to Term SOFR Loans or a continuation of any of such Loans, as applicable, (x) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (A) no Successor Rate has been determined in accordance with Section 2(g)(iii), and the circumstances under clause (x) of Section 2(g)(iii) or the Scheduled Unavailability Date has occurred, or (B) adequate and reasonable means do not otherwise exist for determining Term SOFR for any requested Interest Period with respect to a proposed Term SOFR Loan or in connection with an existing or

proposed Base Rate Loan, or (y) the Administrative Agent or the Required Lenders determine that for any reason that Term SOFR for any requested Interest Period with respect to a proposed Term SOFR Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will promptly so notify the Borrower and each Lender.

Thereafter, (x) the obligation of the Lenders to make or maintain Term SOFR Loans, or to convert Base Rate Loans to Term SOFR Loans, shall be suspended (to the extent of the affected Term SOFR Loans or Interest Periods), and (y) in the event of a determination described in the preceding sentence with respect to the Term SOFR component of the Base Rate, the utilization of the Term SOFR component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (or, in the case of a determination by the Required Lenders described in clause (y) of this Section 2(g)(ii), until the Administrative Agent upon instruction of the Required Lenders) revokes such notice.

Upon receipt of such notice, (x) the Borrower may revoke any pending request for a Borrowing of, or conversion to, or continuation of Term SOFR Loans (to the extent of the affected Term SOFR Loans or Interest Periods) or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount

specified therein and (y) any outstanding Term SOFR Loans shall be deemed to have been converted to Base Rate Loans at the end of their respective applicable Interest Period.

(iii) Replacement of Term SOFR or Successor Rate. Notwithstanding anything to the contrary in this Amendment or any other Loan Documents, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or the Borrower or Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to the Borrower) that the Borrower or Required Lenders (as applicable) have determined, that:

(x) adequate and reasonable means do not exist for ascertaining one month, three month and six month interest periods of Term SOFR, including, without limitation, because the Term SOFR Screen Rate is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(y) CME or any successor administrator of the Term SOFR Screen Rate or a Governmental Authority having jurisdiction over the Administrative Agent or such administrator with respect to its publication of Term SOFR, in each case acting in such capacity, has made a public statement identifying a specific date after which one month, three month and six month interest periods of Term SOFR or the Term SOFR Screen Rate shall or will no longer be representative or made available, or permitted to be used for determining the interest rate of U.S. dollar denominated syndicated loans, or shall or will otherwise cease, provided, that, at the time of such statement, there is no successor administrator that is satisfactory to the Administrative Agent, that will continue to provide such representative interest periods of Term SOFR after such specific date (the latest date on which one month, three month and six month interest periods of Term SOFR or the Term SOFR Screen Rate are no longer representative

or available permanently or indefinitely, the “Scheduled Unavailability Date”);

then, on a date and time determined by the Administrative Agent (any such date, the “Term SOFR Replacement Date”), which date shall be at the end of an Interest Period or on the relevant interest payment date, as applicable, for interest calculated and, solely with respect to clause (y) above, no later than the Scheduled Unavailability Date, Term SOFR will be replaced hereunder and under any Loan Document with Daily Simple SOFR *plus* the SOFR Adjustment for any payment period for interest calculated that can be determined by the Administrative Agent, in each case, without any amendment to, or further action or consent of any other party to, this Amendment or any other Loan Document (the “Successor Rate”).

If the Successor Rate is Daily Simple SOFR plus the SOFR Adjustment, all interest payments will be payable on a monthly basis.

Notwithstanding anything to the contrary herein, (A) if the Administrative Agent determines that Daily Simple SOFR is not available on or prior to the Term SOFR Replacement Date, or (B) if the events or circumstances of the type described in Section 2(g)(iii)(x) or 2(g)(iii)(y) have occurred with respect to the Successor Rate then in effect, then in each case, the Administrative Agent and the Borrower may amend this Amendment and the other Loan Documents solely for the purpose of replacing Term SOFR or any then current Successor Rate in accordance with this Section 2(g)(iii) at the end of any Interest Period, relevant interest payment date or payment period for interest calculated, as

applicable, with an alternative benchmark rate giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated credit facilities syndicated and agented in the United States for such alternative benchmark. and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated credit facilities syndicated and agented in the United States for such benchmark. For the avoidance of doubt, any such proposed rate and adjustments, shall constitute a “Successor Rate”. Any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Borrower unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders object to such amendment.

The Administrative Agent will promptly (in one or more notices) notify the Borrower and each Lender of the implementation of any Successor Rate.

Any Successor Rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such Successor Rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent.

Notwithstanding anything else herein, if at any time any Successor Rate as so determined would otherwise be less than zero%, the Successor Rate will be deemed to be zero% for the purposes of this Amendment and the other Loan Documents.

In connection with the implementation of a Successor Rate, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Amendment; provided that, with respect to any such amendment effected, the Administrative Agent shall post each such amendment implementing such Conforming Changes to the Borrower and the Lenders reasonably promptly after such amendment becomes effective.

For purposes of this Section 2(g)(iii), those Lenders that have not made and do not have an obligation under the Credit Agreement to make, the relevant Loans in Dollars shall be excluded from any determination of Required Lenders.

(iv)Early Opt-in . The Early Opt-in Election provision in Section 3.03 in the Credit Agreement and all related defined terms shall be removed and disapplied.

Exhibit A

FORM OF COMMITTED LOAN NOTICE
(Term SOFR Loans)

Date: _____, _____ 1

To: Bank of America, N.A., as Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain Credit Agreement, dated as of November 9, 2016 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement;" the terms defined therein being used herein as therein defined), among LAMB WESTON HOLDINGS, INC. (the "Borrower"), the Guarantors party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent.

The undersigned hereby requests (select one):

Revolving A-2 Facility

Indicate: Borrowing, Conversion or Continuation	Indicate: Borrower Name	Indicate: Requested Amount	Indicate: Currency	Indicate: Term SOFR Loans	For Term SOFR Rate Loans Indicate: Interest Period (e.g., 1, 3 or 6 month interest period)

Revolving B-2 Facility

Indicate: Borrowing, Conversion or Continuation	Indicate: Borrower Name	Indicate: Requested Amount	Indicate: Currency	Indicate: Term SOFR Loans	For Term SOFR Rate Loans Indicate: Interest Period (e.g., 1, 3 or 6 month interest period)

Note to Borrower. All requests submitted under a single Committed Loan Notice must be effective on the same date. If multiple effective dates are needed, multiple Committed Loan Notices will need to be prepared and signed.

The Borrowing, if any, requested herein complies with the requirements set forth in the Credit Agreement.

LAMB WESTON HOLDINGS, INC.

By: _____
Name:
Title:

Exhibit 21.1

SUBSIDIARIES OF LAMB WESTON HOLDINGS, INC.

Lamb Weston Holdings, Inc. is the parent corporation owning, directly or indirectly, 100% of the voting securities (unless otherwise noted) of the following subsidiaries:

Subsidiary
Subsidiary
Lamb Weston Alimentos Modernos S.A. (90%)(1) owned)

Jurisdiction
of
Formation

Argentina

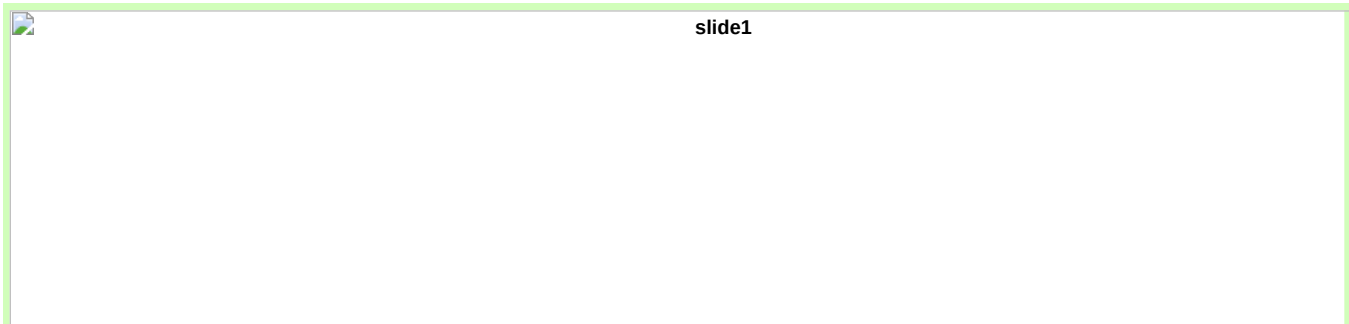
Lamb Weston Argentina S.R.L.	Argentina
Food Coatings Australia Pty Ltd	Australia
Lamb Weston Australia Holdings Pty Ltd	Australia
Lamb Weston Australia Pty Ltd	Australia
Lamb Weston Victoria Pty Ltd	Australia
Marvel Packers Pty Ltd	Australia
Tuber Holdings Pty Ltd	Australia
Tuber Investments Pty Ltd	Australia
LWM Austria GmbH	Austria
LWM Potatoes Belgium BVBA	Belgium
Lamb Weston Representação Comercial Ltda.	Brazil
Lamb Weston Canada ULC	Canada
Lamb Weston Potato (Inner Mongolia) Co., Ltd	China
Lamb Weston (Shanghai) Commercial Company Limited	China
Ulanqab Lamb Weston Food Co., Ltd.	China
Lamb Weston (Hong Kong) Limited	Hong Kong
Tai Mei Agriculture Limited	Hong Kong
Lamb Weston Japan KK	Japan
Lamb Weston Korea Ltd.	Korea
Lamb Weston Malaysia Sdn. Bhd.	Malaysia
L Weston Operaciones, S.A. de C.V.	Mexico
Lamb Weston Frozen Foods B.V.	Netherlands
Lamb Weston Holland B.V.	Netherlands
Lamb Weston International B.V.	Netherlands
Lamb Weston Netherlands B.V.	Netherlands
Lamb-Weston/Meijer B.V.	Netherlands
Lamb-Weston/Meijer v.o.f.	Netherlands
LWM Broekhuizenvorst BV	Netherlands
LWM CIS BV	Netherlands
LWM International BV	Netherlands
Lamb Weston Europe B.V.	
LWM Lamb Weston MEA BV B.V.	Netherlands
LWM Lamb Weston Potatoes BV B.V.	Netherlands
LWM Nigeria Ltd.	Nigeria

Lamb Weston Philippines, Inc.	Philippines
Lamb Weston International Private Limited	Singapore
LWM MEA FZ LLC	United Arab Emirates
Lamb Weston/ Weston / Meijer International UK Limited	United Kingdom
Lamb-Weston/Meijer UK Limited	United Kingdom
Smith & Holbourne Limited	United Kingdom
AG Iris & Water Co. LLC (majority owned by owned)	United States (Washington)
Lamb Weston, Inc.)	United States (Washington)
Lamb Weston, Inc.	United States (Delaware)
Lamb Weston BSW, LLC	United States (Delaware)
Lamb Weston/Midwest, Inc.	United States (Washington)
Lamb Weston Sales, Inc.	United States (Delaware)
South Slope Irrigation Association (majority owned by Lamb Weston, Inc. owned)	Washington United States (Washington)

The corporations listed above are included in the consolidated financial statements of Lamb Weston Holdings, Inc.

(1) See Note 4, Joint Venture Investments, of the Notes to Consolidated Financial Statements in "Part II, Item 8. Financial Statements and Supplementary Data" in the Company's fiscal 2023 Annual Report on Form 10-K, for more information.

Exhibit 23.1



KPMG LLP Suite 2800 401 Union Street Seattle, WA 98101

24, 2024

and financial statement schedule

333-214508 333- 214508

July 25, 2023 July

July 25, 2023 July 24, 2024

Exhibit 31.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER

I, THOMAS P. WERNER, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended May 26, 2024 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.

1.

I have
reviewed
this
annual
report on
Form 10-
K for the
year
ended
May 28,
2023 of
Lamb
Weston
Holdings,
Inc.;

Date: July 24, 2024

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.

/s/ THOMAS P. WERNER

THOMAS P. WERNER

President and 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 annual report on Form 10-K for the year ended May 26, 2024 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.

1.

I have reviewed this annual report on Form 10-K for the year ended May 28, 2023 of Lamb Weston Holdings, Inc.;

Date: July 24, 2024

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: July 25, 2023

/s/ BERNADETTE M. MADARIETA

BERNADETTE M. MADARIETA

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, President and 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 Annual Report on Form 10-K for the year ended May 28, 2023 May 26, 2024 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 Annual 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.

July 25, 2023

24, 2024

/s/ THOMAS P. WERNER

THOMAS P. WERNER

President and 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, 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 Annual Report on Form 10-K for the year ended May 28, 2023 May 26, 2024 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 Annual 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.

July 25, 2023
24, 2024

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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.



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Exhibit 97.1 LAMB WESTON HOLDINGS, INC. Compensation Recoupment Policy Effective October 2, 2023 Purpose As required pursuant to the listing standards of the New York Stock Exchange (the "Stock Exchange"), Section 10D of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Rule 10D-1 under the Exchange Act, the Compensation and Human Capital Committee (the "Committee") of the Board of Directors (the "Board") of Lamb Weston Holdings, Inc. (the "Company") has adopted this Compensation Recoupment Policy (this "Policy") to empower the Company to recover Covered Compensation (as defined below) erroneously awarded to a Covered Officer (as defined below) in the event of an Accounting Restatement (as defined below). Notwithstanding anything in this Policy to the contrary, at all times, this Policy remains subject to interpretation and operation in accordance with the final rules and regulations promulgated by the U.S. Securities and Exchange Commission (the "SEC"), the final listing standards adopted by the Stock Exchange, and any applicable SEC or Stock Exchange guidance or interpretations issued from time to time regarding such Covered Compensation recovery requirements (collectively, the "Final Guidance"). Questions regarding this Policy should be directed to the Company's Global Total Rewards department. This Policy applies to Incentive-Based Compensation Received (as defined below) on or after October 2, 2023 (the "Effective Date"). The Company's clawback policy effective as of May 24, 2017 (the "2017 Policy") shall continue to apply with respect to (i) Incentive-Based Compensation Received (each as defined under the 2017 policy) prior to the Effective Date and (ii) Delinquent Activity (as defined under the 2017 Policy) occurring prior to, on or following the Effective Date. Except as described above, this Policy shall supersede the 2017 Policy with respect to Incentive-Based Compensation Received on or after the Effective Date. For the avoidance of doubt, in no event shall any compensation be subject to recovery under both the Policy and the 2017 Policy, and in the event of a conflict, this Policy shall prevail. Policy Statement Unless a Clawback Exception (as defined below) applies, the Company will recover reasonably promptly from each Covered Officer the Covered Compensation Received (as defined below) by such Covered Officer in the event that the Company is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (each, an "Accounting Restatement"). If a Clawback Exception applies with respect to a Covered Officer, the Company may forgo such recovery under this Policy from any such Covered Officer. Covered Officers For purposes of this Policy, "Covered Officer" is defined as any current or former "Section 16 officer" of the Company within the meaning of Rule 16a-1(f) under the Exchange Act, as determined by the Board or the Committee. Covered Officers include, at a minimum, "executive officers" as defined in Rule 3b-7 under the Exchange Act and identified under Item 401(b) of Regulation S-K.



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² Covered Compensation For purposes of this Policy, ☐ "Covered Compensation" is defined as the amount of Incentive-Based Compensation (as defined below) Received (as defined below) during the applicable Recovery Period (as defined below) that exceeds the amount of Incentive-Based Compensation that otherwise would have been Received during such Recovery Period had it been determined based on the relevant restated amounts and computed without regard to any taxes paid. Incentive-Based Compensation Received by a Covered Officer will only qualify as Covered Compensation if: (i) it is Received on or after October 2, 2023; (ii) it is Received after such Covered Officer begins service as a Covered Officer; (iii) such Covered Officer served as a Covered Officer at any time during the performance period for such Incentive-Based Compensation; and (iv) it is Received while the Company has a class of securities listed on a national securities exchange or a national securities association. For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of erroneously awarded Covered Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the amount of such Incentive-Based Compensation that is deemed to be Covered Compensation will be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return upon which the Incentive-Based Compensation was Received, and the Company will maintain and provide to the Stock Exchange documentation of the determination of such reasonable estimate. ☐ "Incentive-Based Compensation" is defined as any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure (as defined below). For purposes of clarity, Incentive-Based Compensation includes compensation that is in any plan, other than tax-qualified retirement plans, including long term disability, life insurance, and supplemental executive retirement plans, and any other compensation that is based on such Incentive-Based Compensation, such as earnings accrued on notional amounts of Incentive-Based Compensation contributed to such plans. ☐ "Financial Reporting Measure" is defined as a measure that is determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures that are derived wholly or in part from such measures. Stock price and total shareholder return are also Financial Reporting Measures. ☐ Incentive-Based Compensation is deemed "Received" in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if the payment or grant of the Incentive-Based Compensation occurs after the end of that period. Recovery Period For purposes of this Policy, the applicable "Recovery Period" is defined as the three completed fiscal years immediately preceding the Trigger Date (as defined below) and, if applicable, any transition period resulting from a change in the Company's fiscal year within or immediately following those three completed fiscal years (provided, however, that if a transition period between the last day of the Company's previous fiscal year end and the first day of its new fiscal year comprises a period of nine to 12 months, such period would be deemed to be a completed fiscal year).



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3 For purposes of this Policy, the "Trigger Date" as of which the Company is required to prepare an Accounting Restatement is the earlier to occur of: (i) the date that the Board, applicable Board committee, or officers authorized to take action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare the Accounting Restatement or (ii) the date a court, regulator, or other legally authorized body directs the Company to prepare the Accounting Restatement. Clawback Exceptions The Company is required to recover all Covered Compensation Received by a Covered Officer in the event of an Accounting Restatement unless (i) one of the following conditions is met and (ii) the Committee has made a determination that recovery would be impracticable in accordance with Rule 10D-1 under the Exchange Act (under such circumstances, a "Clawback Exception" applies): (i) the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered (and the Company has already made a reasonable attempt to recover such erroneously awarded Covered Compensation from such Covered Officer, has documented such reasonable attempt(s) to recover, and has provided such documentation to the Stock Exchange); (ii) recovery would violate home country law that was adopted prior to November 28, 2022 (and the Company has already obtained an opinion of home country counsel, acceptable to the Stock Exchange, that recovery would result in such a violation, and provided such opinion to the Stock Exchange); or (iii) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Section 401(a)(13) or Section 411(a) of the Internal Revenue Code and

regulations thereunder. For purposes of clarity, this Clawback Exception only applies to tax-qualified retirement plans and does not apply to other plans, including long term disability, life insurance, and supplemental executive retirement plans, or any other compensation that is based on Incentive-Based Compensation in such plans, such as earnings accrued on notional amounts of Incentive-Based Compensation contributed to such plans. Prohibitions The Company is prohibited from paying or reimbursing the cost of insurance for, or indemnifying, any Covered Officer against the loss of erroneously awarded Covered Compensation. Administration and Interpretation The Committee will administer this Policy in accordance with the Final Guidance, and will have full and exclusive authority and discretion to supplement, amend, repeal, interpret, terminate, construe, modify, replace and/or enforce (in whole or in part) this Policy, including the authority to correct any defect, supply any omission or reconcile any ambiguity, inconsistency or conflict in the Policy, subject to the Final Guidance. This Policy is in addition to and is not intended to change or interpret any federal or state law or regulation, including the General Corporation Law of the State of Delaware, the Amended and Restated Certificate of Incorporation of the Company, or the Amended and Restated Bylaws of the Company. The Committee will review this Policy from time to time and will have full and exclusive authority to take any action it deems appropriate.



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4 The Committee will have the authority to offset any compensation or benefit amounts that become due to the applicable Covered Officers to the extent permissible under Section 409A of the Internal Revenue Code of 1986, as amended, and as it deems necessary or desirable to recover any Covered Compensation. Each Covered Officer, upon being so designated or assuming such position, is required to execute and deliver to the Senior Vice President, Global Total Rewards & People Operations an acknowledgment of and consent to this Policy, in a form reasonably acceptable to and provided by the Company from time to time, (i) acknowledging and consenting to be bound by the terms of this Policy, (ii) agreeing to fully cooperate with the Company in connection with any of such Covered Officer's obligations to the Company pursuant to this Policy, and (iii) agreeing that the Company may enforce its rights under this Policy through any and all reasonable means permitted under applicable law as it deems necessary or desirable under this Policy. Disclosure This Policy, and any recovery of Covered Compensation by the Company pursuant to this Policy that is required to be disclosed in the Company's filings with the SEC, will be disclosed as required by the Securities Act of 1933, as amended, the Exchange Act, and related rules and regulations, including the Final Guidance.



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Lamb Weston Holdings, Inc. Compensation Recoupment Policy Acknowledgement and Consent| LAMB WESTON HOLDINGS, INC. Compensation Recoupment Policy Acknowledgment and Consent The undersigned hereby acknowledges that he or she has received and reviewed a copy of the Compensation Recoupment Policy (the "Policy") of Lamb Weston Holdings, Inc. (the "Company"), effective as of October 2, 2023, (the "Effective Date") as adopted by the Compensation and Human Capital Committee of the Company's Board of Directors. Pursuant to such Policy, the undersigned hereby: ☐ acknowledges that he or she has been designated as (or assumed the position of) a Covered Officer (as defined in the Policy); ☐ acknowledges and consents to the Policy; ☐ acknowledges and consents to be bound by the terms of the Policy; ☐ acknowledges and agrees that the Company's clawback policy effective as of May 24, 2017 (the "2017 Policy") shall continue to apply (i) with respect to Incentive-Based Compensation Received (each as defined in the 2017 Policy) prior to the Effective Date and (ii) with respect to Detrimental Activity (as defined in the 2017 Policy) occurring prior to, on or after the Effective Date. ☐ agrees to fully cooperate with the Company in connection with any of the undersigned's obligations to the Company pursuant to the Policy, including, without limitation, the repayment by or recovery from the undersigned of Covered Compensation (as defined in the Policy); and ☐ agrees that the Company may enforce its rights under the Policy through any and all reasonable means permitted under applicable law as the Company deems necessary or desirable under the Policy. ACKNOWLEDGED AND AGREED: Name: _____ Date: _____