

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended December 31, 2021

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 No. 0-22818



THE HAIN CELESTIAL GROUP, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

22-3240619
(I.R.S. Employer Identification No.)

1111 Marcus Avenue, Lake Success, NY 11042
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (516) 587-5000

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

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, par value \$.01 per share	HAIN	The Nasdaq Stock Market LLC

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 (section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

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

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of January 27, 2022, there were 91,327,478 shares outstanding of the registrant’s Common Stock, par value \$.01 per share.

THE HAIN CELESTIAL GROUP, INC.**Index**

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Forward-Looking Statements

This Quarterly Report on Form 10-Q for the quarter ended December 31, 2021 (the “Form 10-Q”) contains forward-looking statements within the meaning of safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks, uncertainties and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the results of The Hain Celestial Group, Inc. (collectively with its subsidiaries, the “Company,” “Hain Celestial,” “we,” “us” or “our”) may differ materially from those expressed or implied by such forward-looking statements. The words “believe,” “expect,” “anticipate,” “may,” “should,” “plan,” “intend,” “potential,” “will” and similar expressions are intended to identify such forward-looking statements. Forward-looking statements include, among other things, our beliefs or expectations relating to our future performance, results of operations and financial condition; our strategic initiatives, business strategy, supply chain, brand portfolio and product performance; the COVID-19 pandemic; the success of our pricing negotiations; current or future macroeconomic trends; and future corporate acquisitions or dispositions.

Risks and uncertainties that may cause actual results to differ materially from forward-looking statements include: challenges and uncertainty resulting from the impact of competition; challenges and uncertainty resulting from the COVID-19 pandemic; our ability to manage our supply chain effectively; disruption of operations at our manufacturing facilities; reliance on independent contract manufacturers; changes to consumer preferences; customer concentration; reliance on independent distributors; the availability of organic ingredients; risks associated with our international sales and operations; risks associated with outsourcing arrangements; our ability to execute our cost reduction initiatives and related strategic initiatives; our ability to identify and complete acquisitions or divestitures and our level of success in integrating acquisitions; our reliance on independent certification for a number of our products; the reputation of our Company and our brands; our ability to use and protect trademarks; general economic conditions; input cost inflation; the United Kingdom’s exit from the European Union; cybersecurity incidents; disruptions to information technology systems; the impact of climate change; liabilities, claims or regulatory change with respect to environmental matters; potential liability if our products cause illness or physical harm; the highly regulated environment in which we operate; pending and future litigation; compliance with data privacy laws; compliance with our credit agreement; the discontinuation of LIBOR; concentration in the ownership of our common stock; our ability to issue preferred stock; the adequacy of our insurance coverage; impairments in the carrying value of goodwill or other intangible assets; and other risks and matters described in our most recent Annual Report on Form 10-K, this Form 10-Q and our other filings from time to time with the U.S. Securities and Exchange Commission.

We undertake no obligation to update forward-looking statements to reflect actual results or changes in assumptions or circumstances, except as required by applicable law.

PART I - FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS****THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEETS (UNAUDITED)****DECEMBER 31, 2021 AND JUNE 30, 2021**

(In thousands, except par values)

	December 31, 2021	June 30, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 77,202	\$ 75,871
Accounts receivable, less allowance for doubtful accounts of \$1,216 and \$1,314, respectively	163,672	174,066
Inventories	289,239	285,410
Prepaid expenses and other current assets	45,505	39,834
Assets held for sale	3,354	1,874
Total current assets	578,972	577,055
Property, plant and equipment, net	320,047	312,777
Goodwill	956,283	871,067
Trademarks and other intangible assets, net	500,093	314,895
Investments and joint ventures	16,409	16,917
Operating lease right-of-use assets	91,739	92,010
Other assets	21,826	21,187
Total assets	\$ 2,485,369	\$ 2,205,908
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 179,808	\$ 171,947
Accrued expenses and other current liabilities	110,030	117,957
Current portion of long-term debt	7,834	530
Total current liabilities	297,672	290,434
Long-term debt, less current portion	731,613	230,492
Deferred income taxes	82,020	42,639
Operating lease liabilities, noncurrent portion	84,219	85,929
Other noncurrent liabilities	25,989	33,531
Total liabilities	1,221,513	683,025
Commitments and contingencies (Note 17)		
Stockholders' equity:		
Preferred stock - \$.01 par value, authorized 5,000 shares; issued and outstanding: none	—	—
Common stock - \$.01 par value, authorized 150,000 shares; issued: 111,004 and 109,507 shares, respectively; outstanding: 93,329 and 99,069 shares, respectively	1,110	1,096
Additional paid-in capital	1,195,959	1,187,530
Retained earnings	741,525	691,225
Accumulated other comprehensive loss	(94,230)	(73,011)
	1,844,364	1,806,840
Less: Treasury stock, at cost, 17,673 and 10,438 shares, respectively	(580,508)	(283,957)
Total stockholders' equity	1,263,856	1,522,883
Total liabilities and stockholders' equity	\$ 2,485,369	\$ 2,205,908

See notes to consolidated financial statements.

THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2021 AND 2020
(In thousands, except per share amounts)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2021	2020	2021	2020
Net sales	\$ 476,941	\$ 528,418	\$ 931,844	\$ 1,027,045
Cost of sales	359,646	398,453	709,131	777,916
Gross profit	117,295	129,965	222,713	249,129
Selling, general and administrative expenses	80,136	84,625	154,125	164,146
Amortization of acquired intangible assets	2,049	2,193	4,144	4,626
Productivity and transformation costs	2,786	5,011	6,769	6,444
Proceeds from insurance claim	—	—	(196)	—
Long-lived asset impairment	303	25,179	303	57,676
Operating income	32,021	12,957	57,568	16,237
Interest and other financing expense, net	2,592	2,337	4,448	4,790
Other income, net	(9,070)	(1,045)	(9,858)	(2,418)
Income from continuing operations before income taxes and equity in net loss of equity-method investees	38,499	11,665	62,978	13,865
Provision for income taxes	7,145	8,438	11,687	21,400
Equity in net loss of equity-method investees	465	1,076	991	1,095
Net income (loss) from continuing operations	\$ 30,889	\$ 2,151	\$ 50,300	\$ (8,630)
Net (loss) income from discontinued operations, net of tax	—	(11)	—	11,255
Net income	\$ 30,889	\$ 2,140	\$ 50,300	\$ 2,625
Net income (loss) per common share:				
Basic net income (loss) per common share from continuing operations	\$ 0.33	\$ 0.02	\$ 0.53	\$ (0.09)
Basic net income per common share from discontinued operations	—	—	—	0.11
Basic net income per common share	\$ 0.33	\$ 0.02	\$ 0.53	\$ 0.02
Diluted net income (loss) per common share from continuing operations				
Diluted net income per common share from discontinued operations	—	—	—	0.11
Diluted net income per common share	\$ 0.33	\$ 0.02	\$ 0.52	\$ 0.02
Shares used in the calculation of net income (loss) per common share:				
Basic	94,036	100,117	95,579	100,837
Diluted	94,808	100,562	96,123	100,837

See notes to consolidated financial statements.

THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2021 AND 2020
(In thousands)

	Three Months Ended					
	December 31, 2021			December 31, 2020		
	Pre-tax amount	Tax (expense) benefit	After-tax amount	Pre-tax amount	Tax (expense) benefit	After-tax amount
Net income			\$ 30,889			\$ 2,140
Other comprehensive income (loss):						
Foreign currency translation adjustments before reclassifications	\$ (2,143)	\$ —	(2,143)	\$ 46,043	\$ —	46,043
Change in deferred gains (losses) on cash flow hedging instruments	682	(144)	538	101	(21)	80
Change in deferred gains (losses) on net investment hedging instruments	1,709	(360)	1,349	(3,897)	818	(3,079)
Total other comprehensive income (loss)	\$ 248	\$ (504)	\$ (256)	\$ 42,247	\$ 797	\$ 43,044
Total comprehensive income			<u>\$ 30,633</u>			<u>\$ 45,184</u>
	Six Months Ended					
	December 31, 2021			December 31, 2020		
	Pre-tax amount	Tax (expense) benefit	After-tax amount	Pre-tax amount	Tax (expense) benefit	After-tax amount
Net income			\$ 50,300			\$ 2,625
Other comprehensive income (loss):						
Foreign currency translation adjustments before reclassifications	\$ (24,948)	\$ —	(24,948)	\$ 78,819	\$ —	78,819
Reclassification of currency translation adjustment included in net income (loss)	—	—	—	1,181	—	1,181
Change in deferred gains (losses) on cash flow hedging instruments	726	(153)	573	151	(31)	120
Change in deferred gains (losses) on net investment hedging instruments	3,997	(841)	3,156	(7,684)	1,613	(6,071)
Total other comprehensive (loss) income	\$ (20,225)	\$ (994)	\$ (21,219)	\$ 72,467	\$ 1,582	\$ 74,049
Total comprehensive income			<u>\$ 29,081</u>			<u>\$ 76,674</u>

See notes to consolidated financial statements.

THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2021

(In thousands, except par values)

	Common Stock		Additional Paid-in Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount at \$.01			Shares	Amount		
Balance at June 30, 2021	109,507	\$ 1,096	\$ 1,187,530	\$ 691,225	10,438	\$ (283,957)	\$ (73,011)	\$ 1,522,883
Net income				19,411				19,411
Other comprehensive loss							(20,963)	(20,963)
Issuance of common stock pursuant to stock-based compensation plans	61	—	—					—
Employee shares withheld for taxes					29	(1,175)		(1,175)
Repurchases of common stock					4,525	(175,687)		(175,687)
Stock-based compensation expense			4,287					4,287
Balance at September 30, 2021	109,568	\$ 1,096	\$ 1,191,817	\$ 710,636	14,992	\$ (460,819)	\$ (93,974)	\$ 1,348,756
Net income				30,889				30,889
Other comprehensive loss							(256)	(256)
Issuance of common stock pursuant to stock-based compensation plans	1,436	14	(14)					—
Employee shares withheld for taxes					654	(29,858)		(29,858)
Repurchases of common stock					2,027	(89,831)		(89,831)
Stock-based compensation expense			4,156					4,156
Balance at December 31, 2021	111,004	\$ 1,110	\$ 1,195,959	\$ 741,525	17,673	\$ (580,508)	\$ (94,230)	\$ 1,263,856

See notes to consolidated financial statements.

THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2020

(In thousands, except par values)

	Common Stock		Additional Paid-in Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount at \$.01			Shares	Amount		
Balance at June 30, 2020	109,123	\$ 1,092	\$ 1,171,875	\$ 614,171	7,238	\$ (172,192)	\$ (171,392)	\$ 1,443,554
Net income				485				485
Cumulative effect of adoption of ASU 2016-02				(310)				(310)
Other comprehensive income							31,005	31,005
Issuance of common stock pursuant to stock-based compensation plans	54	1	(1)					—
Employee shares withheld for taxes					20	(468)		(468)
Repurchase of common stock					1,281	(42,052)		(42,052)
Stock-based compensation expense			4,367					4,367
Balance at September 30, 2020	<u>109,177</u>	<u>\$ 1,093</u>	<u>\$ 1,176,241</u>	<u>\$ 614,346</u>	<u>8,539</u>	<u>\$ (214,712)</u>	<u>\$ (140,387)</u>	<u>\$ 1,436,581</u>
Net income				2,140				2,140
Other comprehensive income							43,044	43,044
Issuance of common stock pursuant to stock-based compensation plans	162	2	(2)					—
Employee shares withheld for taxes					38	(1,255)		(1,255)
Repurchase of common stock					923	(29,684)		(29,684)
Stock-based compensation expense			3,823					3,823
Balance at December 31, 2020	<u>109,339</u>	<u>\$ 1,095</u>	<u>\$ 1,180,062</u>	<u>\$ 616,486</u>	<u>9,500</u>	<u>\$ (245,651)</u>	<u>\$ (97,343)</u>	<u>\$ 1,454,649</u>

See notes to consolidated financial statements.

THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2021 AND 2020

(In thousands)

	Six Months Ended December 31,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 50,300	\$ 2,625
Net income from discontinued operations	—	11,255
Net income (loss) from continuing operations	50,300	(8,630)
Adjustments to reconcile net income (loss) from continuing operations to net cash provided by operating activities from continuing operations:		
Depreciation and amortization	21,758	24,954
Deferred income taxes	(3,271)	92
Equity in net loss of equity-method investees	991	1,095
Stock-based compensation, net	8,443	8,190
Long-lived asset and intangibles impairment	303	57,676
Gain on sale of assets	(8,921)	—
Other non-cash items, net	(1,486)	(1,765)
Increase (decrease) in cash attributable to changes in operating assets and liabilities:		
Accounts receivable	12,370	(9,523)
Inventories	2,473	(58,512)
Other current assets	(5,126)	55,718
Other assets and liabilities	1,776	(1,037)
Accounts payable and accrued expenses	(11,579)	36,272
Net cash provided by operating activities from continuing operations	68,031	104,530
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(27,996)	(29,671)
Acquisitions of businesses, net of cash acquired	(254,569)	—
Investment in joint venture	(514)	(431)
Proceeds from sale of assets	10,734	—
Proceeds from sale of businesses and other	—	4,858
Net cash used in investing activities from continuing operations	(272,345)	(25,244)
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings under bank revolving credit facility	540,000	150,000
Repayments under bank revolving credit facility	(330,000)	(137,000)
Borrowings under term loan	300,000	—
Payments of other debt, net	(3,185)	(1,711)
Share repurchases	(266,933)	(71,736)
Employee shares withheld for taxes	(31,033)	(1,723)
Net cash provided by (used in) financing activities from continuing operations	208,849	(62,170)
Effect of exchange rate changes on cash from continuing operations	(3,204)	5,734
Net increase in cash and cash equivalents	1,331	22,850
Cash and cash equivalents at beginning of period	75,871	37,771
Cash and cash equivalents at end of period	\$ 77,202	\$ 60,621

Cash and cash equivalents included in the line item Assets held for sale on the Consolidated Balance Sheets as shown below represents amounts included within held for sale accounting related to the sale of the Company's U.K. fruit business, primarily consisting of the Orchard House Foods Limited business and associated brands.

	Six Months Ended December 31,	
	2021	2020
Cash and cash equivalents	\$ 77,202	\$ 46,813
Cash and cash equivalents classified in assets held for sale	—	13,808
Total cash and cash equivalents shown in the Consolidated Statements of Cash Flows	\$ 77,202	\$ 60,621

See notes to consolidated financial statements.

THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(Amounts in thousands, except par values and per share data)

1. BUSINESS

The Hain Celestial Group, Inc., a Delaware corporation (collectively with its subsidiaries, the “Company,” “Hain Celestial,” “we,” “us” or “our”), was founded in 1993 and is headquartered in Lake Success, New York. The Company’s mission has continued to evolve since its founding, with health and wellness being the core tenet. The Company continues to be a leading marketer, manufacturer and seller of organic and natural, “better-for-you” products by anticipating and exceeding consumer expectations in providing quality, innovation, value and convenience. The Company is committed to growing sustainably while continuing to implement environmentally sound business practices and manufacturing processes. Hain Celestial sells its products through specialty and natural food distributors, supermarkets, natural food stores, mass-market and e-commerce retailers, food service channels and club, drug and convenience stores in over 80 countries worldwide. The Company operates under two reportable segments: North America and International.

Acquisition

On December 28, 2021, the Company acquired all outstanding stock of Proven Brands, Inc. (and its subsidiary That's How We Roll LLC) and KTB Foods Inc., collectively doing business as "That's How We Roll" ("THWR"), the producer and marketer of ParmCrisps® and Thinsters®. See Note 4, *Acquisitions and Dispositions*, for details.

Discontinued Operations

The financial statements separately report discontinued operations and the results of continuing operations (see Note 4). All footnotes exclude discontinued operations unless otherwise noted.

2. BASIS OF PRESENTATION

The Company’s unaudited consolidated financial statements include the accounts of the Company and its wholly-owned and majority-owned subsidiaries. Intercompany accounts and transactions have been eliminated in consolidation. Investments in affiliated companies in which the Company exerts significant influence, but which it does not control, are accounted for under the equity method of accounting. As such, consolidated net income includes the Company’s equity in the current earnings or losses of such companies.

The Company's unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by U.S. GAAP and should be read in conjunction with the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2021 (the “Form 10-K”). The amounts as of and for the periods ended June 30, 2021 are derived from the Company’s audited annual financial statements. The unaudited consolidated financial statements reflect all normal recurring adjustments which, in management’s opinion, are necessary for a fair presentation for interim periods. Operating results for the six months ended December 31, 2021 are not necessarily indicative of the results that may be expected for the fiscal year ending June 30, 2022. Please refer to the Notes to the Consolidated Financial Statements as of June 30, 2021 and for the fiscal year then ended included in the Form 10-K for information not included in these condensed notes.

All amounts in the unaudited consolidated financial statements, notes and tables have been rounded to the nearest thousand, except par values and per share amounts, unless otherwise indicated.

Transfer of Financial Assets

The Company has non-recourse accounts receivable financing arrangements in which eligible receivables are sold to third-party buyers in exchange for cash. The Company transferred accounts receivables in their entirety to the buyers and satisfied all of the conditions to report the transfer of financial assets in their entirety as a sale. The principal amount of receivables sold under these arrangements was \$64,133 and \$43,563 during the six months ended December 31, 2021 and 2020, respectively. The incremental cost of accounts receivable financing arrangements is included in Other income, net in the Company’s Consolidated Statements of Operations. The proceeds from the sale of receivables are included in cash from operating activities in the accompanying Consolidated Statements of Cash Flows.

Significant Accounting Policies

The Company's significant accounting policies are described in Note 2, *Summary of Significant Accounting Policies and Practices*, in the Notes to the Consolidated Financial Statements in the Form 10-K. Included herein are certain updates to those policies.

Recently Adopted Accounting Pronouncements

In October 2021, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers, which requires an acquirer to recognize and measure contract assets and contract liabilities acquired in a business combination on the acquisition date in accordance with Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers, as if it had originated the contracts. This approach differs from the current requirement to measure contract assets and contract liabilities acquired in a business combination at fair value. The Company adopted ASU 2021-08 during the second quarter of fiscal year 2022, and the adoption did not have an impact on the Company's consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting, which provides temporary optional expedients and exceptions for applying generally accepted accounting principles to contracts, hedging relationships and other transactions affected by reference rate reform. ASU 2020-04 is currently effective and upon adoption may be applied prospectively to contract modifications made on or before December 31, 2022. In January 2021, the FASB issued ASU 2021-01, Reference Rate Reform (Topic 848): Scope, which clarifies certain provisions in Topic 848, if elected by an entity, to apply to derivative instruments that use an interest rate for margining, discounting, or contract price alignment that is modified as a result of reference rate reform. During the first quarter of fiscal year 2022, the Company adopted the hedge accounting expedients related to probability and the assessments of effectiveness for future LIBOR-indexed cash flows to assume that the index upon which future hedged transactions will be based matches the index on the corresponding derivatives. Application of these expedients preserves the presentation of derivatives consistent with past presentation. The Company continues to evaluate the impact of the guidance and may apply other elections as applicable as additional changes in the market occur.

3. EARNINGS (LOSS) PER SHARE

The following table sets forth the computation of basic and diluted net income (loss) per share:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2021	2020	2021	2020
Numerator:				
Net income (loss) from continuing operations	\$ 30,889	\$ 2,151	\$ 50,300	\$ (8,630)
Net (loss) income from discontinued operations	—	(11)	—	11,255
Net income	<u>\$ 30,889</u>	<u>\$ 2,140</u>	<u>\$ 50,300</u>	<u>\$ 2,625</u>
Denominator:				
Basic weighted average shares outstanding	94,036	100,117	95,579	100,837
Effect of dilutive stock options, unvested restricted stock and unvested restricted share units	772	445	544	—
Diluted weighted average shares outstanding	<u>94,808</u>	<u>100,562</u>	<u>96,123</u>	<u>100,837</u>
Basic net income (loss) per common share:				
Continuing operations	\$ 0.33	\$ 0.02	\$ 0.53	\$ (0.09)
Discontinued operations	—	—	—	0.11
Basic net income per common share	<u>\$ 0.33</u>	<u>\$ 0.02</u>	<u>\$ 0.53</u>	<u>\$ 0.02</u>
Diluted net income (loss) per common share:				
Continuing operations	\$ 0.33	\$ 0.02	\$ 0.52	\$ (0.09)
Discontinued operations	—	—	—	0.11
Diluted net income per common share	<u>\$ 0.33</u>	<u>\$ 0.02</u>	<u>\$ 0.52</u>	<u>\$ 0.02</u>

There were 316 and 211 restricted stock awards excluded from our calculation of diluted net income per share for the three months ended December 31, 2021 and 2020, respectively, as such awards were anti-dilutive. There were 158 and 709 restricted stock awards and stock options excluded from the calculation of diluted net income (loss) per share for the six months ended December 31, 2021 and 2020, respectively, as such awards were anti-dilutive. Due to the net loss from continuing operations in the six months ended December 31, 2020, all common stock equivalents such as stock options and unvested restricted stock awards have been excluded from the computation of diluted net loss per common share because the effect would have been anti-dilutive to the computations in the period.

Additionally, 76 and 1,419 stock-based awards outstanding at December 31, 2021 and 2020, respectively, were excluded from the calculation of diluted net income (loss) per share for the three and six months ended December 31, 2021 and 2020, respectively, as such awards were contingently issuable based on market or performance conditions, and such conditions had not been achieved during the respective periods.

Share Repurchase Program

In June 2017 and August 2021, the Company's Board of Directors authorized the repurchase of up to \$250,000 and \$300,000 of the Company's issued and outstanding common stock, respectively. Share repurchases under the 2021 authorization commenced in August 2021, after the 2017 authorization was fully utilized. Repurchases may be made from time to time in the open market, pursuant to pre-set trading plans, in private transactions or otherwise. The authorization does not have a stated expiration date. The extent to which the Company repurchases its shares and the timing of such repurchases will depend upon market conditions and other corporate considerations. In November 2021, the Company entered into a share repurchase agreement with affiliates of Engaged Capital, LLC (collectively, the "Selling Stockholders"), pursuant to which the Company repurchased 1,700 shares directly from the Selling Stockholders at a price of \$45.00 per share (see Note 19, *Related Party Transactions*). During the six months ended December 31, 2021, the Company repurchased 6,552 shares under the repurchase program, inclusive of the shares repurchased from the Selling Stockholders, for a total of \$265,420, excluding commissions, at an average price of \$40.50 per share. As of December 31, 2021, the Company had \$116,980 of remaining authorization under the share repurchase program. During the six months ended December 31, 2020, the Company repurchased 2,204 shares under the repurchase program for a total of \$71,693.

excluding commissions, at an average price of \$32.53 per share. In January 2022, the Company's Board of Directors authorized the repurchase of up to an additional \$200,000 of shares, which will commence after the 2021 authorization is fully utilized.

4. ACQUISITIONS AND DISPOSITIONS

That's How We Roll

On December 28, 2021, the Company acquired all outstanding stock of THWR, the producer and marketer of ParmCrisps[®] and Thinsters[®], deepening the Company's position in the snacking category. Consideration for the transaction consisted of cash, net of cash acquired, totaling \$260,871, subject to an adjustment for working capital. Of the total consideration, \$254,569 was paid at closing, with the remaining \$6,302 payable during the third quarter of fiscal 2022. The acquisition was funded with borrowings under the Credit Agreement (as defined in Note 9, *Debt and Borrowings*). The Company incurred \$5,103 of transaction costs in connection with the acquisition which were expensed as incurred, and are included as a component of Selling, general and administrative expenses in the Company's Consolidated Statements of Operations for the three and six months ended December 31, 2021.

The following table summarizes the Company's preliminary allocation of the purchase price to the assets acquired and liabilities assumed based on their respective estimated fair values on the acquisition date. The Company expects to finalize the allocation during fiscal 2022.

	December 28, 2021
Accounts receivable, net	\$ 5,107
Inventory	9,871
Prepaid expenses and other current assets	603
Property, plant & equipment	9,225
Identifiable intangible assets	193,800
Operating lease right-of-use assets	4,098
Other assets	166
Deferred income taxes	(42,362)
Goodwill	93,629
Accounts payable & accrued expenses	(9,041)
Operating lease liabilities	(4,225)
	\$ 260,871

The fair values assigned to identifiable intangible assets acquired were based on assumptions and estimates made by management. Of the \$193,800 of identifiable intangible assets acquired, \$70,800 was preliminarily assigned to customer relationships with a weighted average estimated useful life of 17 years, and \$123,000 was preliminarily assigned to tradenames with indefinite lives. The goodwill recorded as a result of this acquisition is not expected to be deductible for tax purposes.

Results of THWR are included in the United States operating segment, a component of the North America reportable segment. THWR's net sales and income from continuing operations before income taxes included in our consolidated results were not material for the three and six months ended December 31, 2021.

The following table provides unaudited pro forma results of continuing operations had the acquisition been completed at the beginning of fiscal 2021. The proforma information reflects certain adjustments related to the acquisition but does not reflect any potential operating efficiencies or cost savings that may result from the acquisition. Accordingly, this information has been provided for illustrative purposes only and does not purport to be indicative of the actual results that would have been achieved by the Company for the periods presented or that will be achieved by the combined company in the future. The pro forma information has been adjusted to give effect to items that are directly attributable to the transactions and are expected to have a continuing impact on the combined results.

	Unaudited supplemental pro forma information			
	Three Months Ended December 31,		Six Months Ended December 31,	
	2021	2020	2021	2020
Net sales	\$ 500,349	\$ 553,114	\$ 985,544	\$ 1,069,327
Net income (loss) from continuing operations ⁽¹⁾	\$ 36,244	\$ 1,102	\$ 55,669	\$ (16,478)
Diluted net income (loss) per common share from continuing operations	\$ 0.38	\$ 0.01	\$ 0.58	\$ (0.16)

⁽¹⁾The proforma adjustments include the elimination of transaction costs totaling \$5,103 from the three and six months ended December 31, 2021 and recognition of those costs in the six months ended December 31, 2020.

Dispositions

GG UniqueFiber®

On June 28, 2021, the Company completed the divestiture of its crispbread crackers business, GG UniqueFiber® (“GG”) for total cash consideration of \$336. The sale of GG is consistent with the Company’s transformation and portfolio simplification process. GG operated in Norway and was part of the Company’s International reportable segment. The Company deconsolidated the net assets of GG during the twelve months ended June 30, 2021, recognizing a pre-tax loss on sale of \$3,753 in the fourth quarter of fiscal 2021.

Dream® and WestSoy®

On April 15, 2021, the Company completed the divestiture of its North America non-dairy beverages business, consisting of the Dream® and WestSoy® brands, for total cash consideration of \$33,000, subject to customary post-closing adjustments. The final purchase price was \$31,320. The non-dairy beverage business was considered to be non-core within our broader North American business, and the sale aligns with the Company’s portfolio simplification process. The business operated out of the United States and Canada and was part of the Company’s North America reportable segment. The Company deconsolidated the net assets of the North American non-dairy beverage business during the twelve months ended June 30, 2021, recognizing a pre-tax gain on sale of \$7,519 in the fourth quarter of fiscal 2021.

Fruit

In August 2020, the Company’s Board of Directors approved a plan to sell its prepared fresh fruit, fresh fruit drinks and fresh fruit desserts division (“Fruit”), primarily consisting of the Orchard House® Foods Limited business and associated brands. This decision supported the Company’s overall strategy as the Fruit business did not align, and had limited synergies, with the rest of the Company’s businesses. The Company determined that the held for sale criteria was met and classified the assets and liabilities of the Fruit business as held for sale as of September 30, 2020 and December 31, 2020, recognizing a pre-tax non-cash loss for the three and six months ended December 31, 2020 of \$23,596 and \$56,093, respectively, to reduce the carrying value to its estimated fair value less costs to sell. The sale was completed on January 13, 2021 for a total cash consideration of \$38,547, recognizing a pre-tax loss on sale of \$1,904 during the third quarter of fiscal 2021.

Danival

The Company entered into a definitive stock purchase agreement on June 30, 2020 for the sale of its Danival business, a component of the International reportable segment, and the transaction closed on July 21, 2020. The Company deconsolidated the net assets of the Danival business upon closing of the sale during the quarter ended September 30, 2020, recognizing a pre-tax gain on sale of \$611 during the first quarter of fiscal 2021.

Discontinued Operations**Sale of Tilda Business**

On August 27, 2019, the Company sold the entities comprising the Tilda Group Entities and certain other assets of the Tilda business for an aggregate price of \$342,000 in cash, subject to customary post-closing adjustments based on the balance sheets of the Tilda business. The disposition of the Tilda operating segment represented a strategic shift that had a major impact on the Company's operations and financial results and has been accounted for as discontinued operations. The following table presents the major classes of Tilda's results within Net income from discontinued operations, net of tax in our Consolidated Statements of Operations:

	Three Months Ended December 31, 2020	Six Months Ended December 31, 2020
Net sales	\$ —	\$ —
Cost of sales	—	—
Gross profit	—	—
Other expense	—	75
Net loss from discontinued operations before income taxes	—	(75)
Provision (benefit) for income taxes ⁽¹⁾	11	(11,320)
Net (loss) income from discontinued operations, net of tax	<u>\$ (11)</u>	<u>\$ 11,245</u>

(1) Includes \$11,331 of tax benefit related to the tax gain on the sale of Tilda for the six months ended December 31, 2020.

There were no assets or liabilities from discontinued operations associated with Tilda as of December 31, 2021 or June 30, 2021.

The Company's dispositions are described in more detail in Note 5, Dispositions, in the Notes to the Consolidated Financial Statements in the Form 10-K.

5. INVENTORIES

Inventories consisted of the following:

	December 31, 2021	June 30, 2021
Finished goods	\$ 185,471	\$ 187,884
Raw materials, work-in-progress and packaging	103,768	97,526
	<u>\$ 289,239</u>	<u>\$ 285,410</u>

At each period end, inventory is reviewed to ensure that it is recorded at the lower of cost or net realizable value.

6. PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net consisted of the following:

	December 31, 2021	June 30, 2021
Land	\$ 11,835	\$ 13,666
Buildings and improvements	54,910	58,143
Machinery and equipment	312,302	306,811
Computer hardware and software	66,375	65,132
Furniture and fixtures	24,829	23,546
Leasehold improvements	58,587	54,360
Construction in progress	28,801	21,633
	<u>557,639</u>	<u>543,291</u>
Less: Accumulated depreciation and amortization	237,592	230,514
	<u>\$ 320,047</u>	<u>\$ 312,777</u>

Depreciation and amortization expense for the three months ended December 31, 2021 and 2020 was \$7,244 and \$7,481, respectively. Depreciation and amortization expense for the six months ended December 31, 2021 and 2020 was \$14,652 and \$17,184, respectively.

During the three months ended December 31, 2021, the Company completed the sale of undeveloped land plots in Boulder, Colorado in the United States for total cash proceeds of \$10,005, net of brokerage and other fees, resulting in a gain in the amount of \$8,656, which is included as a component of Other income, net.

The Company recognized an impairment charge of \$303 during the three months ended December 31, 2021 relating to a facility in the United Kingdom. The facility was held for sale as of December 31, 2021 and June 30, 2021 with a net carrying amount of \$1,586 and \$1,874, respectively. Further, a facility in the United States was held for sale as of December 31, 2021 with a net carrying amount of \$1,768.

During the three months ended December 31, 2020, the Company recorded a non-cash impairment charge of \$1,333 related to the write-down of building improvements.

7. LEASES

The Company leases office space, warehouse and distribution facilities, manufacturing equipment and vehicles primarily in North America and Europe. The Company determines if an arrangement is or contains a lease at inception. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. The Company's lease agreements generally do not contain residual value guarantees or material restrictive covenants. A limited number of lease agreements include rental payments adjusted periodically for inflation.

Some of the Company's leases contain variable lease payments, which are expensed as incurred unless those payments are based on an index or rate. Variable lease payments based on an index or rate are initially measured using the index or rate in effect at lease commencement and included in the measurement of the lease liability; thereafter, changes to lease payments due to rate or index changes are recorded as variable lease expense in the period incurred. The Company does not have any related party leases, and sublease transactions are de minimis.

The components of lease expenses for the three and six months ended December 31, 2021 were as follows:

	Three Months Ended		Six Months Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Operating lease expenses	\$ 3,665	\$ 4,205	\$ 7,417	\$ 8,161
Finance lease expenses	67	61	137	246
Variable lease expenses	306	91	709	957
Short-term lease expenses	677	687	2,042	1,243
Total lease expenses	<u>\$ 4,715</u>	<u>\$ 5,044</u>	<u>\$ 10,305</u>	<u>\$ 10,607</u>

Supplemental balance sheet information related to leases was as follows:

Leases	Classification	December 31, 2021	June 30, 2021
Assets			
Operating lease ROU assets, net	Operating lease right-of-use assets	\$ 91,739	\$ 92,010
Finance lease ROU assets, net	Property, plant and equipment, net	519	547
Total leased assets		<u>\$ 92,258</u>	<u>\$ 92,557</u>
Liabilities			
Current			
Operating	Accrued expenses and other current liabilities	\$ 12,437	\$ 10,870
Finance	Current portion of long-term debt	206	229
Non-current			
Operating	Operating lease liabilities, noncurrent portion	84,219	85,929
Finance	Long-term debt, less current portion	324	326
Total lease liabilities		<u>\$ 97,186</u>	<u>\$ 97,354</u>

Additional information related to leases is as follows:

	Six Months Ended	
	December 31, 2021	December 31, 2020
Supplemental cash flow information		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 7,560	\$ 8,569
Operating cash flows from finance leases	\$ 10	\$ 6
Financing cash flows from finance leases	\$ 123	\$ 201
ROU assets obtained in exchange for lease obligations:		
Operating leases	\$ 3,182	\$ 12,745
Finance leases	\$ 116	\$ 371
ROU assets obtained in connection with an acquisition (See Note 4):		
Operating leases	\$ 4,098	\$ —
Weighted average remaining lease term:		
Operating leases	9.5 years	10.0 years
Finance leases	4.2 years	1.8 years
Weighted average discount rate:		
Operating leases	3.2 %	3.1 %
Finance leases	3.9 %	2.4 %

Maturities of lease liabilities as of December 31, 2021 were as follows:

Fiscal Year	Operating leases	Finance leases	Total
2022 (remainder of year)	\$ 7,007	\$ 113	\$ 7,120
2023	15,932	162	16,094
2024	14,258	80	14,338
2025	12,092	80	12,172
2026	11,463	67	11,530
Thereafter	53,779	78	53,857
Total lease payments	114,531	580	115,111
Less: Imputed interest	17,875	50	17,925
Total lease liabilities	\$ 96,656	\$ 530	\$ 97,186

On December 17, 2021, the Company entered into an operating lease in the United States that has not yet commenced. Obligations under this lease are approximately \$41,638, and the lease is expected to commence during the fourth quarter of fiscal year ending June 30, 2022 with a lease term of 10.5 years, excluding one renewal option.

8. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill

The following table provides the changes in the carrying value of goodwill by reportable segment:

	North America	International	Total
Balance as of June 30, 2021	\$ 600,812	\$ 270,255	\$ 871,067
Acquisition activity (See Note 4)	93,629	—	93,629
Translation and other adjustments, net	(993)	(7,420)	(8,413)
Balance as of December 31, 2021	<u>\$ 693,448</u>	<u>\$ 262,835</u>	<u>\$ 956,283</u>

Other Intangible Assets

The following table includes the gross carrying amount and accumulated amortization, where applicable, for intangible assets, excluding goodwill:

	December 31, 2021	June 30, 2021
Non-amortized intangible assets:		
Trademarks and tradenames	\$ 393,222	\$ 273,471
Amortized intangible assets:		
Other intangibles	214,623	146,856
Less: Accumulated amortization	(107,752)	(105,432)
Net amortized intangible assets	106,871	41,424
Net other intangible assets	<u>\$ 500,093</u>	<u>\$ 314,895</u>

There were no events or circumstances that warranted an interim impairment test for indefinite-lived intangible assets during the three and six months ended December 31, 2021 or 2020. See Note 4, *Acquisitions and Dispositions*, for details surrounding the acquisition of THWR, including \$193,800 of identifiable intangible assets acquired on December 28, 2021.

Amortized intangible assets, which are deemed to have a finite life, primarily consist of customer relationships and trademarks and tradenames and are amortized over their estimated useful lives of 5 to 25 years. Amortization expense included in continuing operations was as follows:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2021	2020	2021	2020
Amortization of acquired intangibles	\$ 2,050	\$ 2,193	\$ 4,145	\$ 4,626

Expected amortization expense over the next five fiscal years is as follows:

	Fiscal Year Ending June 30,				
	2022 (remainder of year)	2023	2024	2025	2026
Estimated amortization expense	\$ 6,176	\$ 11,743	\$ 9,175	\$ 8,096	\$ 7,631

The weighted average remaining amortization period of amortized intangible assets is 13.8 years.

9. DEBT AND BORROWINGS

Debt and borrowings consisted of the following:

	December 31, 2021	June 30, 2021
Revolving credit facility	\$ 440,000	\$ 230,000
Term loans	300,000	—
Less: Unamortized issuance costs	(1,228)	—
Other borrowings	675	1,022
	739,447	231,022
Short-term borrowings and current portion of long-term debt	7,834	530
Long-term debt, less current portion	\$ 731,613	\$ 230,492

Amended and Restated Credit Agreement

On December 22, 2021, the Company refinanced its revolving credit facility by entering into a Fourth Amended and Restated Credit Agreement (the "Credit Agreement"). The Credit Agreement provides for senior secured financing of \$1,100,000 in the aggregate, consisting of (1) \$300,000 in aggregate principal amount of term loans (the "Term Loans") and (2) an \$800,000 senior secured revolving credit facility (which includes borrowing capacity available for letters of credit, and is comprised of a \$440,000 U.S. revolving credit facility and \$360,000 global revolving credit facility) (the "Revolver"). Both the Revolver and the Term Loans mature on December 22, 2026. As of December 31, 2021, there were \$440,000 of loans under the Revolver, \$300,000 of Term Loans, and \$6,769 letters of credit outstanding under the Credit Agreement.

The Credit Agreement provides that loans will bear interest at rates based on (a) the Eurodollar Rate plus a rate ranging from 0.875% to 1.75% per annum or (b) the Base Rate plus a rate ranging from 0.00% to 0.75% per annum, the relevant rate being the Applicable Rate. The Applicable Rate will be determined in accordance with a leverage-based pricing grid, as set forth in the Credit Agreement. Swing Line Loans and Global Swing Line Loans denominated in U.S. Dollars will bear interest at the Base Rate plus the Applicable Rate, and Global Swing Line Loans denominated in foreign currencies shall bear interest based on (a) the Euro Short Term Rate, or €STR, in the case of such loans denominated in Euros plus the Applicable Rate, (b) the Sterling Overnight Index Average Reference Rate, or SONIA, in the case of such loans denominated in Sterling plus the Applicable Rate or (c) the Canadian Prime Rate plus the Applicable Rate. The weighted average interest rate on outstanding borrowings under the Credit Agreement at December 31, 2021 was 1.45%. Additionally, the Credit Agreement contains a Commitment Fee on the amount unused under the Credit Agreement ranging from 0.15% to 0.25% per annum, and such Commitment Fee is determined in accordance with a leverage-based pricing grid.

The Credit Agreement includes maintenance covenants that will require compliance with a consolidated interest coverage ratio, a consolidated secured leverage ratio and a consolidated leverage ratio. As of December 31, 2021, \$353,231 was available under the Credit Agreement, and the Company was in compliance with all associated covenants.

In connection with the Credit Agreement, the Company and its material domestic subsidiaries entered into an Amended and Restated Security and Pledge Agreement (the "Security Agreement"), pursuant to which all of the obligations under the Credit Agreement will be secured by liens on assets of the Company and its material domestic subsidiaries, including the equity interests in each of their direct subsidiaries and intellectual property, subject to agreed-upon exceptions.

Credit Agreement Issuance Costs

Based on the Company's evaluation of the borrowing capacity associated with the creditors participating in the previous facility compared to those in the Credit Agreement, \$1,762 of the \$2,036 of unamortized deferred financing costs at December 22, 2021 were deferred and the remaining \$274 were expensed as a component of Interest and other financing expense, net. Additionally, the Company incurred debt issuance costs of approximately \$2,764 in connection with the Credit Agreement. Of the total \$4,526 of deferred debt issuance costs, \$3,292 were associated with the Revolver and are being amortized on a straight-line basis within Other assets on our Consolidated Balance Sheet, and \$1,234 are being amortized on a straight-line basis, which approximates the effective interest method, as an adjustment to the carrying amount of the Term Loans as a component of Interest and other financing expense, net over the term of the Credit Agreement.

10. INCOME TAXES

In general, the Company uses an estimated annual effective tax rate, which is based on expected annual income and statutory tax rates in the various jurisdictions in which the Company operates, to determine its quarterly provision for income taxes. Certain significant or unusual items are separately recognized in the quarter in which they occur and can be a source of variability on the effective tax rates from quarter to quarter. The Company's effective tax rate may change from period-to-period based on recurring and non-recurring factors including the geographical mix of earnings, enacted tax legislation, state and local income taxes and tax audit settlements.

The effective income tax rate from continuing operations was an expense of 18.6% and 72.3% for the three months ended December 31, 2021 and 2020, respectively. The effective income tax rate from continuing operations was an expense of 18.6% and 154.3% for the six months ended December 31, 2021 and 2020, respectively. The effective income tax rate from continuing operations for the six months ended December 31, 2021 was impacted by the reversal of uncertain tax position accruals based on filing and approval of certain elections by taxing authorities, deductions related to stock based compensation, non-deductible transaction costs related to the acquisition of THWR (see Note 4, *Acquisitions and Dispositions*), and the reversal of a valuation allowance due to the utilization of a capital loss carryover. The effective income tax rate from continuing operations for the six months ended December 31, 2020 was negatively impacted by various discrete items including the tax impact of the United Kingdom Fruit business reserve, the legal entity reorganization, and the UK rate change. The effective income tax rates in each period were also impacted by the geographical mix of earnings and state valuation allowance.

The income tax expense (benefit) from discontinued operations was nil for the three and six months ended December 31, 2021, while the income tax from discontinued operations was a benefit of \$11 and a benefit of \$11,320 for the three and six months ended December 31, 2020, respectively. The benefit for income tax for the six months ended December 31, 2020 was impacted by a legal entity reorganization.

11. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following table presents the changes in accumulated other comprehensive loss (AOCL):

	Three Months Ended December 31,		Six Months Ended December 31,	
	2021	2020	2021	2020
Foreign currency translation adjustments:				
Other comprehensive (loss) income before reclassifications	\$ (2,143)	\$ 46,043	\$ (24,948)	\$ 78,819
Amounts reclassified into income ⁽¹⁾	—	—	—	1,181
Deferred gains (losses) on cash flow hedging instruments:				
Amount of gain (loss) recognized in AOCL on derivatives ⁽²⁾	1,002	(906)	1,537	(1,789)
Amount of (loss) gain reclassified from AOCL into expense ⁽²⁾	(464)	986	(964)	1,909
Deferred gains (losses) on net investment hedging instruments:				
Amount of gain (loss) recognized in AOCL on derivatives ⁽²⁾	1,460	(2,980)	3,370	(5,870)
Amount of gain reclassified from AOCL into income ⁽²⁾	(111)	(99)	(214)	(201)
Net change in AOCL	\$ (256)	\$ 43,044	\$ (21,219)	\$ 74,049

⁽¹⁾Foreign currency translation gains or losses of foreign subsidiaries related to divested businesses are reclassified into income once the liquidation of the respective foreign subsidiaries is substantially complete. During the six months ended December 31, 2020, the Company reclassified \$1,181 of translation losses from AOCL to Other income, net on the Consolidated Statement of Operations.

⁽²⁾See Note 15, Derivatives and Hedging Activities, for the amounts reclassified into income for deferred gains (losses) on cash flow hedging instruments recorded in the Consolidated Statements of Operations in the three and six months ended December 31, 2021 and 2020.

12. STOCK-BASED COMPENSATION AND INCENTIVE PERFORMANCE PLANS

The Company has a stockholder-approved plan, the Amended and Restated 2002 Long-Term Incentive and Stock Award Plan (the "2002 Plan"), under which the Company's officers, senior management, other key employees, consultants and directors may be granted equity-based awards. The Company also grants shares under its 2019 Equity Inducement Award Program (the "2019 Inducement Program") to induce selected individuals to become employees of the Company. The 2002 Plan and 2019 Inducement Program are collectively referred to as the "Stock Award Plans." In conjunction with the Stock Award Plans, the Company maintains a long-term incentive program (the "LTI Program" or "LTIP") that provides for equity awards, including performance and market-based equity awards that can be earned over defined performance periods. The Company's plans are described in Note 14, *Stock-Based Compensation and Incentive Performance Plans*, in the Notes to the Consolidated Financial Statements in the Form 10-K.

Compensation cost and related income tax benefits recognized in the Consolidated Statements of Operations for stock-based compensation plans were as follows:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2021	2020	2021	2020
Selling, general and administrative expense	\$ 4,156	\$ 3,823	\$ 8,443	\$ 8,190
Related income tax benefit	\$ 434	\$ 199	\$ 707	\$ 1,006

Restricted Stock

Awards of restricted stock are either restricted stock awards ("RSAs") or restricted stock units ("RSUs") that are issued at no cost to the recipient. Performance-based or market-based RSUs are issued in the form of performance share units ("PSUs"). A summary of the restricted stock activity (including all RSAs, RSUs and PSUs) for the six months ended December 31, 2021 is as follows:

	Number of Shares and Units	Weighted Average Grant Date Fair Value (per share)
Non-vested RSAs, RSUs and PSUs outstanding at June 30, 2021	1,780	\$ 16.55
Granted	774	\$ 44.82
Vested	(1,497)	\$ 15.10
Forfeited	(108)	\$ 16.41
Non-vested RSAs, RSUs and PSUs outstanding at December 31, 2021	949	\$ 41.94

The table above includes a total of 183 shares granted during the six months ended December 31, 2021 that represent the target number of shares that may be earned based on pre-defined market conditions that are eligible to vest ranging from zero to 200% of target. All such shares remained outstanding at December 31, 2021 and relate to the 2022-2024 LTIP as further described below. Granted shares also include 15 shares that may be earned based on certain performance-based metrics being met. Vested shares during the six months ended December 31, 2021 include a total of 1,299 shares under the 2019-2021 LTIP that vested at 100% of target based on achievement of target absolute total shareholder return ("TSR") levels, and a total of 13 shares granted in a previous period that vested based on certain performance-based metrics being met.

The fair value of RSAs, RSUs and PSUs granted and of shares vested, and the tax benefit recognized from restricted shares vesting was as follows:

	Six Months Ended December 31,	
	2021	2020
Fair value of RSAs, RSUs and PSUs granted	\$ 34,678	\$ 6,101
Fair value of shares vested	\$ 68,017	\$ 5,150
Tax benefit recognized from restricted shares vesting	\$ 3,532	\$ 939

At December 31, 2021, there was \$34,665 of unrecognized stock-based compensation expense related to non-vested restricted stock awards which is expected to be recognized over a weighted average period of 2.4 years.

2022-2024 LTIP

During the three months ended December 31, 2021, the Company granted market-based PSU awards under the LTI Program with a total target payout of 183 shares of common stock. Vesting is pursuant to a defined calculation of either relative TSR or absolute TSR (as defined) over the period from November 18, 2021 through the earlier of (i) November 17, 2024; (ii) the date the participant's employment is terminated due to death or Disability (as defined); or (iii) the effective date of a Change in Control (as defined) (the "TSR Performance Period"). Vesting of 123 target shares of the PSU awards is pursuant to a defined calculation of relative TSR over the TSR Performance Period (the "Relative TSR PSUs"). Vesting of 60 target shares of the PSU awards is pursuant to the achievement of pre-established three-year compound annual TSR targets over the TSR Performance Period (the "Absolute TSR PSUs"). Total shares eligible to vest for both the Relative TSR PSUs and Absolute TSR PSUs range from zero to 200% of the target amount. Grant date fair values are calculated using a Monte-Carlo simulation model with grant date fair values per target share and related valuation assumptions as follows:

	<u>Absolute TSR PSUs</u>	<u>Relative TSR PSUs</u>
Grant date fair value (per target share)	\$39.51	\$60.99
Risk-free interest rate	0.84 %	0.84 %
Expected dividend yield	—	—
Expected volatility	36.90 %	24.20 %
Expected term	3.00 years	3.00 years

13. INVESTMENTS

On October 27, 2015, the Company acquired a minority equity interest in Chop't Creative Salad Company LLC, predecessor to Founders Table Restaurant Group, LLC ("Founders Table"). Founders Table owns and operates the fast-casual restaurant chains Chop't Creative Salad Co. and Dos Toros Taqueria. The investment is being accounted for as an equity method investment due to the Company's representation on the Board of Directors of Founders Table. At December 31, 2021 and June 30, 2021, the carrying value of the Company's investment in Founders Table was \$9,810 and \$10,699, respectively, and is included in the Consolidated Balance Sheets as a component of Investments and joint ventures.

The Company also holds the following investments: (a) Hutchison Hain Organic Holdings Limited, a joint venture with Hutchison China Meditech Ltd., accounted for under the equity method of accounting, (b) Hain Future Natural Products Private Ltd., a joint venture with Future Consumer Ltd, accounted for under the equity method of accounting, and (c) Yeo Hiap Seng Limited, in which the Company holds a less than 1% equity ownership interest. The carrying value of these combined investments was \$6,599 and \$6,218 as of December 31, 2021 and June 30, 2021, respectively, and is included in the Consolidated Balance Sheets as a component of Investments and joint ventures.

14. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

The Company's financial assets and liabilities measured at fair value are required to be grouped in one of three levels. The levels prioritize the inputs used to measure the fair value of the assets or liabilities. These levels are:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 – Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability; and
- Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The following table presents assets and liabilities measured at fair value on a recurring basis as of December 31, 2021:

	Total	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Derivative financial instruments	\$ 1,324	\$ —	\$ 1,324	\$ —
Equity investment	598	598	—	—
Total	\$ 1,922	\$ 598	\$ 1,324	\$ —
Liabilities:				
Derivative financial instruments	6,529	—	6,529	—
Total	\$ 6,529	\$ —	\$ 6,529	\$ —

The following table presents assets and liabilities measured at fair value on a recurring basis as of June 30, 2021:

	Total	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Derivative financial instruments	\$ 699	\$ —	\$ 699	\$ —
Equity investment	646	646	—	—
Total	\$ 1,345	\$ 646	\$ 699	\$ —
Liabilities:				
Derivative financial instruments	11,968	—	11,968	—
Total	\$ 11,968	\$ —	\$ 11,968	\$ —

The equity investment consists of the Company's less than 1% investment in Yeo Hiap Seng Limited, a food and beverage manufacturer and distributor based in Singapore. Fair value is measured using the market approach based on quoted prices. The Company utilizes the income approach to measure fair value for its foreign currency forward contracts. The income approach uses pricing models that rely on market observable inputs such as yield curves, currency exchange rates and forward prices.

There were no transfers of financial instruments between the three levels of fair value hierarchy during the six months ended December 31, 2021 or 2020.

The carrying amount of cash and cash equivalents, accounts receivable, net, accounts payable and certain accrued expenses and other current liabilities approximate fair value due to the short-term maturities of these financial instruments. The Company's debt approximates fair value due to the debt bearing fluctuating market interest rates (see Note 9, *Debt and Borrowings*).

In addition to the instruments named above, the Company makes fair value measurements in connection with its interim and annual goodwill and tradename impairment testing and accounting for acquisitions. These measurements fall into Level 3 of the fair value hierarchy (See Note 8, *Goodwill and Other Intangible Assets*).

Derivative Instruments

The Company uses interest rate swaps to manage its interest rate risk and cross-currency swaps and foreign currency exchange contracts to manage its exposure to fluctuations in foreign currency exchange rates. The valuation of these instruments is determined using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves and implied volatilities. The fair values of interest rate swaps are determined using the market standard methodology of netting the discounted future fixed cash receipts (or payments) and the discounted expected variable cash payments (or receipts). The variable cash payments (or receipts) are based on an expectation of future interest rates (forward curves) derived from observable market interest rate curves.

In accordance with the provisions of ASC 820, *Fair Value Measurements*, the Company incorporates credit valuation adjustments to appropriately reflect both the Company's nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. In adjusting the fair value of the Company's derivative contracts for the effect of nonperformance risk, the Company has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts and guarantees.

Although the Company has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by the Company and its counterparties. The Company has determined that the significance of the impact of the credit valuation adjustments made to its derivative contracts, which determination was based on the fair value of each individual contract, was not significant to the overall valuation. As a result, all of the derivatives held as of December 31, 2021 and June 30, 2021 were classified as Level 2 of the fair value hierarchy.

The fair value estimates presented in the fair value hierarchy tables above are based on information available to management as of December 31, 2021 and June 30, 2021. These estimates are not necessarily indicative of the amounts we could ultimately realize.

15. DERIVATIVES AND HEDGING ACTIVITIES

Risk Management Objective of Using Derivatives

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of business and operational risks through management of its core business activities. The Company manages economic risks, including interest rate, liquidity and credit risk primarily by managing the amount, sources and duration of its assets and liabilities and the use of derivative financial instruments. Specifically, the Company enters into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates. The Company's derivative financial instruments are used to manage differences in the amount, timing and duration of the Company's known or expected cash receipts and its known or expected cash payments principally related to the Company's receivables and borrowings.

Certain of the Company's foreign operations expose the Company to fluctuations of foreign exchange rates. These fluctuations may impact the value of the Company's cash receipts and payments in terms of the Company's functional currency. The Company enters into derivative financial instruments to protect the value or fix the amount of certain assets and liabilities in terms of its functional currency, the U.S. Dollar.

Accordingly, the Company uses derivative financial instruments to manage and mitigate such risks. The Company does not use derivatives for speculative or trading purposes.

Cash Flow Hedges of Interest Rate Risk

The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. During the three and six months ended December 31, 2021, such derivatives were used to hedge the variable cash flows associated with existing variable rate debt.

For derivatives designated and that qualify as cash flow hedges of interest rate risk, the gain or loss on the derivative is recorded in AOCL and subsequently reclassified into interest expense in the same period during which the hedged transaction affects earnings. Amounts reported in AOCL related to derivatives will be reclassified to interest expense as interest payments are made on the Company's variable rate debt. During the remaining six months of fiscal 2022, the Company estimates that an additional \$35 will be reclassified as an increase to interest expense.

As of December 31, 2021, the Company had the following outstanding interest rate derivatives that were designated as cash flow hedges of interest rate risk:

Interest Rate Derivative	Number of Instruments	Notional Amount
Interest Rate Swap	4	\$230,000

Cash Flow Hedges of Foreign Exchange Risk

The Company is exposed to fluctuations in various foreign currencies against its functional currency, the U.S. Dollar. The Company uses foreign currency derivatives including cross-currency swaps to manage its exposure to fluctuations in the USD-EUR exchange rates. Cross-currency swaps involve exchanging fixed-rate interest payments for fixed-rate interest receipts, both of which will occur at the USD-EUR forward exchange rates in effect upon entering into the instrument. The Company, at times, also uses forward contracts to manage its exposure to fluctuations in the GBP-EUR exchange rates. The Company designates these derivatives as cash flow hedges of foreign exchange risks.

For derivatives designated and that qualify as cash flow hedges of foreign exchange risk, the gain or loss on the derivative is recorded in AOCL and subsequently reclassified in the period(s) during which the hedged transaction affects earnings within the same income statement line item as the earnings effect of the hedged transaction. During the remaining six months of fiscal 2022, the Company estimates that an additional \$88 relating to cross-currency swaps will be reclassified as an increase to interest income.

As of December 31, 2021, the Company had the following outstanding foreign currency derivatives that were used to hedge its foreign exchange risks:

Foreign Currency Derivative	Number of Instruments	Notional Sold	Notional Purchased
Cross-currency swap	1	€24,700	\$26,775
Foreign currency forward contract	3	£2,574	€3,000

Net Investment Hedges

The Company is exposed to fluctuations in foreign exchange rates on investments it holds in its European foreign entities and their exposure to the Euro. The Company uses fixed-to-fixed cross-currency swaps to hedge its exposure to changes in the foreign exchange rate on its foreign investment in Europe. Currency forward agreements involve fixing the USD-EUR exchange rate for delivery of a specified amount of foreign currency on a specified date. The currency forward agreements are typically cash settled in U.S. Dollars for their fair value at or close to their settlement date. Cross-currency swaps involve the receipt of functional-currency-fixed-rate amounts from a counterparty in exchange for the Company making foreign-currency fixed-rate payments over the life of the agreement.

For derivatives designated as net investment hedges, the gain or loss on the derivative is reported in AOCL as part of the cumulative translation adjustment. Amounts are reclassified out of AOCL into earnings when the hedged net investment is either sold or substantially liquidated.

As of December 31, 2021, the Company had the following outstanding foreign currency derivatives that were used to hedge its net investments in foreign operations:

Foreign Currency Derivative	Number of Instruments	Notional Sold	Notional Purchased
Cross-currency swap	2	€76,969	\$83,225

Non-Designated Hedges

Derivatives not designated as hedges are not speculative and are used to manage the Company's exposure to interest rate movements and other identified risks but do not meet the strict hedge accounting requirements and/or the Company has not elected to apply hedge accounting. Changes in the fair value of derivatives not designated in hedging relationships are recorded directly in earnings.

As of December 31, 2021, the Company had no outstanding derivatives that were not designated as hedges in qualifying hedging relationships.

The following table presents the fair value of the Company's derivative financial instruments as well as their classification on the Consolidated Balance Sheet as of December 31, 2021:

	Asset Derivatives		Liability Derivatives	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
<u>Derivatives designated as hedging instruments:</u>				
Interest rate swaps	Prepaid expenses and other current assets	\$ 596	Accrued expenses and other current liabilities / Other noncurrent liabilities	\$ —
Cross-currency swaps	Prepaid expenses and other current assets	728	Other noncurrent liabilities	6,452
Foreign currency forward contracts	Prepaid expenses and other current assets	—	Other noncurrent liabilities	77
Total derivatives designated as hedging instruments		<u>\$ 1,324</u>		<u>\$ 6,529</u>

The following table presents the fair value of the Company's derivative financial instruments as well as their classification on the Consolidated Balance Sheet as of June 30, 2021:

	Asset Derivatives		Liability Derivatives	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
<u>Derivatives designated as hedging instruments:</u>				
Interest rate swaps	Prepaid expenses and other current assets	\$ 43	Accrued expenses and other current liabilities / Other noncurrent liabilities	\$ 312
Cross-currency swaps	Prepaid expenses and other current assets	656	Other noncurrent liabilities	11,656
Total derivatives designated as hedging instruments		<u>\$ 699</u>		<u>\$ 11,968</u>

The following table presents the pre-tax effect of cash flow hedge accounting on AOCL and Consolidated Statements of Operations as of the three months ended December 31, 2021 and 2020:

Derivatives in Cash Flow Hedging Relationships	Amount of Gain (Loss) Recognized in OCI on Derivatives		Location of Gain (Loss) Reclassified from AOCL into Income	Amount of Gain (Loss) Reclassified from AOCL into Income	
	Three Months Ended December 31,			Three Months Ended December 31,	
	2021	2020		2021	2020
Interest rate swaps	\$ 772	\$ 62	Interest and other financing expense, net	\$ (105)	\$ (72)
Cross-currency swaps	593	(1,209)	Interest and other financing expense, net / Other expense (income), net	664	(1,176)
Foreign currency forward contracts	(98)	—	Cost of sales	26	—
Total	<u>\$ 1,267</u>	<u>\$ (1,147)</u>		<u>\$ 585</u>	<u>\$ (1,248)</u>

The following table presents the pre-tax effect of cash flow hedge accounting on AOCL and Consolidated Statements of Operations as of the six months ended December 31, 2021 and 2020:

Derivatives in Cash Flow Hedging Relationships	Amount of Gain (Loss) Recognized in OCI on Derivatives		Location of Gain (Loss) Reclassified from AOCL into Income	Amount of Gain (Loss) Reclassified from AOCL into Income	
	Six Months Ended December 31,			Six Months Ended December 31,	
	2021	2020		2021	2020
Interest rate swaps	\$ 655	\$ 123	Interest and other financing expense, net	\$ (209)	\$ (130)
Cross-currency swaps	1,369	(2,386)	Interest and other financing expense, net / Other expense (income), net	1,402	(2,359)
Foreign currency forward contracts	(79)	(2)	Cost of sales	26	73
Total	<u>\$ 1,945</u>	<u>\$ (2,265)</u>		<u>\$ 1,219</u>	<u>\$ (2,416)</u>

The following table presents the pre-tax effect of the Company's derivative financial instruments electing cash flow hedge accounting on the Consolidated Statements of Operations for the three months ended of December 31, 2021 and 2020:

	Location and Amount of Gain (Loss) Recognized in the Consolidated Statement of Operations on Cash Flow Hedging Relationships					
	Three Months Ended December 31, 2021			Three Months Ended December 31, 2020		
	Cost of sales	Interest and other financing expense, net	Other expense/income, net	Cost of sales	Interest and other financing expense, net	Other expense/income, net
The effects of cash flow hedging:						
Gain (loss) on cash flow hedging relationships						
Interest rate swaps						
Amount of (loss) gain reclassified from AOCL into income	\$ —	\$ (105)	\$ —	\$ —	\$ (72)	\$ —
Cross-currency swaps						
Amount of gain (loss) reclassified from AOCL into income	\$ —	\$ 44	\$ 620	\$ —	\$ 40	\$ (1,216)
Foreign currency forward contracts						
Amount of (loss) gain reclassified from AOCL into income	\$ 26	\$ —	\$ —	\$ —	\$ —	\$ —

The following table presents the pre-tax effect of the Company's derivative financial instruments electing cash flow hedge accounting on the Consolidated Statements of Operations for the six months ended of December 31, 2021 and 2020:

	Location and Amount of Gain (Loss) Recognized in the Consolidated Statement of Operations on Cash Flow Hedging Relationships					
	Six Months Ended December 31, 2021			Six Months Ended December 31, 2020		
	Cost of sales	Interest and other financing expense, net	Other expense (income), net	Cost of sales	Interest and other financing expense, net	Other expense (income), net
The effects of cash flow hedging:						
Gain (loss) on cash flow hedging relationships						
Interest rate swaps						
Amount of (loss) gain reclassified from AOCL into income	\$ —	\$ (209)	\$ —	\$ —	\$ (130)	\$ —
Cross-currency swaps						
Amount of gain (loss) reclassified from AOCL into income	\$ —	\$ 85	\$ 1,317	\$ —	\$ 81	\$ (2,440)
Foreign currency forward contracts						
Amount of (loss) gain reclassified from AOCL into income	\$ 26	\$ —	\$ —	\$ 73	\$ —	\$ —

The following table presents the pre-tax effect of the Company's net investment hedges on AOCL and the Consolidated Statements of Operations for the three months ended December 31, 2021 and 2020:

Derivatives in Net Investment Hedging Relationships	Amount of Gain (Loss) Recognized in OCI on Derivatives		Location of Gain (Loss) Recognized in Income on Derivatives (Amount Excluded from Effectiveness Testing)	Amount of Gain (Loss) Recognized in Income on Derivatives (Amount Excluded from Effectiveness Testing)	
	Three Months Ended December 31,			Three Months Ended December 31,	
	2021	2020		2021	2020
Cross-currency swaps	\$ 1,849	\$ (3,772)	Interest and other financing expense, net	\$ 140	\$ 125

The following table presents the pre-tax effect of the Company's net investment hedges on AOCL and the Consolidated Statements of Operations for the six months ended December 31, 2021 and 2020:

Derivatives in Net Investment Hedging Relationships	Amount of Gain (Loss) Recognized in OCI on Derivatives		Location of Gain (Loss) Recognized in Income on Derivatives (Amount Excluded from Effectiveness Testing)	Amount of Gain (Loss) Recognized in Income on Derivatives (Amount Excluded from Effectiveness Testing)	
	Six Months Ended December 31,			Six Months Ended December 31,	
	2021	2020		2021	2020
Cross-currency swaps	\$ 4,267	\$ (7,430)	Interest and other financing expense, net	\$ 270	\$ 254

The following table presents the effect of the Company's derivative financial instruments that are not designated as hedging instruments on the Consolidated Statements Operations for the three months ended December 31, 2021 and 2020:

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized in Income on Derivative	Amount of Gain (Loss) Recognized in Income on Derivatives	
		Three Months Ended December 31,	
		2021	2020
Foreign currency forward contracts	Other (income) expense, net	\$ —	\$ (523)

The following table presents the effect of the Company's derivative financial instruments that are not designated as hedging instruments on the Consolidated Statements Operations for the six months ended December 31, 2021 and 2020:

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized in Income on Derivative	Amount of Gain (Loss) Recognized in Income on Derivatives	
		Six Months Ended December 31,	
		2021	2020
Foreign currency forward contracts	Other (income) expense, net	\$ —	\$ (399)

Credit-Risk-Related Contingent Features

The Company has agreements with each of its derivative counterparties that contain a provision providing that upon certain defaults by the Company on any of its indebtedness, the Company could also be declared in default on its derivative obligations.

16. TERMINATION BENEFITS RELATED TO PRODUCTIVITY AND TRANSFORMATION INITIATIVES

As a part of the ongoing productivity and transformation initiatives related to the Company's strategic objective to expand profit margins and cash flow, the Company initiated a reduction in workforce at targeted locations in the United States as well as at certain locations internationally. The reduction in workforce associated with these initiatives are expected to result in charges throughout fiscal 2022.

The following table displays the termination benefits and personnel realignment activities and liability balances relating to the reduction in workforce for the period ended as of December 31, 2021:

	Balance at June 30, 2021	Charges (Reversals)	Amounts Paid	Foreign Currency Translation & Other Adjustments	Balance at December 31, 2021
Termination benefits and personnel realignment	\$ 4,448	\$ 884	\$ (4,005)	\$ (21)	\$ 1,306

The liability balance as of December 31, 2021 and June 30, 2021 is included within Accrued expenses and other current liabilities on the Company's Consolidated Balance Sheets.

17. COMMITMENTS AND CONTINGENCIES*Securities Class Actions Filed in Federal Court*

On August 17, 2016, three securities class action complaints were filed in the Eastern District of New York (the "District Court") against the Company alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934. The three complaints are: (1) *Flora v. The Hain Celestial Group, Inc., et al.* (the "Flora Complaint"); (2) *Lynn v. The Hain Celestial Group, Inc., et al.* (the "Lynn Complaint"); and (3) *Spadola v. The Hain Celestial Group, Inc., et al.* (the "Spadola Complaint" and, together with the Flora and Lynn Complaints, the "Securities Complaints"). On June 5, 2017, the District Court issued an order for consolidation, appointment of Co-Lead Plaintiffs and approval of selection of co-lead counsel. Pursuant to this order, the Securities Complaints were consolidated under the caption *In re The Hain Celestial Group, Inc. Securities Litigation* (the "Consolidated Securities Action"), and Rosewood Funeral Home and Salomon Gimpel were appointed as Co-Lead Plaintiffs. On June 21, 2017, the Company received notice that plaintiff Spadola voluntarily dismissed his claims without prejudice to his ability to participate in the Consolidated Securities Action as an absent class member. The Co-Lead Plaintiffs in the Consolidated Securities Action filed a Consolidated Amended Complaint on August 4, 2017 and a Corrected Consolidated Amended Complaint on September 7, 2017 on behalf of a purported class consisting of all persons who purchased or otherwise acquired Hain Celestial securities between November 5, 2013 and February 10, 2017 (the "Amended Complaint"). The Amended Complaint named as defendants the Company and certain of its former officers (collectively, "Defendants") and asserted violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 based on allegedly materially false or misleading statements and omissions in public statements, press releases and SEC filings regarding the Company's business, prospects, financial results and internal controls. Defendants filed a motion to dismiss the Amended Complaint on October 3, 2017 which the District Court granted on March 29, 2019, dismissing the case in its entirety, without prejudice to replead. Co-Lead Plaintiffs filed a Second Amended Consolidated Class Action Complaint on May 6, 2019 (the "Second Amended Complaint"). The Second Amended Complaint again named as defendants the Company and certain of its former officers and asserts violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 based on allegations similar to those in the Amended Complaint, including materially false or misleading statements and omissions in public statements, press releases and SEC filings regarding the Company's business, prospects, financial results and internal controls. Defendants filed a motion to dismiss the Second Amended Complaint on June 20, 2019. On April 6, 2020, the District Court granted Defendants' motion to dismiss the Second Amended Complaint in its entirety, with prejudice. Co-Lead Plaintiffs appealed the District Court's decision dismissing the Second Amended Complaint to the United States Court of Appeals for the Second Circuit (the "Second Circuit"). By decision dated December 17, 2021, the Second Circuit vacated the District Court's judgment and remanded the case for further proceedings.

Additional Stockholder Class Action and Derivative Complaints Filed in Federal Court

On April 19, 2017 and April 26, 2017, two class action and stockholder derivative complaints were filed in the Eastern District of New York against the former Board of Directors and certain former officers of the Company under the captions *Silva v. Simon, et al.* (the "Silva Complaint") and *Barnes v. Simon, et al.* (the "Barnes Complaint"), respectively. Both the Silva

Complaint and the Barnes Complaint allege violation of securities law, breach of fiduciary duty, waste of corporate assets and unjust enrichment.

On May 23, 2017, an additional stockholder filed a complaint under seal in the Eastern District of New York against the former Board of Directors and certain former officers of the Company. The complaint alleged that the Company's former directors and certain former officers made materially false and misleading statements in press releases and SEC filings regarding the Company's business, prospects and financial results. The complaint also alleged that the Company violated its by-laws and Delaware law by failing to hold its 2016 Annual Stockholders Meeting and includes claims for breach of fiduciary duty, unjust enrichment and corporate waste. On August 9, 2017, the District Court granted an order to unseal this case and reveal Gary Merenstein as the plaintiff (the "Merenstein Complaint").

On August 10, 2017, the District Court granted the parties' stipulation to consolidate the Barnes Complaint, the Silva Complaint and the Merenstein Complaint under the caption *In re The Hain Celestial Group, Inc. Stockholder Class and Derivative Litigation* (the "Consolidated Stockholder Class and Derivative Action") and to appoint Robbins Arroyo LLP and Scott+Scott as Co-Lead Counsel, with the Law Offices of Thomas G. Amon as Liaison Counsel for Plaintiffs. On September 14, 2017, a related complaint was filed under the caption *Oliver v. Berke, et al.* (the "Oliver Complaint"), and on October 6, 2017, the Oliver Complaint was consolidated with the Consolidated Stockholder Class and Derivative Action. The Plaintiffs filed their consolidated amended complaint under seal on October 26, 2017. On December 20, 2017, the parties agreed to stay Defendants' time to answer, move, or otherwise respond to the consolidated amended complaint through and including 30 days after a decision was rendered on the motion to dismiss the Amended Complaint in the Consolidated Securities Action, described above.

On March 29, 2019, the District Court in the Consolidated Securities Action granted Defendants' motion, dismissing the Amended Complaint in its entirety, without prejudice to replead. Co-Lead Plaintiffs in the Consolidated Securities Action filed the Second Amended Complaint on May 6, 2019. The parties to the Consolidated Stockholder Class and Derivative Action agreed to continue the stay of Defendants' time to answer, move, or otherwise respond to the consolidated amended complaint through 30 days after a decision on Defendants' motion to dismiss the Second Amended Complaint in the Consolidated Securities Action.

On April 6, 2020, the District Court granted Defendants' motion to dismiss the Second Amended Complaint in the Consolidated Securities Action, with prejudice. Pursuant to the terms of the stay, Defendants in the Consolidated Stockholder Class and Derivative Action had until May 6, 2020 to answer, move, or otherwise respond to the complaint in this matter. This deadline was extended, and Defendants moved to dismiss the Consolidated Stockholder Class and Derivative Action Complaint on June 23, 2020, with Plaintiffs' opposition due August 7, 2020.

On July 24, 2020, Plaintiffs made a stockholder litigation demand on the current Board containing overlapping factual allegations to those set forth in the Consolidated Stockholder Class and Derivative Action. On August 10, 2020, the District Court vacated the briefing schedule on Defendants' pending motion to dismiss in order to give the Board of Directors time to consider the demand. On each of September 8 and October 8, 2020, the District Court extended its stay of any applicable deadlines for 30 days to give the Board of Directors additional time to complete its evaluation of the demand. On November 3, 2020, Plaintiffs were informed that the Board of Directors had finished investigating and resolved, among other things, that the demand should be rejected. On November 6, 2020, Plaintiffs and Defendants notified the District Court that Plaintiffs were evaluating the rejection of the demand, sought certain additional information and were assessing next steps, and requested that the District Court extend the stay for an additional 30 days, to on or around December 7, 2020. The Parties then filed a number of additional joint status reports, requesting that the District Court continue the stay of applicable deadlines through December 30, 2021. In light of the Second Circuit vacating the District Court's judgment in the Consolidated Securities Action referenced above and remanding the case for further proceedings, the Parties submitted a joint status report on December 29, 2021 requesting that the District Court continue the temporary stay pending the District Court's reconsideration of the Defendants' motion to dismiss the Second Amended Complaint in the Consolidated Securities Action. The District Court has extended the temporary stay through December 30, 2022.

Baby Food Litigation

Since February 2021, a large number of consumer class actions have been brought against the Company alleging that the Company's Earth's Best baby food products (the "Products") contain unsafe and undisclosed levels of various naturally occurring heavy metals, namely lead, arsenic, cadmium and mercury. There are currently 29 active lawsuits, which generally allege that the Company violated various state consumer protection laws and make other state and common law warranty and unjust enrichment claims related to the alleged failure to disclose the presence of these metals and that consumers would have allegedly either not purchased the Products or would have paid less for them had the Company made adequate disclosures.

These putative class actions seek to certify a nationwide class of consumers as well as various state subclasses. One of the consumer class actions (*Kathryn Gavula, et al. v. Beech-Nut Nutrition Co., et al.*) filed in the U.S. District Court for the District of Oregon alleges that the Company violated the Racketeer Influenced and Corrupt Organizations Act (“RICO”) by conspiring with other baby food manufacturers to conceal the presence of these heavy metals in our respective products. These actions have been filed against all of the major baby food manufacturers in federal courts across the country. The U.S. Judicial Panel on Multidistrict Litigation (“JPML”) declined a request to centralize all of the consumer class action lawsuits against all of the baby food manufacturers into a single multidistrict proceeding, and all but one of these cases against the Company have now been transferred and consolidated in the U.S. District Court for the Eastern District of New York into a proceeding captioned *In re Hain Celestial Heavy Metals Baby Food Litigation*, Case No. 2:21-cv-678 (the “Consolidated Proceeding”). The Eastern District of New York has appointed interim class counsel for the plaintiffs in the Consolidated Proceeding, and the plaintiffs’ consolidated complaint is due in February 2022. One consumer class action is pending in New York Supreme Court, Nassau County. The Company has moved to stay or transfer this case to the Consolidated Proceeding and that motion is pending. The Company denies the allegations in these lawsuits and contends that its baby foods are safe and properly labeled.

The claims raised in these lawsuits were brought in the wake of a highly publicized report issued by the U.S. House of Representatives Subcommittee on Economic and Consumer Policy on Oversight and Reform, dated February 4, 2021 (the “House Report”), addressing the presence of heavy metals in baby foods made by certain manufacturers, including the Company. Since the publishing of the House Report, the Company has also received information requests with respect to the advertising and quality of its baby foods from certain governmental authorities, as such authorities investigate the claims made in the House Report. The Company is fully cooperating with these requests and is providing documents and other requested information. The Company has been named in one civil government enforcement action, *State of New Mexico ex rel. Balderas v. Nurture, Inc., et al.*, which was filed by the New Mexico Attorney General against the Company and several other manufacturers based on the alleged presence of heavy metals in their baby food products. The Company and several other manufacturers have moved to dismiss the New Mexico Attorney General’s lawsuit, and that motion to dismiss is currently pending.

In addition to the consumer class actions discussed above, the Company is currently named in four lawsuits in state and federal courts alleging some form of personal injury from the ingestion of the Company’s Products, purportedly due to unsafe and undisclosed levels of various naturally occurring heavy metals. Two of these lawsuits name multiple plaintiffs alleging claims of physical injuries. These lawsuits generally allege injuries related to neurological development disorders such as autism and attention deficit hyperactivity disorder. The Company denies that its Products led to any of these injuries and will defend the cases vigorously.

Other

In addition to the litigation described above, the Company is and may be a defendant in lawsuits from time to time in the normal course of business.

18. SEGMENT INFORMATION

Our organization structure consists of two geographic based reportable segments: North America and International. Our North America reportable segment consists of the United States and Canada as operating segments. Our International reportable segment is comprised of three operating segments: United Kingdom, Ella’s Kitchen UK and Europe. This structure is in line with how our Chief Operating Decision Maker (“CODM”) assesses our performance and allocates resources.

We use segment net sales and operating income to evaluate performance and to allocate resources. We believe these measures are most relevant in order to analyze segment results and trends. Segment operating income excludes certain general corporate expenses (which are a component of selling, general and administrative expenses), impairment and acquisition related expenses, restructuring, integration and other charges.

The following tables set forth financial information about each of the Company's reportable segments. Transactions between reportable segments were insignificant for all periods presented.

	Three Months Ended December 31,		Six Months Ended December 31,	
	2021	2020	2021	2020
Net Sales:				
North America	\$ 275,014	\$ 282,612	\$ 540,539	\$ 563,280
International	201,927	245,806	391,305	463,765
	<u>\$ 476,941</u>	<u>\$ 528,418</u>	<u>\$ 931,844</u>	<u>\$ 1,027,045</u>
Operating Income (Loss):				
North America	\$ 27,162	\$ 32,440	\$ 44,004	\$ 65,696
International	27,368	(2,741)	51,437	(18,630)
	54,530	29,699	95,441	47,066
Corporate and Other ^(a)	(22,509)	(16,742)	(37,873)	(30,829)
	<u>\$ 32,021</u>	<u>\$ 12,957</u>	<u>\$ 57,568</u>	<u>\$ 16,237</u>

^(a) In addition to general Corporate and Other expenses as described above, for the three and six months ended December 31, 2021, Corporate and Other included \$953 and \$3,010 of Productivity and transformation costs, respectively. For the three and six months ended December 31, 2020, Corporate and Other included \$2,735 and \$3,538 of Productivity and transformation costs, respectively.

The Company's net sales by product category⁽¹⁾ are as follows:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2021	2020	2021	2020
Turbocharge	\$ 178,328	\$ 169,816	\$ 349,626	\$ 351,578
Targeted Investment	163,989	176,154	326,565	334,429
Fuel	107,252	114,531	204,506	210,546
Simplify	27,372	67,917	51,147	130,492
Total	<u>\$ 476,941</u>	<u>\$ 528,418</u>	<u>\$ 931,844</u>	<u>\$ 1,027,045</u>

⁽¹⁾The Turbocharge brands are made up of plant-based meat and non-dairy beverages as well as snacks. The Targeted Investment brands are made up of tea, baby, yogurt, and personal care. Fuel brands are made up of pantry brands in categories such as soup, cooking oils and nut butters. The Simplify brands include all other brands.

The Company's net sales by geographic region, which are generally based on the location of the Company's subsidiaries, were as follows:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2021	2020	2021	2020
United States	\$ 243,909	\$ 244,344	\$ 477,396	\$ 484,060
United Kingdom	139,352	179,475	263,100	336,644
All Other	93,680	104,599	191,348	206,341
Total	<u>\$ 476,941</u>	<u>\$ 528,418</u>	<u>\$ 931,844</u>	<u>\$ 1,027,045</u>

The Company's long-lived assets, which represent net property, plant and equipment and operating lease right-of-use assets by geographic area, were as follows:

	December 31, 2021	June 30, 2021
United States	\$ 155,960	\$ 148,950
United Kingdom	148,926	142,973
All Other	106,900	112,864
Total	\$ 411,786	\$ 404,787

19. RELATED PARTY TRANSACTIONS

On April 15, 2021, the Company completed the divestiture of its North America non-dairy beverages brands, Dream[®] and WestSoy[®], for \$31,320. The purchaser in this transaction was SunOpta Inc. ("SunOpta"). The non-employee chair of the Company's Board of Directors is also the chair of the board of SunOpta.

SunOpta was historically also one of the Company's suppliers, for which the Company incurred expenses in the ordinary course of business. The Company incurred expenses of \$0 and \$4,366 in the three months ended December 31, 2021 and 2020, respectively, to SunOpta and affiliated entities. For the six months ended December 31, 2021 and 2020, the Company incurred expenses of \$220 and \$9,156, respectively, to SunOpta and affiliated entities.

On November 9, 2021, the Company entered into a share repurchase agreement with Engaged Capital Co-Invest VI, LP, Engaged Capital Co-Invest VI-B, LP, Engaged Capital Co-Invest VI-C, LP, Engaged Capital Co-Invest VI-D, LP and Engaged Capital Co-Invest VI-E, LP (collectively, the "Selling Stockholders"), which are affiliates of Engaged Capital, LLC, pursuant to which the Company agreed to repurchase, directly from the Selling Stockholders, 1,700 shares of the Company's common stock for \$45.00 per share (the "Share Repurchase"), which equals the price at which the Underwriter (as defined below) purchased shares from the Selling Stockholders, net of underwriting commissions and discounts, in an underwritten public offering that launched on November 10, 2021, whereby the Selling Stockholders sold certain other shares of common stock (the "Offering"). In connection with the Offering, on November 10, 2021, the Company entered into an underwriting agreement with Morgan Stanley & Co. LLC, as underwriter (the "Underwriter"), and the Selling Stockholders. The Share Repurchase and the Offering were completed on November 15, 2021. The aggregate price paid by the Company for the Share Repurchase was \$76,500 (see Note 3, *Earnings (Loss) per Share*), which the Company funded with borrowings under its revolving credit facility. The Company did not receive any proceeds from the Offering. The Founder and Chief Investment Officer of Engaged Capital, LLC is a member of the Company's Board of Directors.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

This Management’s Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Consolidated Financial Statements and the related Notes thereto for the period ended December 31, 2021 contained in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the fiscal year ended June 30, 2021. Forward looking statements in this Form 10-Q are qualified by the cautionary statement included in this Form 10-Q under the sub-heading “Forward-Looking Statements” in the introduction of this Form 10-Q.

Overview

The Hain Celestial Group, Inc., a Delaware corporation (collectively, along with its subsidiaries, the “Company,” and herein referred to as “Hain Celestial,” “we,” “us” and “our”), was founded in 1993 and is headquartered in Lake Success, New York. The Company’s mission has continued to evolve since its founding, with health and wellness being the core tenet. The Company continues to be a leading marketer, manufacturer and seller of organic and natural, “better-for-you” products by anticipating and exceeding consumer expectations in providing quality, innovation, value and convenience. The Company is committed to growing sustainably while continuing to implement environmentally sound business practices and manufacturing processes. Hain Celestial sells its products through specialty and natural food distributors, supermarkets, natural food stores, mass-market and e-commerce retailers, food service channels and club, drug and convenience stores in over 80 countries worldwide. The Company operates under two reportable segments: North America and International.

The Company manufactures, markets, distributes and sells organic and natural products under brand names providing consumers with the opportunity to lead A Healthier Way of Life[®]. Hain Celestial is a leader in many organic and natural products categories, with many recognized brands in the various market categories it serves, including Celestial Seasonings[®], Clarks[™], Cully & Sully[®], Earth’s Best[®], Ella’s Kitchen[®], Frank Cooper’s[®], Gale’s[®], Garden of Eatin’[®], Hain Pure Foods[®], Hartley’s[®], Health Valley[®], Imagine[®], Joya[®], Lima[®], Linda McCartney’s[®] (under license), MaraNatha[®], Natumi[®], New Covent Garden Soup Co.[®], ParmCrisps[®], Robertson’s[®], Rose’s[®] (under license), Sensible Portions[®], Spectrum[®], Sun-Pat[®], Terra[®], The Greek Gods[®], Thinsters[®], Yorkshire Provender[®] and Yves Veggie Cuisine[®]. The Company’s personal care products are marketed under the Alba Botanica[®], Avalon Organics[®], JASON[®], Live Clean[®], and Queen Helene[®] brands.

Our previous strategy, which we refer to as Hain 2.0, was executed under four key pillars—(1) simplify our portfolio; (2) strengthen our capabilities; (3) expand profit margins and cash flow; and (4) reinvigorate profitable topline growth. This strategy has laid the foundation for Hain 3.0, our vision and strategy for the next several years, which is about building a global healthy food and beverage company with industry-leading top line growth. We believe Hain 3.0 positions us as an advantaged and differentiated company, as compared to others in the food industry for several reasons:

- we are singularly focused on health and wellness,
- we are a global company in high-growth categories with opportunities for expansion in existing and new channels and geographies,
- we have unique and advantaged brands with strong points of difference, and
- given our size, small wins can drive material incremental growth.

We have re-segmented the brand portfolio with a more global view to where we have the most growth potential. As a result, we have migrated from a strategy focused on rejuvenating North America behind a construct of “Get Bigger” and “Get Better” brand categories to one that focuses on growing global brands in categories where we think we have the most potential. The categories we have identified are called Turbocharge, Targeted Investment, and Fuel:

- The *Turbocharge* brands are leading-share brands in very high-growth categories. The Turbocharge brands are made up of plant-based meat and non-dairy beverages as well as snacks. Our meat and dairy alternatives are concentrated outside the United States, while the snacks businesses include brands both within the United States and in International.
- The *Targeted Investment* brands are made up of leading-share brands in lower-growth categories. To date, we have demonstrated our ability to drive market share and reinvigorate these categories, and we expect that we can continue to do this in the future. The Targeted Investment brands are made up of tea, baby, yogurt, and personal care. In contrast with Hain 2.0, baby is now one of our growth focus areas, due to its strong brands, scale, profitability, and growth prospects.
- The *Fuel* brands are stable brands that will be leveraged to fuel investment in the Turbocharge and Targeted Investment categories. Fuel brands are made up of premium pantry brands with scale, in categories such as soup, cooking oils and nut butters.

Additionally, as part of Hain 3.0, we will continue to simplify our brand portfolio as we continue to identify brands that are declining and have low margins. The Simplify brands are subscale declining businesses that have limited long-term potential for the Company, and therefore will be managed for profit until they are potentially divested, likely over the course of the next several years. Acquisitions are expected to play a role in Hain 3.0 and part of our capital allocation strategy is focused on actively looking for targets in the market. As we continue to simplify and stabilize the organization and consolidate sales into fewer priority categories, we are well-positioned and expect to make targeted acquisitions supported by our borrowing capacity to help us further strengthen our position in those categories.

COVID-19

The COVID-19 pandemic has resulted in a net increase in overall demand for our products. The impact was particularly pronounced during the early stages of the pandemic as consumers reacted to stay-at-home measures and the uncertainty of the pandemic. In particular, our net sales during the third quarter of fiscal 2020 through the second quarter of fiscal 2021 benefited from pandemic-driven demand. The pandemic-driven demand for our products has subsided as effective vaccines have become available, governments have eased safety measures and consumer purchasing behaviors have started to return to pre-pandemic norms. As a result, net sales were lower in the third and fourth quarters of fiscal 2021 compared to the third and fourth quarters of fiscal 2020, respectively. Further, net sales in the second quarter of fiscal 2022 were lower than our net sales during the second quarter of fiscal 2021 as a result of normalizing consumer demand, among other factors as described more fully herein.

The pandemic and the measures being taken by governments, businesses and consumers to limit the spread of COVID-19 have led to operational challenges in our business and may result in broader and longer-term challenges and uncertainty that we will need to manage successfully. Such challenges include but are not limited to:

- manufacturing, supply chain and logistics challenges resulting from health and safety precautions among our employees and the general population as well as macroeconomic factors resulting from the pandemic, including labor market shortages;
- an uncertain future demand environment as a result of changing consumer behaviors amid uncertain economic conditions; and
- increased costs of operating our business and managing our supply chain during a global pandemic, driven by well-publicized industry-wide inflation, supply chain and labor challenges.

Acquisition

On December 28, 2021, the Company acquired all outstanding stock of Proven Brands, Inc. (and its subsidiary That's How We Roll LLC) and KTB Foods Inc., collectively doing business as "That's How We Roll" ("THWR"), the producer and marketer of ParmCrisps® and Thinsters®. The acquisition of these two fast-growing, better-for-you brands deepens the Company's position in the snacking category and represents a significant step in establishing the Company as a high-growth, global healthy food company. See Note 4, *Acquisitions and Dispositions*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q for additional details.

Discontinued Operations

On August 27, 2019, the Company and Ebro Foods S.A. (the "Purchaser") entered into, and consummated the transactions contemplated by, an agreement relating to the sale and purchase of the entities comprising the Company's Tilda operating segment and certain other assets.

The Company's dispositions are described in more detail in Note 5, *Dispositions*, in the Notes to the Consolidated Financial Statements in the Form 10-K.

Comparison of Three Months Ended December 31, 2021 to Three Months Ended December 31, 2020

Consolidated Results

The following table compares our results of operations, including as a percentage of net sales, on a consolidated basis, for the three months ended December 31, 2021 and 2020 (amounts in thousands, other than per share data and percentages, which may not add due to rounding):

	Three Months Ended				Change in	
	December 31, 2021		December 31, 2020		Dollars	Percentage
Net sales	\$ 476,941	100.0%	\$ 528,418	100.0%	\$ (51,477)	(9.7)%
Cost of sales	359,646	75.4%	398,453	75.4%	(38,807)	(9.7)%
Gross profit	117,295	24.6%	129,965	24.6%	(12,670)	(9.7)%
Selling, general and administrative expenses	80,136	16.8%	84,625	16.0%	(4,489)	(5.3)%
Amortization of acquired intangible assets	2,049	0.4%	2,193	0.4%	(144)	(6.6)%
Productivity and transformation costs	2,786	0.6%	5,011	0.9%	(2,225)	(44.4)%
Long-lived asset impairment	303	0.1%	25,179	4.8%	(24,876)	(98.8)%
Operating income	32,021	6.7%	12,957	2.5%	19,064	147.1%
Interest and other financing expense, net	2,592	0.5%	2,337	0.4%	255	10.9%
Other income, net	(9,070)	(1.9)%	(1,045)	(0.2)%	(8,025)	*
Income from continuing operations before income taxes and equity in net loss of equity-method investees	38,499	8.1%	11,665	2.2%	26,834	230.0%
Provision for income taxes	7,145	1.5%	8,438	1.6%	(1,293)	(15.3)%
Equity in net loss of equity-method investees	465	0.1%	1,076	0.2%	(611)	(56.8)%
Net income from continuing operations	\$ 30,889	6.5%	\$ 2,151	0.4%	\$ 28,738	1,336.0%
Net loss from discontinued operations, net of tax	—	—%	(11)	—%	11	(100.0)%
Net income	\$ 30,889	6.5%	\$ 2,140	0.4%	\$ 28,749	1,343.4%
Adjusted EBITDA	\$ 59,264	12.4%	\$ 62,191	11.8%	\$ (2,927)	(4.7)%
Diluted net income per common share from continuing operations	\$ 0.33		\$ 0.02		\$ 0.31	1,550.0%
Diluted net income per common share from discontinued operations	—		—		—	—%
Diluted net income per common share	\$ 0.33		\$ 0.02		\$ 0.31	1,550.0%

* Percentage is not meaningful due to one or more numbers being negative.

Net Sales

Net sales for the three months ended December 31, 2021 were \$476.9 million, a decrease of \$51.5 million, or 9.7%, as compared to \$528.4 million in the three months ended December 31, 2020. On a constant currency basis, adjusted for the impact of acquisitions, divestitures and discontinued brands, net sales decreased approximately \$10.9 million, or 2.2%, from the prior year quarter driven by the International reportable segment. Further details of changes in net sales by segment are provided below in the *Segment Results* section.

Gross Profit

Gross profit for the three months ended December 31, 2021 was \$117.3 million, a decrease of \$12.7 million, or 9.7%, as compared to the prior year quarter. Gross profit margin of 24.6% was consistent with the prior year quarter. The decrease in gross profit was driven primarily by the North America reportable segment which experienced inflationary and supply chain challenges, such as continued industry-wide distribution and warehousing cost pressures driven by labor shortages, freight carrier availability and other freight cost issues, as well as lower net sales in the Canada operating segment when compared with the prior year period. The International reportable segment also had a decrease in gross profit mainly due to lower net sales in the Europe operating segment, as well as higher energy and supply chain costs when compared to the prior year period, partially offset by higher net sales in the Ella's Kitchen UK operating segment.

Selling, General and Administrative Expenses

Selling, general and administrative expenses were \$80.1 million for the three months ended December 31, 2021, a decrease of \$4.5 million, or 5.3%, from \$84.6 million for the prior year quarter. The decrease was primarily driven by a decrease in labor-related expenses as well as efficiencies gained from the Company's productivity and transformation initiatives. Marketing costs were reduced compared to the prior year quarter to avoid driving excess demand given the industry-wide supply challenges being faced. These decreases were partially offset by higher transaction costs incurred in fiscal year 2022, including costs related to the acquisition of THWR and advisory costs related to the divestiture by affiliates of Engaged Capital, LLC of their shares of the Company's common stock, as well as higher litigation expenses related to the baby food litigation described above.

Amortization of Acquired Intangible Assets

Amortization of acquired intangibles was \$2.0 million for the three months ended December 31, 2021, a decrease of \$0.1 million from \$2.2 million in the prior year quarter due to prior year dispositions that occurred in the later part of fiscal 2021.

Productivity and Transformation Costs

Productivity and transformation costs were \$2.8 million for the three months ended December 31, 2021, a decrease of \$2.2 million from \$5.0 million in the prior year quarter. The decrease was primarily due to reduced spending in consulting fees related to supply chain optimization as the current transformation effort approaches expiration.

Long-lived Asset Impairment

During the three months ended December 31, 2021, the Company recognized a pre-tax impairment charge of \$0.3 million related to a facility in the United Kingdom. During the three months ended December 31, 2020, the Company recognized a pre-tax impairment charge of \$25.2 million primarily related to a reduction in the carrying value to the estimated fair value, less costs to sell, for the United Kingdom Fruit business (see Note 4, *Acquisitions and Dispositions*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q).

Operating Income

Operating income for the three months ended December 31, 2021 was \$32.0 million compared to \$13.0 million in the prior year quarter as a result of the items described above.

Interest and Other Financing Expense, Net

Interest and other financing expense, net totaled \$2.6 million for the three months ended December 31, 2021, an increase of \$0.3 million, or 10.9%, from \$2.3 million in the prior year quarter. The increase resulted primarily from a higher outstanding debt balance driven primarily by share repurchase activity. See Note 9, *Debt and Borrowings*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Other Income, Net

Other income, net totaled \$9.1 million for the three months ended December 31, 2021, compared to \$1.0 million in the prior year quarter. The increase in income was primarily attributable to the gain on sale of assets related to the sale of undeveloped land plots in Boulder, Colorado resulting in a gain of \$8.7 million with no comparable gain in the prior year quarter.

Income from Continuing Operations Before Income Taxes and Equity in Net Loss of Equity-Method Investees

Income from continuing operations before income taxes and equity in net loss of our equity-method investees for the three months ended December 31, 2021 was \$38.5 million compared to \$11.7 million in the prior year quarter. The increase was due to the items discussed above.

Provision for Income Taxes

The provision for income taxes includes federal, foreign, state and local income taxes. Our income tax expense from continuing operations was \$7.1 million for the three months ended December 31, 2021 compared to an income tax expense of \$8.4 million in the prior year quarter.

The effective income tax rate from continuing operations was an expense of 18.6% and 72.3% for the three months ended December 31, 2021 and 2020, respectively. The effective income tax rate from continuing operations for the three months ended December 31, 2021 was impacted by deductions related to stock-based compensation, non-deductible transaction costs related to the acquisition of THWR and the reversal of a valuation allowance due to the utilization of a capital loss carryover. The effective income tax rate from continuing operations for the three months ended December 31, 2020 was negatively impacted by various discrete items including the tax impact of the United Kingdom fruit business reserve, the legal entity reorganization and the UK rate change.

Our effective tax rate may change from period-to-period based on recurring and non-recurring factors including the geographical mix of earnings, enacted tax legislation, state and local income taxes and tax audit settlements.

Equity in Net Loss of Equity-Method Investees

Our equity in net loss from our equity-method investments for the three months ended December 31, 2021 was \$0.5 million and \$1.1 million in the prior year quarter. See Note 13, *Investments*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Net Income from Continuing Operations

Net income from continuing operations for the three months ended December 31, 2021 was \$30.9 million, or \$0.33 per diluted share, compared to net income of \$2.2 million, or \$0.02 per diluted share, for the three months ended December 31, 2020. The increase in net income was attributable to the factors noted above.

Net Income from Discontinued Operations, Net of Tax

See Note 4, *Acquisitions and Dispositions*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q for further discussion.

Net Income

Net income for the three months ended December 31, 2021 was \$30.9 million, or \$0.33 per diluted share, compared to \$2.1 million, or \$0.02 per diluted share, in the prior year quarter. The change was attributable to the factors noted above.

Adjusted EBITDA

Our Adjusted EBITDA was \$59.3 million and \$62.2 million for the three months ended December 31, 2021 and 2020, respectively, as a result of the factors discussed above and the adjustments described in the *Reconciliation of Non-U.S. GAAP Financial Measures to U.S. GAAP Measures* presented following the discussion of our results of operations.

Segment Results

The following table provides a summary of net sales and operating income (loss) by reportable segment for the three months ended December 31, 2021 and 2020:

<i>(dollars in thousands)</i>	North America	International	Corporate and Other	Consolidated
Net sales				
Three months ended 12/31/21	\$ 275,014	\$ 201,927	\$ —	\$ 476,941
Three months ended 12/31/20	282,612	245,806	—	528,418
\$ change	\$ (7,598)	\$ (43,879)	n/a	\$ (51,477)
% change	(2.7)%	(17.9)%	n/a	(9.7)%
Operating income (loss)				
Three months ended 12/31/21	\$ 27,162	\$ 27,368	\$ (22,509)	\$ 32,021
Three months ended 12/31/20	32,440	(2,741)	(16,742)	12,957
\$ change	\$ (5,278)	\$ 30,109	\$ (5,767)	\$ 19,064
% change	(16.3)%	*	34.4 %	147.1 %
Operating income (loss) margin				
Three months ended 12/31/21	9.9 %	13.6 %	n/a	6.7 %
Three months ended 12/31/20	11.5 %	(1.1)%	n/a	2.5 %

* Percentage is not meaningful due to one or more numbers being negative.

North America

Our net sales in the North America reportable segment for the three months ended December 31, 2021 were \$275.0 million, a decrease of \$7.6 million, or 2.7%, from net sales of \$282.6 million in the prior year quarter. On a constant currency basis, adjusted for the impact of acquisitions, divestitures and discontinued brands, net sales increased by 0.5%. In the United States operating segment, adjusted sales were higher compared to the prior year quarter mainly due to stronger sales in snacks, partially offset by lower sales in personal care, tea and other product categories. In the Canada operating segment, adjusted sales decreased compared to the prior year quarter primarily due to lower sales in meat-free and personal care product categories. Operating income in North America for the three months ended December 31, 2021 was \$27.2 million, a decrease of \$5.3 million from \$32.4 million in the prior year quarter. The decrease was mainly driven by inflationary and supply chain challenges, such as continued industry-wide distribution and warehousing cost pressures driven by labor shortages, freight carrier availability and other freight cost issues, as well as lower net sales in the Canada operating segment when compared with the prior year quarter, partially offset by lower selling, general and administrative expenses (mainly driven by lower labor-related costs and marketing expenses).

International

Our net sales in the International reportable segment for the three months ended December 31, 2021 were \$201.9 million, a decrease of \$43.9 million, or 17.9%, from net sales of \$245.8 million in the prior year quarter. On a constant currency basis, adjusted for the impact of divestitures and discontinued brands, net sales decreased 5.8% from the prior year quarter primarily due to a decline in sales in the Europe operating segments, partially offset by an increase in sales in the Ella's Kitchen UK operating segment. Operating income in our International reportable segment for the three months ended December 31, 2021 was \$27.4 million, an increase of \$30.1 million from operating loss of \$2.7 million for the three months ended December 31, 2020. The increase mainly reflected non-recurring impairment charges associated with the fruit business impairment that was recognized in the prior year quarter with no such charge in the current quarter. In addition, operating income was higher in current quarter compared to prior year quarter due to lower selling, general and administrative expenses (mainly driven by lower labor-related costs and marketing expenses) partially offset by lower gross profit due to a decline in sales, as well as higher energy and supply chain costs, when compared to the prior year quarter.

Corporate and Other

Our Corporate and Other category consists of expenses related to the Company's centralized administrative functions, which do not specifically relate to an operating segment. Such Corporate and Other expenses are comprised mainly of compensation and related expenses of certain of the Company's senior executive officers and other employees who perform duties related to our entire enterprise as well as expenses for certain professional fees, acquisition and divestiture transaction costs, facilities, and other items which benefit the Company as a whole. Our operating loss in Corporate and Other for the three months ended December 31, 2021 was \$22.5 million, an increase of \$5.8 million, from operating loss of \$16.7 million for the three months ended December 31, 2020. This change was primarily related to higher transaction costs incurred in fiscal year 2022 including costs related to the acquisition of THWR and advisory costs related to the divestiture by affiliates of Engaged Capital, LLC of their shares of the Company's common stock, as well as higher litigation expenses related to the baby food litigation described above, partially offset by lower labor-related expenses.

Refer to Note 18, *Segment Information*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Comparison of Six Months Ended December 31, 2021 to Six Months Ended December 31, 2020
Consolidated Results

The following table compares our results of operations, including as a percentage of net sales, on a consolidated basis, for the six months ended December 31, 2021 and 2020 (amounts in thousands, other than per share data and percentages, which may not add due to rounding):

	Six Months Ended				Change in	
	December 31, 2021		December 31, 2020		Dollars	Percentage
Net sales	\$ 931,844	100.0%	\$ 1,027,045	100.0%	\$ (95,201)	(9.3)%
Cost of sales	709,131	76.1%	777,916	75.7%	(68,785)	(8.8)%
Gross profit	222,713	23.9%	249,129	24.3%	(26,416)	(10.6)%
Selling, general and administrative expenses	154,125	16.5%	164,146	16.0%	(10,021)	(6.1)%
Amortization of acquired intangible assets	4,144	0.4%	4,626	0.5%	(482)	(10.4)%
Productivity and transformation costs	6,769	0.7%	6,444	0.6%	325	5.0%
Proceeds from insurance claim	(196)	—%	—	—%	(196)	*
Long-lived asset impairment	303	—%	57,676	5.6%	(57,373)	(99.5)%
Operating income	57,568	6.2%	16,237	1.6%	41,331	254.5%
Interest and other financing expense, net	4,448	0.5%	4,790	0.5%	(342)	(7.1)%
Other income, net	(9,858)	(1.1)%	(2,418)	(0.2)%	(7,440)	*
Income from continuing operations before income taxes and equity in net loss of equity-method investees	62,978	6.8%	13,865	1.3%	49,113	354.2%
Provision for income taxes	11,687	1.3%	21,400	2.1%	(9,713)	(45.4)%
Equity in net loss of equity-method investees	991	0.1%	1,095	0.1%	(104)	(9.5)%
Net income (loss) from continuing operations	\$ 50,300	5.4%	\$ (8,630)	(0.8)%	\$ 58,930	*
Net income from discontinued operations, net of tax	—	—%	11,255	1.1%	(11,255)	(100.0)%
Net income	\$ 50,300	5.4%	\$ 2,625	0.3%	\$ 47,675	1,816.2%
Adjusted EBITDA	106,580	11.4%	117,086	11.4%	\$ (10,506)	(9.0)%
Diluted net income (loss) per common share from continuing operations	\$ 0.52		\$ (0.09)		\$ 0.61	*
Diluted net income per common share from discontinued operations	\$ —		0.11		(0.11)	(100.0)%
Diluted net income per common share	\$ 0.52		\$ 0.02		\$ 0.50	2,500.0%

* Percentage is not meaningful due to one or more numbers being negative.

Net Sales

Net sales for the six months ended December 31, 2021 were \$931.8 million, a decrease of \$95.2 million, or 9.3%, as compared to \$1,027.0 million in the six months ended December 31, 2020. On a constant currency basis, adjusted for the impact of acquisitions, divestitures and discontinued brands, net sales decreased approximately \$11.6 million, or 1.2%, from the prior comparable period driven by both the North America and International reportable segments. Further details of changes in net sales by segment are provided below in the *Segment Results* section.

Gross Profit

Gross profit for the six months ended December 31, 2021 was \$222.7 million, a decrease of \$26.4 million, or 10.6%, as compared to the prior year comparable period. Gross profit margin was 23.9% of net sales, compared to 24.3% in the prior year comparable period. The decrease in gross profit was driven primarily by the North America reportable segment as a result of lower net sales in both the United States and Canada operating segments when compared with the prior year period as well as higher costs associated with inflationary and supply chain challenges, such as continued industry-wide distribution and warehousing cost pressures driven by labor shortages, freight carrier availability and other freight cost issues. The decrease in the North America reportable segment gross profit was offset in part by an increase in the International reportable segment. The International reportable segment increase was primarily due to the Ella's Kitchen UK operating segment having higher net sales than the prior year period due to a slow-down in consumer demand for baby food in the prior year period as a result of COVID stay-at-home requirements which negatively impacted prior year net sales. Despite a net sales decrease, the Hain United Kingdom operating segment also showed gross profit growth versus the prior year comparable period driven by an improvement in gross margin as the divested low-margin fruit business no longer impacted profitability in the current quarter.

Selling, General and Administrative Expenses

Selling, general and administrative expenses were \$154.1 million for the six months ended December 31, 2021, a decrease of \$10.0 million, or 6.1%, from \$164.1 million for the prior year comparable period. The decrease was driven by decreases in the North America and International reportable segments, partially offset by an increase in Corporate and Other as a result of higher transaction costs incurred in fiscal year 2022 including costs related to the acquisition of THWR and advisory costs related to the divestiture by affiliates of Engaged Capital, LLC of their shares of the Company's common stock, as well as higher litigation expenses related to the baby food litigation described above. The decrease in the North America and International reportable segments was primarily a result of 1) lower labor-related expenses, 2) decreased marketing costs in the United States and Canada operating segments and 3) lower broker commissions in the Europe operating segment.

Amortization of Acquired Intangible Assets

Amortization of acquired intangibles was \$4.1 million for the six months ended December 31, 2021, a decrease of \$0.5 million from \$4.6 million in the prior year comparable period due to prior year dispositions that occurred in the later part of fiscal 2021.

Productivity and Transformation Costs

Productivity and transformation costs were \$6.8 million for the six months ended December 31, 2021, an increase of \$0.3 million from \$6.4 million in the prior year comparable period. The increase was primarily due to higher consulting fees related to supply chain optimization and other productivity and transformation initiatives.

Long-lived Asset Impairment

During the six months ended December 31, 2021, the Company recognized a pre-tax impairment charge of \$0.3 million related to a facility in the United Kingdom. During the six months ended December 31, 2020, the Company recognized a pre-tax impairment charge of \$57.7 million primarily related to a reduction in the carrying value to the estimated fair value, less costs to sell, for the United Kingdom fruit business (see Note 4, *Acquisitions and Dispositions*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q).

Operating Income

Operating income for the six months ended December 31, 2021 was \$57.6 million compared to \$16.2 million in the prior year comparable period as a result of the items described above.

Interest and Other Financing Expense, Net

Interest and other financing expense, net totaled \$4.4 million for the six months ended December 31, 2021, a decrease of \$0.3 million, or 7.1%, from \$4.8 million in the prior year comparable period. The decrease resulted primarily from lower variable interest rates applied to borrowings outstanding under the Company's revolving credit facility, partially offset by increases as a result of a higher outstanding debt balances driven primarily by share repurchase activity. See Note 9, *Debt and Borrowings*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Other Income, Net

Other income, net totaled \$9.9 million for the six months ended December 31, 2021, compared to \$2.4 million in the prior year comparable period. The increase in income was primarily attributable to the gain on sale of assets related to the sale of undeveloped land plots in Boulder, Colorado resulting in a gain of \$8.7 million with no comparable gain in the prior year period.

Income from Continuing Operations Before Income Taxes and Equity in Net Loss of Equity-Method Investees

Income from continuing operations before income taxes and equity in net loss of our equity-method investees for the six months ended December 31, 2021 was income of \$63.0 million compared to \$13.9 million in the prior year comparable period. The increase was due to the items discussed above.

Provision for Income Taxes

The provision for income taxes includes federal, foreign, state and local income taxes. Our income tax expense from continuing operations was \$11.7 million for the six months ended December 31, 2021 compared to \$21.4 million in the prior year comparable period.

The effective income tax rate from continuing operations was an expense of 18.6% and 154.3% for the six months ended December 31, 2021 and 2020, respectively. The effective income tax rate from continuing operations for the six months ended December 31, 2021 was impacted by the reversal of uncertain tax position accruals based on filing and approval of certain elections by taxing authorities, deductions related to stock based compensation, non-deductible transaction costs related to acquisition of THWR and the reversal of a valuation allowance due to the utilization of a capital loss carryover. The effective income tax rate from continuing operations for the six months ended December 31, 2020 was negatively impacted by various discrete items including the tax impact of the United Kingdom fruit business reserve, the legal entity reorganization and the UK rate change.

Our effective tax rate may change from period-to-period based on recurring and non-recurring factors including the geographical mix of earnings, enacted tax legislation, state and local income taxes and tax audit settlements.

Equity in Net Loss of Equity-Method Investees

Our equity in net loss from our equity-method investments for the six months ended December 31, 2021 was \$1.0 million compared to \$1.1 million in the prior year comparable period. See Note 13, *Investments*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Net Income (Loss) from Continuing Operations

Net income from continuing operations for the six months ended December 31, 2021 was \$50.3 million, or \$0.52 per diluted share, compared to net loss of \$8.6 million, or \$0.09 per diluted share, for the six months ended December 31, 2020. The change to income from loss was attributable to the factors noted above.

Net Income from Discontinued Operations, Net of Tax

Net income from discontinued operations, net of tax, for the six months ended December 31, 2020 was \$11.3 million, or \$0.11 per diluted share. During the six months ended December 31, 2020, the Company recognized an \$11.3 million adjustment to the Tilda business primarily related to the recognition of a deferred tax benefit.

See Note 4, *Acquisitions and Dispositions*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q for further discussion

Net Income

Net income for the six months ended December 31, 2021 was \$50.3 million, or \$0.52 per diluted share, compared to \$2.6 million, or \$0.02 per diluted share, in the prior year comparable period. The change was attributable to the factors noted above.

Adjusted EBITDA

Our Adjusted EBITDA was \$106.6 million and \$117.1 million for the six months ended December 31, 2021 and 2020, respectively, as a result of the factors discussed above and the adjustments described in the *Reconciliation of Non-U.S. GAAP Financial Measures to U.S. GAAP Measures* presented following the discussion of our results of operations.

Segment Results

The following table provides a summary of net sales and operating income by reportable segment for the six months ended December 31, 2021 and 2020:

<i>(dollars in thousands)</i>	North America	International	Corporate and Other	Consolidated
<u>Net sales</u>				
Six months ended 12/31/21	\$ 540,539	\$ 391,305	\$ —	\$ 931,844
Six months ended 12/31/20	563,280	463,765	—	1,027,045
\$ change	\$ (22,741)	\$ (72,460)	n/a	\$ (95,201)
% change	(4.0)%	(15.6)%	n/a	(9.3)%
<u>Operating income (loss)</u>				
Six months ended 12/31/21	\$ 44,004	\$ 51,437	\$ (37,873)	\$ 57,568
Six months ended 12/31/20	65,696	(18,630)	(30,829)	16,237
\$ change	\$ (21,692)	\$ 70,067	\$ (7,044)	\$ 41,331
% change	(33.0)%	*	22.8 %	254.5 %
<u>Operating income (loss) margin</u>				
Six months ended 12/31/21	8.1 %	13.1 %	n/a	6.2 %
Six months ended 12/31/20	11.7 %	(4.0)%	n/a	1.6 %

* Percentage is not meaningful due to one or more numbers being negative.

North America

Our net sales in the North America reportable segment for the six months ended December 31, 2021 were \$540.5 million, a decrease of \$22.7 million, or 4.0%, from net sales of \$563.3 million in the prior year comparable period. On a constant currency basis, adjusted for the impact of acquisitions, divestitures and discontinued brands, net sales decreased by 0.4% due to decreased sales in the Canada operating segment, partially offset by increased sales in the United States operating segment due to stronger sales in certain snack products, tea and baby food in the current year period. Operating income in North America for the six months ended December 31, 2021 was \$44.0 million, a decrease of \$21.7 million from \$65.7 million in the prior year comparable period. The decrease was mainly driven by 1) higher cost of goods sold in the United States operating segment largely because of inflationary and supply chain challenges, such as continued industry-wide distribution and warehousing cost pressures driven by labor shortages, freight carrier availability and other freight cost issues; and 2) lower sales in Canada operating segment, partially offset by lower selling, general and administrative expenses in both the United States and Canada operating segments. Lower selling, general and administrative expenses were mainly due to lower labor-related costs and marketing expenses.

International

Our net sales in the International reportable segment for the six months ended December 31, 2021 were \$391.3 million, a decrease of \$72.5 million, or 15.6%, from net sales of \$463.8 million in the prior year comparable period. On a constant currency basis, adjusted for the impact of divestitures and discontinued brands, net sales decreased 2.4% from the prior year comparable period mainly due to lower sales in the Europe operating segment, partially offset by higher sales in the Ella's Kitchen UK and Hain United Kingdom operating segments. Operating income in our International reportable segment for the six months ended December 31, 2021 was \$51.4 million, an increase of \$70.1 million from operating loss of \$18.6 million for the six months ended December 31, 2020. The increase mainly reflects non-recurring charges associated with the fruit business impairment that was recognized in the prior year period. In addition, the International reportable segment incurred lower selling, general and administrative expenses mainly driven by lower labor-related costs when compared to the prior year period.

Corporate and Other

Our Corporate and Other category consists of expenses related to the Company's centralized administrative functions, which do not specifically relate to an operating segment. Such Corporate and Other expenses are comprised mainly of compensation and related expenses of certain of the Company's senior executive officers and other employees who perform duties related to our entire enterprise as well as expenses for certain professional fees, acquisition and divestiture transaction costs, facilities, and other items which benefit the Company as a whole. Our operating expenses in Corporate and Other for the six months ended December 31, 2021 were \$37.9 million, an increase of \$7.0 million, from \$30.8 million in the prior year period. This change was primarily related to higher transaction costs incurred in fiscal year 2022 including costs related to the acquisition of THWR and advisory costs related to the divestiture by affiliates of Engaged Capital, LLC of their shares of the Company's common stock, as well as higher litigation expenses related to the baby food litigation described above, partially offset by lower labor-related expenses.

Refer to Note 18, *Segment Information*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Liquidity and Capital Resources

We finance our operations and growth primarily with the cash flows we generate from our operations and from borrowings available to us under our amended Credit Agreement. We believe that our cash flows from operations and borrowing capacity under our amended Credit Agreement (as defined below) will be adequate to meet anticipated operating and other expenditures for the foreseeable future.

Amended and Restated Credit Agreement

On December 22, 2021, the Company refinanced its revolving credit facility by entering into a Fourth Amended and Restated Credit Agreement (the "Credit Agreement"). The Credit Agreement provides for senior secured financing of \$1,100,000 in the aggregate, consisting of (1) \$300,000 in aggregate principal amount of term loans (the "Term Loans") and (2) an \$800,000 senior secured revolving credit facility (which includes borrowing capacity available for letters of credit, and is comprised of a \$440,000 U.S. revolving credit facility and \$360,000 global revolving credit facility) (the "Revolver"). Both the Revolver and the Term Loans mature on December 22, 2026.

Our cash and cash equivalents balance increased \$1.3 million at December 31, 2021 to \$77.2 million as compared to \$75.9 million at June 30, 2021. Our working capital from continuing operations was \$277.9 million at December 31, 2021, a decrease of \$6.8 million from \$284.7 million at the end of fiscal 2021. Additionally, our total debt increased by \$508.4 million at December 31, 2021 to \$739.4 million as compared to \$231.0 million at June 30, 2021 as a result of \$510.0 million of net additional borrowings to support the THWR acquisition and the share repurchases carried out during the period. As of December 31, 2021, \$353.2 million was available under the amended Credit Agreement as compared to \$763.6 million as of June 30, 2021. The Company was in compliance with all covenants at December 31, 2021.

Liquidity is affected by many factors, some of which are based on normal ongoing operations of the Company's business and some of which arise from fluctuations related to global economics and markets. Our cash balances are held in the United States, United Kingdom, Canada, Europe, Middle East and India. As of December 31, 2021, substantially all of the total cash balance from continuing operations was held outside of the United States. It is our current intent to indefinitely reinvest our remaining foreign earnings outside the United States.

We maintain our cash and cash equivalents primarily in money market funds or their equivalent. As of December 31, 2021, all of our investments were expected to mature in less than three months. Accordingly, we do not believe that our investments have significant exposure to interest rate risk. Cash provided by (used in) operating, investing and financing activities is summarized below.

(amounts in thousands)	Six Months Ended December 31,		Change in Dollars
	2021	2020	
Cash flows provided by (used in):			
Operating activities from continuing operations	\$ 68,031	\$ 104,530	\$ (36,499)
Investing activities from continuing operations	(272,345)	(25,244)	(247,101)
Financing activities from continuing operations	208,849	(62,170)	271,019
Effect of exchange rate changes on cash from continuing operations	(3,204)	5,734	(8,938)
Net increase in cash and cash equivalents	<u>\$ 1,331</u>	<u>\$ 22,850</u>	<u>\$ (21,519)</u>

Cash provided by operating activities from continuing operations was \$68.0 million for the six months ended December 31, 2021, a decrease of \$36.5 million from cash provided by operating activities from continuing operations of \$104.5 million in the prior year period. This decrease versus the prior period resulted primarily from a reduction of \$13.5 million in lower net income adjusted for non-cash charges in the current period and lower cash generation of \$23.0 million from our working capital accounts which was mainly due to a refund of \$53.8 million received by the Company in the prior year from Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act").

Cash used in investing activities from continuing operations was \$272.3 million for the six months ended December 31, 2021, an increase of \$247.1 million from \$25.2 million in the prior year period primarily due to the acquisition of THWR in the current year, partially offset by \$10.7 million in proceeds from the sale of assets.

Cash provided by financing activities from continuing operations was \$208.8 million for the six months ended December 31, 2021, an increase in cash provided of \$271.0 million compared to \$62.2 million of cash used in the prior year period. The increase in cash provided by financing activities is primarily due to higher borrowings under the Credit Agreement to finance the THWR acquisition, higher share repurchases and payment of shares withheld for employee payroll taxes during the six months ended December 31, 2021.

Operating Free Cash Flow from Continuing Operations

Our operating free cash flow from continuing operations was \$40.0 million for the six months ended December 31, 2021, a decrease of \$34.8 million from \$74.9 million in the six months ended December 31, 2020. This decrease versus prior year resulted primarily from a decrease in cash flow from operations of \$36.5 million driven by the reasons explained above. See the *Reconciliation of Non-U.S. GAAP Financial Measures to U.S. GAAP Measures* following the discussion of our results of operations for definitions and a reconciliation from our net cash provided by operating activities from continuing operations to operating free cash flow from continuing operations.

Share Repurchase Program

In June 2017 and August 2021, the Company's Board of Directors authorized the repurchase of up to \$250.0 million and \$300.0 million of the Company's issued and outstanding common stock, respectively. Repurchases may be made from time to time in the open market, pursuant to pre-set trading plans, in private transactions or otherwise. The authorization does not have a stated expiration date. The extent to which the Company repurchases its shares and the timing of such repurchases will depend upon market conditions and other corporate considerations. In November 2021, the Company entered into a share repurchase agreement with affiliates of Engaged Capital, LLC (collectively, the "Selling Stockholders"), pursuant to which the Company repurchased 1.7 million shares directly from the Selling Stockholders at a price of \$45.00 per share. During the six months ended December 31, 2021, the Company repurchased 6,552 shares under the repurchase program, inclusive of the shares repurchased from the Selling Stockholders, for a total of \$265.4 million, excluding commissions, at an average price of \$40.50 per share. As of December 31, 2021, the Company had \$117.0 million of remaining authorization under the share repurchase program. During the six months ended December 31, 2020, the Company repurchased 2,204 shares under the repurchase program for a total of \$71.7 million, excluding commissions, at an average price of \$32.53 per share. In January 2022, the

Company's Board of Directors authorized the repurchase of up to an additional \$200 million of shares, which will commence after the 2021 authorization is fully utilized.

Reconciliation of Non-U.S. GAAP Financial Measures to U.S. GAAP Measures

We have included in this report measures of financial performance that are not defined by U.S. GAAP. We believe that these measures provide useful information to investors and include these measures in other communications to investors.

For each of these non-U.S. GAAP financial measures, we are providing below a reconciliation of the differences between the non-U.S. GAAP measure and the most directly comparable U.S. GAAP measure, an explanation of why our management and Board of Directors believe the non-U.S. GAAP measure provides useful information to investors and any additional purposes for which our management and Board of Directors use the non-U.S. GAAP measures. These non-U.S. GAAP measures should be viewed in addition to, and not in lieu of, the comparable U.S. GAAP measures.

Constant Currency Presentation

We believe that this measure provides useful information to investors because it provides transparency to underlying performance in our consolidated net sales by excluding the effect that foreign currency exchange rate fluctuations have on year-to-year comparability given the volatility in foreign currency exchange markets. To present this information for historical periods, current period net sales for entities reporting in currencies other than the U.S. Dollar are translated into U.S. Dollars at the average monthly exchange rates in effect during the corresponding period of the prior fiscal year, rather than at the actual average monthly exchange rate in effect during the current period of the current fiscal year. As a result, the foreign currency impact is equal to the current year results in local currencies multiplied by the change in average foreign currency exchange rate between the current fiscal period and the corresponding period of the prior fiscal year.

Acquisitions, Divestitures and Discontinued Brands

We also exclude the impact of acquisitions, divestitures and discontinued brands when comparing net sales to prior periods, which results in the presentation of certain non-U.S. GAAP financial measures. The Company's management believes that excluding the impact of acquisitions, divestitures and discontinued brands when presenting period-over-period results of net sales aids in comparability.

A reconciliation between reported and constant currency net sales increase (decrease) is as follows:

<i>(amounts in thousands)</i>	North America	International	Hain Consolidated
Net sales - Three months ended December 31, 2021	\$ 275,014	\$ 201,927	\$ 476,941
Acquisitions, divestitures and discontinued brands	(349)	—	(349)
Impact of foreign currency exchange	(1,008)	(99)	(1,107)
Net sales on a constant currency basis adjusted for acquisitions, divestitures and discontinued brands - Three months ended December 31, 2021	\$ 273,657	\$ 201,828	\$ 475,485
Net sales - Three months ended December 31, 2020	\$ 282,612	\$ 245,806	\$ 528,418
Divestitures and discontinued brands	(10,353)	(31,657)	(42,010)
Net sales adjusted for divestitures and discontinued brands - Three months ended December 31, 2020	\$ 272,259	\$ 214,149	\$ 486,408
Net sales decline	(2.7)%	(17.9)%	(9.7)%
Impact of acquisitions, divestitures and discontinued brands	3.6 %	12.1 %	7.7 %
Impact of foreign currency exchange	(0.4)%	—	(0.2)%
Net sales growth (decline) on a constant currency basis adjusted for divestitures and discontinued brands	0.5 %	(5.8)%	(2.2)%
Net sales - Six months ended December 31, 2021	\$ 540,539	\$ 391,305	\$ 931,844
Acquisitions, divestitures and discontinued brands	(527)	—	(527)
Impact of foreign currency exchange	(2,727)	(8,368)	(11,095)
Net sales on a constant currency basis adjusted for acquisitions, divestitures and discontinued brands - Six months ended December 31, 2021	\$ 537,285	\$ 382,937	\$ 920,222
Net sales - Six months ended December 31, 2020	\$ 563,280	\$ 463,765	\$ 1,027,045
Divestitures and discontinued brands	(23,974)	(71,287)	(95,261)
Net sales adjusted for divestitures and discontinued brands - Six months ended December 31, 2020	\$ 539,306	\$ 392,478	\$ 931,784
Net sales decline	(4.0)%	(15.6)%	(9.3)%
Impact of acquisitions, divestitures and discontinued brands	4.1 %	15.0 %	9.1 %
Impact of foreign currency exchange	(0.5)%	(1.8)%	(1.1)%
Net sales decline on a constant currency basis adjusted for acquisitions, divestitures and discontinued brands	(0.4)%	(2.4)%	(1.2)%

Adjusted EBITDA

Adjusted EBITDA is defined as net income (loss) before net interest expense, income taxes, depreciation and amortization, impairment charges, equity in net loss of equity-method investees, stock-based compensation, unrealized currency gains and losses, litigation and related costs, plant closure related costs, net, productivity and transformation costs, warehouse and manufacturing consolidation and other costs, costs associated with acquisitions, divestitures and other transactions, gains or losses on sales of assets and businesses, inventory write-downs, impairment of long-lived asset and other adjustments. The Company's management believes that this presentation provides useful information to management, analysts and investors regarding certain additional financial and business trends relating to its results of operations and financial condition. In addition, management uses this measure for reviewing the financial results of the Company and as a component of performance-based

executive compensation. Adjusted EBITDA is a non-U.S. GAAP measure and may not be comparable to similarly titled measures reported by other companies.

We do not consider Adjusted EBITDA in isolation or as an alternative to financial measures determined in accordance with U.S. GAAP. The principal limitation of Adjusted EBITDA is that it excludes certain expenses and income that are required by U.S. GAAP to be recorded in our consolidated financial statements. In addition, Adjusted EBITDA is subject to inherent limitations as this metric reflects the exercise of judgment by management about which expenses and income are excluded or included in determining Adjusted EBITDA. In order to compensate for these limitations, management presents Adjusted EBITDA in connection with U.S. GAAP results.

A reconciliation of net income (loss) to Adjusted EBITDA is as follows:

<i>(amounts in thousands)</i>	Three Months Ended December 31,		Six Months Ended December 31,	
	2021	2020	2021	2020
Net income	\$ 30,889	\$ 2,140	\$ 50,300	\$ 2,625
Net (loss) income from discontinued operations, net of tax	—	(11)	—	11,255
Net income (loss) from continuing operations	\$ 30,889	\$ 2,151	\$ 50,300	\$ (8,630)
Depreciation and amortization	10,903	11,193	21,758	24,954
Equity in net loss of equity-method investees	465	1,076	991	1,095
Interest expense, net	1,685	1,300	2,831	3,454
Provision for income taxes	7,145	8,438	11,687	21,400
Stock-based compensation	4,156	3,823	8,443	8,190
Unrealized currency (gains) losses	(480)	225	(1,503)	(977)
Litigation and related costs				
Litigation expenses	1,624	—	3,580	—
Proceeds from insurance claim	—	—	(196)	—
Restructuring activities				
Plant closure related costs, net	(183)	2	813	(4)
Productivity and transformation costs	2,247	4,358	5,451	5,139
Warehouse/manufacturing consolidation and other costs	249	3,325	2,538	3,715
Acquisitions and divestitures				
Transaction costs, net	8,963	1,005	8,732	1,374
Gain on sale of assets	(8,656)	—	(9,102)	—
Loss (gain) on sale of businesses	—	9	—	(611)
Impairment charges				
Inventory write-down	(46)	107	(46)	311
Long-lived asset impairment	303	25,179	303	57,676
Adjusted EBITDA	\$ 59,264	\$ 62,191	\$ 106,580	\$ 117,086

Operating Free Cash Flow from Continuing Operations

In our internal evaluations, we use the non-U.S. GAAP financial measure “Operating Free Cash Flow from continuing operations.” The difference between Operating Free Cash Flow from continuing operations and cash flow provided by or used in operating activities from continuing operations, which is the most comparable U.S. GAAP financial measure, is that Operating Free Cash Flow from continuing operations reflects the impact of purchases of property, plant and equipment (capital spending). Since capital spending is essential to maintaining our operational capabilities, we believe that it is a recurring and necessary use of cash. As such, we believe investors should also consider capital spending when evaluating our cash provided

by or used in operating activities. We view Operating Free Cash Flow from continuing operations as an important measure because it is one factor in evaluating the amount of cash available for discretionary investments. We do not consider Operating Free Cash Flow from continuing operations in isolation or as an alternative to financial measures determined in accordance with U.S. GAAP.

A reconciliation from cash flow provided by operating activities from continuing operations to Operating Free Cash flow from continuing operations is as follows:

<i>(amounts in thousands)</i>	Six Months Ended December 31,	
	2021	2020
Cash flow provided by operating activities from continuing operations	\$ 68,031	\$ 104,530
Purchases of property, plant and equipment	(27,996)	(29,671)
Operating free cash flow from continuing operations	<u>\$ 40,035</u>	<u>\$ 74,859</u>

Off-Balance Sheet Arrangements

At December 31, 2021, we did not have any off-balance sheet arrangements as defined in Item 303 of Regulation S-K that have had, or are likely to have, a material current or future effect on our consolidated financial statements.

Critical Accounting Estimates

Our financial statements are prepared in accordance with accounting principles generally accepted in the United States. The accounting principles we use require us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and amounts of income and expenses during the reporting periods presented. We believe in the quality and reasonableness of our critical accounting policies; however, materially different amounts may be reported under different conditions or using assumptions different from those that we have applied. The accounting policies that have been identified as critical to our business operations and to understanding the results of our operations pertain to revenue recognition, trade promotions and sales incentives, valuation of accounts and chargeback receivable, valuation of long-lived assets, goodwill and intangible assets, stock-based compensation and valuation allowances for deferred tax assets. The application of each of these critical accounting policies and estimates is discussed 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 June 30, 2021.

Recent Accounting Pronouncements

Refer to Note 2, *Basis of Presentation*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Seasonality

Certain of our product lines have seasonal fluctuations. Hot tea, hot-eating desserts and soup sales are stronger in colder months, while sales of snack foods, sunscreen and certain of our personal care products are stronger in the warmer months. As such, our results of operations and our cash flows for any particular quarter are not indicative of the results we expect for the full year, and our historical seasonality may not be indicative of future quarterly results of operations. In recent years, net sales and diluted earnings per share in the first fiscal quarter have typically been the lowest of our four quarters.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no significant changes in market risk from those addressed in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2021 during the six months ended December 31, 2021. See the information set forth in Part II, Item 7A, *Quantitative and Qualitative Disclosures About Market Risk*, of the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2021.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), with the assistance of other members of management, have reviewed the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Our disclosure controls and procedures are intended to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is (1) recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission’s rules and forms and (2) accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. Consistent with guidance issued by the Securities and Exchange Commission that an assessment of internal controls over financial reporting of a recently acquired business may be omitted from management’s evaluation of disclosure controls and procedures, management is excluding an assessment of such internal controls of Proven Brands, Inc. (and its subsidiary That’s How We Roll LLC) and KTB Foods Inc. (collectively doing business as “That’s How We Roll” (“THWR”)) from its evaluation of the effectiveness of the Company’s disclosure controls and procedures. The Company acquired all outstanding stock of THWR on December 28, 2021. THWR represented approximately 10% of the Company’s consolidated total assets at December 31, 2021. THWR’s net sales included in our consolidated results for the quarter ended December 31, 2021 were not material. Based on this review, our CEO and CFO have concluded that the disclosure controls and procedures were effective as of December 31, 2021.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect every misstatement. An evaluation of effectiveness is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may decrease over time.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal controls over financial reporting that occurred during the three months ended December 31, 2021 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting except that, as reported above, on December 28, 2021, the Company acquired all outstanding stock of THWR. As a result, the Company is currently integrating THWR’s operations into its overall system of internal control over financial reporting and, if necessary, will make appropriate changes as it integrates THWR into the Company’s overall internal control over financial reporting process.

PART II - OTHER INFORMATION**Item 1. Legal Proceedings**

The information called for by this item is incorporated herein by reference to Note 17, *Commitments and Contingencies*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Item 1A. Risk Factors

There have been no material changes from the discussion of the material factors that make an investment in the Company speculative or risky contained in the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2021, filed with the SEC on August 26, 2021.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**Issuer Purchases of Equity Securities**

The table below sets forth information regarding repurchases by the Company of its common stock during the periods indicated.

<u>Period</u>	(a) Total number of shares purchased (1)	(b) Average price paid per share	(c) Total number of shares purchased as part of publicly announced plans	(d) Maximum number of shares that may yet be purchased under the plans (in millions of dollars) (2)
October 1, 2021 - October 31, 2021	—	\$ —	—	\$ 206.8
November 1, 2021 - November 30, 2021	2,341,207	45.22	1,700,000	\$ 130.3
December 1, 2021 - December 31, 2021	340,103	40.64	327,365	\$ 117.0
Total	<u>2,681,310</u>	<u>\$ 44.64</u>	<u>2,027,365</u>	

(1) Includes shares surrendered for payment of employee payroll taxes due on shares issued under stock-based compensation plans and shares repurchased under share repurchase programs approved by the Board of Directors. See (2) below for further details.

(2) In June 2017 and August 2021, the Company's Board of Directors authorized the repurchase of up to \$250 million and \$300 million, respectively, of the Company's issued and outstanding common stock. Share repurchases under the 2021 authorization commenced in August 2021, after the 2017 authorization was fully utilized. Repurchases may be made from time to time in the open market, pursuant to preset trading plans, in private transactions or otherwise. The authorization does not have a stated expiration date. In November 2021, the Company entered into a share repurchase agreement with affiliates of Engaged Capital, LLC (collectively, the "Selling Stockholders"), pursuant to which the Company repurchased 1.7 million shares directly from the Selling Stockholders at a price of \$45.00 per share. During the three months ended December 31, 2021, the Company repurchased 2.0 million shares under the repurchase program, inclusive of the shares repurchased from the Selling Stockholders, for a total of \$89.8 million, excluding commissions, at an average price of \$44.31 per share. As of December 31, 2021, the Company had \$117.0 million of remaining authorization under the share repurchase program. In January 2022, the Company's Board of Directors authorized the repurchase of up to an additional \$200 million of shares, which will commence after the 2021 authorization is fully utilized.

Item 6. Exhibits

Exhibit Number	Description
3.1	Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2021, filed with the SEC on August 26, 2021).
3.2	Amended and Restated By-Laws (incorporated by reference to Exhibit 3.1 of the Company’s Current Report on Form 8-K filed with the SEC on December 7, 2018).
4.1	Specimen of common stock certificate (incorporated by reference to Exhibit 4.1 of Amendment No. 1 to the Company’s Registration Statement on Form S-4 filed with the SEC on April 24, 2000).
10.1	Share Repurchase Agreement, dated November 9, 2021, by and among the Company, Engaged Capital Co-Invest VI, LP, Engaged Capital Co-Invest VI-B, LP, Engaged Capital Co-Invest VI-C, LP, Engaged Capital Co-Invest VI-D, LP and Engaged Capital Co-Invest VI-E, LP (incorporated by reference to Exhibit 10.1 of the Company’s Current Report on Form 8-K filed with the SEC on November 15, 2021).
10.2	Fourth Amended and Restated Credit Agreement, dated December 22, 2021, by and among the Company, the lenders party thereto and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 of the Company’s Current Report on Form 8-K filed with the SEC on December 28, 2021).
10.3	Amended and Restated Security and Pledge Agreement, dated December 22, 2021, by and among the Company, certain wholly-owned subsidiaries of the Company party thereto from time to time, and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.2 of the Company’s Current Report on Form 8-K filed with the SEC on December 28, 2021).
10.4	Form of Restricted Share Unit Agreement under The Hain Celestial Group, Inc. Amended and Restated 2002 Long Term Incentive and Stock Award Plan – Non-Employee Director Awards.
10.5	Form of Restricted Share Unit Agreement under The Hain Celestial Group, Inc. Amended and Restated 2002 Long Term Incentive and Stock Award Plan – 2022-2024 LTIP.
10.6	Form of Performance Share Unit Agreement under The Hain Celestial Group, Inc. Amended and Restated 2002 Long Term Incentive and Stock Award Plan – 2022-2024 LTIP (Absolute Total Shareholder Return).
10.7	Form of Performance Share Unit Agreement under The Hain Celestial Group, Inc. Amended and Restated 2002 Long Term Incentive and Stock Award Plan – 2022-2024 LTIP (Relative Total Shareholder Return).
10.8	Form of Restricted Share Unit Agreement under The Hain Celestial Group, Inc. Amended and Restated 2002 Long Term Incentive and Stock Award Plan – Special Recognition Awards.
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended.
32.1	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
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	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.

101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

SIGNATURES

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

THE HAIN CELESTIAL GROUP, INC.
(Registrant)

Date: February 3, 2022

/s/ Mark L. Schiller

**Mark L. Schiller,
President and
Chief Executive Officer**

Date: February 3, 2022

/s/ Javier H. Idrovo

**Javier H. Idrovo,
Executive Vice President and
Chief Financial Officer
(Principal Financial and Accounting Officer)**

**THE HAIN CELESTIAL GROUP, INC.
NOTICE OF GRANT OF RESTRICTED SHARE UNITS**

The Participant has been granted an award (the “*Award*”) pursuant to The Hain Celestial Group, Inc. Amended and Restated 2002 Long Term Incentive and Stock Award Plan (the “*Plan*”) consisting of one or more rights (each such right being hereafter referred to as a “*Restricted Share Unit*”) to receive in settlement of each such right one (1) share of common stock of The Hain Celestial Group, Inc. By signing below, the Participant acknowledges and agrees that the Award and the Restricted Share Units shall be subject in all respects to the terms and conditions set forth in the Plan and the Restricted Share Units Agreement attached hereto.

Participant: [_____]

Date of Grant: [_____]

Total Number of Units: [_____]

Vesting of Shares: Except as provided in the Restricted Share Units Agreement and provided that the Participant’s service has not terminated prior to the relevant date, the Units shall vest (all such vested units, “*Vested Units*”) in accordance with the schedule set forth below (each such vesting date, a “*Vesting Date*”).

Settlement Date: For each Restricted Share Unit, except as otherwise provided by the Restricted Share Units Agreement, a date within 60 days following the date on which such unit becomes a Vested Unit in accordance with the vesting schedule set forth below.

Vesting Date

**Number of Units
Vesting on Such Date**

The earlier of (1) the first anniversary of the Date of Grant or (2) the date of the Company’s [_____] annual meeting of stockholders

[_____]

THE HAIN CELESTIAL GROUP, INC.

PARTICIPANT

By: _____

Signature

Date

The Hain Celestial Group, Inc.

Restricted Share Units Agreement

The Hain Celestial Group, Inc. has granted to the Participant named in the *Notice of Grant of Restricted Share Units* (the “**Notice**”) to which this Restricted Share Units Agreement (this “**Agreement**”) is attached an Award consisting of Restricted Share Units (“**Units**”) subject to the terms and conditions set forth in the Notice and this Agreement. This Award shall constitute a Restricted Share Units award under the Company’s Amended and Restated 2002 Long Term Incentive and Stock Award Plan (the “**Plan**”), as amended to the Date of Grant, the provisions of which are incorporated herein by reference. By signing the Notice, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with the Notice, this Agreement, and the Plan, (b) accepts the Award subject to all of the terms and conditions of the Notice, this Agreement and the Plan and (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Notice, this Agreement or the Plan.

1. DEFINITIONS AND CONSTRUCTION.

1.1 **Definitions.** Unless otherwise defined herein, capitalized terms shall have the meanings assigned to such terms in the Notice or the Plan.

1.2 **Construction.** Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of this Agreement. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

2. ADMINISTRATION.

All questions of interpretation concerning the Notice and this Agreement shall be determined by the Committee. All determinations by the Committee shall be final and binding upon all persons having an interest in the Award.

3. THE AWARD.

3.1 **Grant of Units.** On the Date of Grant, the Participant shall acquire, subject to the provisions of this Agreement, the Number of Restricted Share Units set forth in the Notice, subject to adjustment as provided in Section 4(d) of the Plan. Each Unit represents a right to receive one (1) Share on a date determined in accordance with the Notice and this Agreement.

3.2 **No Monetary Payment Required.** The Participant is not required to make any monetary payment as a condition to receiving the Units or Shares issued upon settlement of the Units, the consideration for which shall be past services actually rendered and/or future services to be rendered to the Company and/or its Subsidiaries or for its benefit. Notwithstanding the foregoing, if required by applicable state corporate law, the Participant shall furnish consideration in the form of cash or past services rendered to the Company and/or its Subsidiaries or for its benefit having a value not less than the par value of the shares of Stock issued upon settlement of the Units.

4. **VESTING OF UNITS.**

4.1 **Normal Vesting.** Except as provided by Section 4.2, the Units shall vest and become Vested Units as provided in the Notice.

4.2 **Acceleration of Vesting Upon Certain Terminations.** In the event the Participant's service with the Company is terminated at any time as a result of the Participant's death or Disability (as defined in Annex A), then any Units that are not Vested Units shall vest immediately.

4.3 **Acceleration of Vesting in Connection with a Change in Control.** In the event of a Change in Control (as defined in Annex A), then any Units that are not Vested Units shall vest immediately.

5. **COMPANY REACQUISITION RIGHT.**

5.1 **Grant of Company Reacquisition Right.** In the event that the Participant's separation from service occurs for any reason other than as provided in Section 4.2, or (b) the Participant, or other holder of the Units, attempts to sell, exchange, transfer, pledge, or otherwise dispose of (other than pursuant to a transaction approved by the Company), including, without limitation, any transfer to a nominee or agent of the Participant, any Units which are not Vested Units ("**Unvested Units**"), the Participant shall forfeit and the Company shall automatically reacquire the Unvested Units and the Participant shall not be entitled to any payment therefor (the "**Company Reacquisition Right**").

5.2 **Dividends, Distributions and Adjustments.** Upon the occurrence of a dividend or distribution to the stockholders of the Company paid in Shares, Units or other securities or property, or any other adjustment upon a change in the capital structure of the Company as described in Section 4(d) of the Plan, any and all new, substituted or additional securities or other property (other than regular, periodic cash dividends paid on Shares pursuant to the Company's dividend policy) to which the Participant is entitled by reason of the Participant's ownership of Unvested Units shall be immediately subject to the Company Reacquisition Right and included in the terms "Units" and "Unvested Units" for all purposes of the Company Reacquisition Right with the same force and effect as the Unvested Units immediately prior to the dividend, distribution or adjustment, as the case may be.

6. **SETTLEMENT OF THE AWARD.**

6.1 **Issuance of Shares of Stock.** Subject to the provisions of Section 6.3 below, the Company shall issue to the Participant on the Settlement Date with respect to each Vested Unit to be settled on such date one (1) Share. The Settlement Date shall be within 60 days after the Vesting Date. Shares issued in settlement of Units may be subject to restrictions on transfer pursuant to Section 6.3, Section 7, the Company's Insider Trading Policy or other applicable Company policy or stock exchange requirements.

6.2 **Beneficial Ownership of Shares; Certificate Registration.** The Participant hereby authorizes the Company, in its sole discretion, to deposit for the benefit of the Participant with any broker with which the Participant has an account relationship of which the Company has notice any or all shares acquired by the Participant pursuant to the settlement of the Award. Except as provided by the preceding sentence, a certificate for the shares as to which the Award is settled shall be registered in the name of the Participant, or, if applicable, in the names of the heirs of the Participant.

6.3 **Restrictions on Grant of the Award and Issuance of Shares.** The grant of the Award and issuance of Shares upon settlement of the Award shall be subject to compliance with all applicable requirements of federal, state or foreign law or regulation with respect to such securities. No Shares may be issued hereunder if the issuance of such Shares would constitute a violation of any applicable federal, state or foreign securities laws or regulations. As a condition to the settlement of the Award, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

6.4 **Fractional Shares.** The Company shall not be required to issue fractional Shares upon the settlement of the Award.

7. **TAX MATTERS.**

The Participant acknowledges and agrees that the Participant shall be exclusively liable and solely responsible for the payment of all income taxes that may be payable by the Participant as a result of the receipt of the Shares and any other payments to the Participant hereunder, and agrees to file all required returns relating thereto.

8. **RIGHTS AS A STOCKHOLDER.**

The Participant shall have no rights as a stockholder with respect to any Shares issued in settlement of an Award until the date of the issuance of the Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date the Shares are issued, except as provided in Section 4(d) of the Plan.

9. **LEGENDS.**

The Company may at any time place legends referencing any applicable federal, state or foreign securities law restrictions on all certificates representing Shares issued pursuant to this Agreement. The Participant shall, at the request of the Company, promptly present to the Company any and all certificates representing the Shares acquired pursuant to this Award in the possession of the Participant in order to carry out the provisions of this Section.

10. **MISCELLANEOUS PROVISIONS.**

10.1 **Termination or Amendment.** The Board may terminate or amend the Plan or this Agreement at any time; provided, however, that no such termination or amendment may adversely affect the Participant's rights under this Agreement without the consent of the Participant unless such termination or amendment is necessary to comply with applicable law or government regulation. No amendment or addition to this Agreement shall be effective unless in writing.

10.2 **Nontransferability of the Award.** Prior to the issuance of Shares on the applicable Settlement Date, neither this Award nor any Units subject to this Award shall be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to the Award shall be exercisable during the Participant's lifetime only by the Participant or the Participant's guardian or legal representative.

10.3 **Further Instruments.** The parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

10.4 **Binding Effect.** This Agreement shall inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer set forth herein, be binding upon the Participant and the Participant's heirs, executors, administrators, successors and assigns.

10.5 **Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address such party may designate from time to time to the other party.

(a) **Description of Electronic Delivery.** The Plan documents, which may include but do not necessarily include: the Plan, the Notice, this Agreement, the Plan's prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. In addition, the Participant may deliver electronically the Notice to the Company or to such third party involved in administering the Plan as the Company may designate from time to time. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

(b) **Consent to Electronic Delivery and Execution.** The Participant acknowledges that the Participant has read Section 10.5(a) of this Agreement and consents to the electronic delivery of the Plan documents, as described in Section 10.5(a). The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery or execution of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in Section 10.5(a) or may change the electronic mail address to which such documents are to be delivered (if Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents described in Section 10.5(a). Electronic execution of the Notice and this Agreement shall have the same binding effect as a written or hard copy signature and accordingly, shall bind the Participant and the Company to all of the terms and conditions set forth in the Plan, the Notice and this Agreement.

10.6 **Integrated Agreement.** The Notice, this Agreement and the Plan, shall constitute the entire understanding and agreement of the Participant and the Company with respect to the subject matter contained herein or therein and supersedes any prior agreements, understandings, restrictions, representations, or warranties between the Participant and the Company with respect to such subject matter other than those as set forth or provided for herein or therein. To the extent contemplated herein or therein, the provisions of the Notice and the Agreement shall survive any settlement of the Award and shall remain in full force and effect.

10.7 **Applicable Law.** This Agreement shall be governed by the laws of the State of New York as such laws are applied to agreements between New York residents entered into and to be performed entirely within the State of New York.

10.8 **Counterparts.** The Notice may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Annex A

Certain Definitions

“**Change in Control**” means:

- 1) the acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of the combined voting power of the then outstanding voting securities of the Company; provided, however, that for purposes of this clause (1), the following acquisitions shall not constitute a Change of Control: (A) any issuance of voting securities of the Company directly from the Company that is approved by the Incumbent Board (as defined below), or (B) any acquisition of voting securities of the Company by any Person pursuant to a Business Combination (as defined below) that complies with clauses (A), (B) and (C) of clause (3) below; or
- 2) individuals who, as of the date hereof, constitute the Board (the “**Incumbent Board**”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a member of the Board (a “**Director**”) subsequent to the date hereof whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least two-thirds of the Directors then comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall be deemed to have been a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest (within the meaning of Rule 14a-11 of the Exchange Act) with respect to the election or removal of Directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or
- 3) consummation of a reorganization, merger or consolidation, a sale or other disposition of all or substantially all of the assets of the Company, or other transaction (each, a “**Business Combination**”), unless, in each case, immediately following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners of voting securities of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding voting securities of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) in substantially the same proportions relative to each other as their ownership immediately prior to such Business Combination, (B) no Person (other than such entity resulting from such Business Combination) beneficially owns, directly or indirectly, 50% or more of the combined voting power of the then outstanding voting securities of the entity resulting from such Business Combination and (C) at least a majority of the members of the board of directors of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or
- 4) the stockholders of the Company approve a complete liquidation or dissolution of the Company.

“**Disability**” means the permanent and total disability of the Participant within the meaning of Section 22(e)(3) of the Code.

“Person” shall have the meaning ascribed thereto in Section 3(a)(9) of the Exchange Act, as modified, applied and used in Sections 13(d) and 14(d) thereof; provided, however, a Person shall not include (i) the Company or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Subsidiaries (in its capacity as such), (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation or other entity owned, directly or indirectly, by the stockholders of the Company in substantially the same character and proportions as their ownership of voting securities of the Company.

**THE HAIN CELESTIAL GROUP, INC.
NOTICE OF GRANT OF RESTRICTED SHARE UNITS**

The Participant has been granted an award (the “*Award*”) pursuant to The Hain Celestial Group, Inc. Amended and Restated 2002 Long Term Incentive and Stock Award Plan (the “*Plan*”) consisting of one or more rights (each such right being hereafter referred to as a “*Restricted Share Unit*” or “*RSU*”) to receive in settlement of each such right one (1) share of common stock of The Hain Celestial Group, Inc. By accepting below, the Participant acknowledges and agrees that the Award and the Restricted Share Units shall be subject in all respects to the terms and conditions set forth in the Plan and the Restricted Share Unit Agreement attached hereto.

Participant: [_____]

Grant Date: [_____]

Total Number of RSUs: [_____]

Vesting of Shares: Except as provided in the Restricted Share Unit Agreement and provided that the Participant’s employment has not terminated prior to the relevant date, the RSUs shall vest in accordance with the schedule set forth below (each such vesting date, a “*Vesting Date*”).

Vest Schedule – Share Units (RSU)

Vest Date	Vest Quantity
[First vesting date]	[1/3 of RSUs]
[Second vesting date]	[1/3 of RSUs]
[Third vesting date]	[1/3 of RSUs]
	[Total RSUs]

The Hain Celestial Group, Inc.

Restricted Share Unit Agreement

The Hain Celestial Group, Inc. has granted to the Participant named in the *Notice of Grant of Restricted Share Units* (the “**Notice**”) to which this Restricted Share Unit Agreement (this “**Agreement**”) is attached an Award consisting of Restricted Share Units (“**Restricted Share Units**” or “**RSUs**”) subject to the terms and conditions set forth in the Notice and this Agreement. This Award shall constitute a Restricted Share Units award under the Company’s Amended and Restated 2002 Long Term Incentive and Stock Award Plan (the “**Plan**”), as amended to the Grant Date, the provisions of which are incorporated herein by reference. By accepting the Notice, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with the Notice, this Agreement, and the Plan, (b) accepts the Award subject to all of the terms and conditions of the Notice, this Agreement and the Plan and (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Compensation Committee of the Board of Directors of the Company (the “**Compensation Committee**”) upon any questions arising under the Notice, this Agreement or the Plan.

1. **DEFINITIONS AND CONSTRUCTION.**

1.1 **Definitions.** Unless otherwise defined herein, capitalized terms shall have the meanings assigned to such terms in the Notice or the Plan.

1.2 **Construction.** References herein to the Participant’s employment or employment arrangements with the Company shall be deemed to refer to employment with the Company or any of its Subsidiaries or Affiliates. Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of this Agreement. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

2. **ADMINISTRATION.**

In accordance with Section 3 of the Plan, all questions of interpretation concerning the Notice and this Agreement shall be determined by the Compensation Committee. All determinations by the Compensation Committee made reasonably and in good faith shall be final and binding upon all persons having an interest in this Award.

3. **THE AWARD.**

3.1 **Grant of RSUs.** On the Grant Date, the Participant shall acquire, subject to the provisions of this Agreement, the Total Number of RSUs set forth in the Notice. Each Unit represents a right to receive one (1) Share on the applicable vesting date determined in accordance with the Notice and this Agreement.

3.2 **No Monetary Payment Required.** The Participant is not required to make any monetary payment (other than applicable tax withholding, if any) as a condition to receiving the RSUs or Shares issued upon settlement of the RSUs, the consideration for which shall be past services actually rendered and/or future services to be rendered to the Company or for its benefit. Notwithstanding the foregoing, if required by applicable state corporate law, the Participant shall furnish consideration in the form of cash or past services rendered to the Company or for its benefit having a value not less than the par value of the Shares issued upon settlement of the RSUs.

3.3 **Confidentiality, Non-Interference, and Invention Assignment Agreement.** As a condition to the grant of the Award and the receipt of Restricted Share Units pursuant to this Agreement and the Notice, the Participant accepts the Confidentiality, Non-Interference, and Invention Assignment Agreement attached hereto as Annex B.

4. **VESTING OF RSUs.**

4.1 **Normal Vesting.** Except as provided by Section 4.2, the RSUs shall vest as provided in the Notice.

4.2 **Acceleration of Vesting Upon Certain Terminations.** If the Participant's employment with the Company is terminated (i) at any time as a result of the Participant's death or Disability (as defined in Annex A), or (ii) by the Company without Cause (as defined in Annex A) within twelve (12) months following the consummation of a Change in Control (as defined in Annex A), then, in each case, any unvested RSUs shall vest immediately.

5. **DIVIDENDS CREDITED ON THE RESTRICTED SHARE UNITS.**

5.1 The RSUs will earn dividend equivalents in the form of additional RSUs. Specifically, as of each dividend payment date for Company common stock during the period beginning on the Grant Date and ending on the Vesting Date, the Participant's account will be credited with additional RSUs ("**Dividend Equivalent RSUs**") equal in number to the number of Shares that could be bought with the cash dividends that would be paid on the RSUs if each of the unvested RSUs was a Share, rounded to a whole number of Dividend Equivalent RSUs using normal rounding.

5.2 The number of Shares that could be bought with the cash dividends will be calculated based on the Fair Market Value (as defined below) of Company common stock on the applicable dividend payment date. For purposes of this Agreement, "**Fair Market Value**" means the average of the high and the low per Share trading prices for Company common stock as reported in The Wall Street Journal for the specific dividend payment date, or in such other source as the Company deems reliable.

5.3 Dividend Equivalent RSUs will vest at the same time and in the same manner as the RSUs with which they are associated.

6. **SETTLEMENT OF THE AWARD; FORFEITURE AND CLAWBACK.**

6.1 **Issuance of Shares.** Subject to the provisions of Section 6.3 and Section 7, promptly following each Vesting Date, the Company shall issue to the Participant in settlement of the RSUs that vested on such Vesting Date, the number of Shares equal to one (1) Share for each RSU that vests on such Vesting Date. The Participant understands and agrees that the administration of the issuance of Shares may take up to 15 days following the Vesting Date.

6.2 **Mechanics of Issuance of Shares.** The Participant hereby authorizes the Company, in its sole discretion, to deposit for the benefit of the Participant with any broker with which the Participant has an account relationship of which the Company has notice (including any broker that administers the Company's equity award plans) any or all Shares acquired by the Participant pursuant to the settlement of the Award. Except as provided by the preceding sentence, a certificate for the Shares as to which the Award is settled shall be registered in the name of the Participant, or, if applicable, in the names of the heirs of the Participant.

6.3 **Securities Laws and Other Laws.** The grant of the Award and issuance of Shares upon settlement of the Award shall be subject to compliance with all applicable requirements of federal, state or foreign law, including securities laws and regulations.

6.4 **Forfeiture and Clawback.** In the event the Participant breaches the Confidentiality, Non-Interference, and Invention Assignment Agreement attached hereto as Annex B, then the Company shall have the right to (a) deem all RSUs which have not vested to be canceled and rescinded, and forfeited by the Participant, and (b) require the Participant to return to the Company any Shares issued to the Participant upon settlement of the RSUs during the two (2) years prior to such breach and pay to the Company any proceeds realized as a result of the Participant's sale of Shares issued to the Participant upon settlement of the RSUs during the two (2) years prior to such breach, in each case within thirty (30) days following the Company's request for such return or payment.

7. **TAX IMPLICATIONS.**

7.1 **In General.** The Participant hereby authorizes withholding from payroll and any other amounts payable to the Participant, and otherwise agrees to make adequate provision for, any sums required to satisfy the federal, state, local and foreign tax (including any social insurance) withholding obligations of the Company (or its Affiliate or Subsidiary), if any, which arise in connection with this Award, the vesting of RSUs or the issuance of Shares in settlement thereof (the "**Tax Liability**"). These requirements may change from time to time as laws or interpretations change. Regardless of the Company's (or its Affiliate's or Subsidiary's) actions in this regard, the Participant hereby acknowledges and agrees that the Tax Liability shall be the Participant's responsibility and liability.

7.2 **Withholding in Shares.** The Company may satisfy all or any portion of tax withholding obligations by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award a number of whole Shares having a fair market value, as determined by the Company as of the date on which the tax withholding obligations arise, not in excess of the amount of such tax withholding obligations determined by the applicable maximum statutory withholding rates.

8. **ADJUSTMENTS FOR CHANGES IN CAPITAL STRUCTURE.**

The Compensation Committee may make adjustments in accordance with Section 4(d) of the Plan.

9. **NO RIGHTS AS A STOCKHOLDER OR EMPLOYEE.**

The Participant shall have no rights as a stockholder with respect to any RSUs until the date of the issuance of the Shares in settlement thereof. No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date the Shares are issued, except as provided in Sections 5 and 8. The Participant understands and acknowledges that, except as otherwise provided in a separate, written employment agreement between the Company and the Participant, the Participant's employment is "at will" and is for no specified term. Nothing in this Agreement shall confer upon the Participant any right to continue in the employment of the Company or any Subsidiary or interfere in any way with any right of such entities to terminate the Participant's employment at any time.

10. **MISCELLANEOUS PROVISIONS.**

10.1 **Termination or Amendment.** The Board may terminate or amend the Plan or this Agreement at any time; provided, however, that no such termination or amendment

may adversely affect the Participant's rights under this Agreement without the consent of the Participant unless such termination or amendment is necessary to comply with applicable law or government regulation, including, but not limited to, Section 409A of the Code. No amendment or addition to this Agreement shall be effective unless in writing.

10.2 **Nontransferability of the Award.** Prior to the issuance of Shares on settlement of the Award, neither this Award nor any RSUs subject to this Award shall be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to the Award shall be exercisable during the Participant's lifetime only by the Participant or the Participant's guardian or legal representative.

10.3 **Further Instruments.** The parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

10.4 **Binding Effect.** This Agreement shall inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer set forth herein, be binding upon the Participant and the Participant's heirs, executors, administrators, successors and assigns.

10.5 **Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, if to the Company at 1111 Marcus Avenue, Lake Success, NY 11042, Attention: General Counsel, and if to the Participant at the home address of the Participant on file with the Company.

(a) **Description of Electronic Delivery.** The Plan documents, which may include but do not necessarily include: the Plan, the Notice, this Agreement, the Plan's prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. In addition, the Participant may deliver electronically the Notice and this Agreement to the Company or to such third party involved in administering the Plan as the Company may designate from time to time. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

(b) **Consent to Electronic Delivery and Execution.** The Participant acknowledges that the Participant has read Section 10.5(a) of this Agreement and consents to the electronic delivery of the Plan documents, as described in Section 10.5(a). The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery or execution of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in Section 10.5(a) or may change the

electronic mail address to which such documents are to be delivered (if Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents described in Section 10.5(a). Electronic acceptance of the Notice, this Agreement and any annexes shall have the same binding effect as a written or hard copy signature and accordingly, shall bind the Participant to all of the terms and conditions set forth in the Plan, the Notice, this Agreement and any annexes.

10.6 Integrated Agreement. The Notice, this Agreement and the Plan shall constitute the entire understanding and agreement of the Participant and the Company with respect to the subject matter contained herein or therein and supersedes any prior agreements, understandings, restrictions, representations, or warranties between the Participant and the Company with respect to such subject matter other than those as set forth or provided for herein or therein. To the extent contemplated herein or therein, the provisions of the Notice and the Agreement shall survive any settlement of the Award and shall remain in full force and effect.

10.7 Section 409A. This Agreement and the RSUs granted hereunder are intended to fit within the “short-term deferral” exemption from Section 409A of the Code as set forth in Treasury Regulation Section 1.409A-1(b)(4). In administering this Agreement, the Company shall interpret this Agreement in a manner consistent with such exemption. Notwithstanding the foregoing, if it is determined that the RSUs fail to satisfy the requirements of the short-term deferral rule and are otherwise deferred compensation subject to Section 409A, and if the Participant is a “Specified Employee” (within the meaning set forth Section 409A(a)(2)(B)(i) of the Code) as of the date of the Participant’s separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), then the issuance of any Shares that would otherwise be made upon the date of the separation from service or within the first six (6) months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six (6) months and one day after the date of the separation from service, but if and only if such delay in the issuance of the Shares is necessary to avoid the imposition of additional taxation on the Participant in respect of the Shares under Section 409A of the Code. Each installment of Shares that vests is intended to constitute a “separate payment” for purposes of Section 409A of the Code and Treasury Regulation Section 1.409A-2(b)(2).

10.8 Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to its conflict of laws provisions. The parties agree that any action or proceeding with respect to this Agreement shall be brought exclusively in the Supreme Court of the State of New York, Nassau County, or in the United States District Court for the Eastern District of New York, or in any other court of competent jurisdiction in and for the State of New York, Nassau County and the parties agree to the personal jurisdiction thereof. The parties hereby irrevocably waive any objection they may now or hereafter have to the laying of venue of any such action in such court(s), and further irrevocably waive any claim they may now or hereafter have that any such action brought in such court(s) has been brought in an inconvenient forum. The parties agree that, if any dispute or controversy arising from or relating to this agreement is submitted for adjudication to any court, all issues of fact shall be tried without a jury.

10.9 Severability. If any term or provision of this Agreement or the application thereof to any Participant or circumstance shall to any extent be invalid or unenforceable, such provision will be modified, rewritten or interpreted to include as much of its nature and scope as will render it enforceable. If it cannot be so modified, rewritten or interpreted to be enforceable in any respect, it will not be given effect and the remainder of this Agreement, or the application of such term or provision to Participants or circumstances other

than those held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

10.10 **Acceptance.** By accepting this Agreement, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with this Agreement and the Plan, (b) accepts the Award subject to all of the terms and conditions of this Agreement and the Plan, (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under this Agreement except as otherwise provided in this Agreement and (d) accepts the Confidentiality, Non-Interference, and Invention Assignment Agreement attached hereto as Annex B. The Participant acknowledges that there may be tax consequences upon the vesting and settlement of the RSUs or disposition of the underlying Shares and that the Participant has been advised to consult a tax advisor prior to such vesting, settlement or disposition.

Annex A

Certain Definitions

“**Cause**” has the meaning set forth in the Change in Control Agreement between the Company and the Participant or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then “Cause” shall mean the occurrence of any of the following events: (i) any material violation by the Participant of any law or regulation applicable to the Company or its Affiliates; (ii) the Participant’s commission of, plea of guilty or nolo contendere to, or indictment for, a felony or any other crime involving moral turpitude; (iii) the Participant’s commission of an act of personal dishonesty in connection with the Company or any other entity having a business relationship with the Company; (iv) any breach by the Participant of any written agreement between the Company and the Participant, or the terms of the Participant’s service as an employee of the Company, including, without limitation, the breach of any written non-competition, non-solicitation, invention assignment, confidentiality or similar written restrictive covenants; (v) the Participant’s violation of the written policies of the Company, commission of sexual harassment, or any other conduct causing the Company or any of its Affiliates public disgrace or disrepute or economic harm; (vi) reporting to work under the influence of alcohol or illegal drugs or the use of illegal drugs (whether or not at the workplace); or (vii) a willful failure to substantially perform the Participant’s duties and obligations to the Company and its Subsidiaries, other than failure resulting from complete or partial incapacity due to physical or mental illness or impairment; provided, that clause (vii) shall constitute “Cause” only if the Participant fails to cure such event (if curable) within ten (10) business days after receipt from the Company of written notice specifying the Participant’s actions that constitute Cause.

“**Change in Control**” has the meaning set forth in the Change in Control Agreement between the Company and the Participant or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then:

- 1) the acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of the combined voting power of the then outstanding voting securities of the Company; provided, however, that for purposes of this clause (1), the following acquisitions shall not constitute a Change of Control: (A) any issuance of voting securities of the Company directly from the Company that is approved by the Incumbent Board (as defined below), or (B) any acquisition of voting securities of the Company by any Person pursuant to a Business Combination (as defined below) that complies with clauses (A), (B) and (C) of clause (3) below; or
- 2) individuals who, as of the date hereof, constitute the Board (the “**Incumbent Board**”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a member of the Board (a “**Director**”) subsequent to the date hereof whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least two-thirds of the Directors then comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall be deemed to have been a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest (within the meaning of Rule 14a-11 of the Exchange Act) with respect to the election or removal of Directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

- 3) consummation of a reorganization, merger or consolidation, a sale or other disposition of all or substantially all of the assets of the Company, or other transaction (each, a “**Business Combination**”), unless, in each case, immediately following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners of voting securities of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding voting securities of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) in substantially the same proportions relative to each other as their ownership immediately prior to such Business Combination, (B) no Person (other than such entity resulting from such Business Combination) beneficially owns, directly or indirectly, 50% or more of the combined voting power of the then outstanding voting securities of the entity resulting from such Business Combination and (C) at least a majority of the members of the board of directors of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or
- 4) the stockholders of the Company approve a complete liquidation or dissolution of the Company.

“**Disability**” has the meaning set forth in the Change in Control Agreement between the Company and the Participant or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then “Disability” shall mean the permanent and total disability of the Participant within the meaning of Section 22(e)(3) of the Code.

“**Person**” shall have the meaning ascribed thereto in Section 3(a)(9) of the Exchange Act, as modified, applied and used in Sections 13(d) and 14(d) thereof; provided, however, a Person shall not include (i) the Company or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Subsidiaries (in its capacity as such), (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation or other entity owned, directly or indirectly, by the stockholders of the Company in substantially the same character and proportions as their ownership of voting securities of the Company.

Annex B

CONFIDENTIALITY, NON-INTERFERENCE, AND INVENTION ASSIGNMENT AGREEMENT

This CONFIDENTIALITY, NON-INTERFERENCE, AND INVENTION ASSIGNMENT AGREEMENT (this "Agreement") is made and entered into as of [_____] by [_____] ("Employee") for the benefit of The Hain Celestial Group, Inc., a Delaware corporation, and its subsidiaries and affiliates (collectively, the "Company").

In consideration of Employee's continued employment with the Company and remuneration received thereunder, and Employee's receipt of the compensation now and hereafter paid to Employee by the Company, including Employee's receipt of an award of Restricted Share Units in accordance with the Notice of Grant of Restricted Share Units and Restricted Share Unit Agreement to which this Agreement is attached, the receipt and sufficiency of which are mutually acknowledged, Employee agrees as follows:

Section 1. Confidential Information.

(a) Company Information. Employee acknowledges that, during the course of Employee's employment, Employee will have substantial access to, be provided with and inevitably will use confidential and proprietary information of the Company. In recognition of the foregoing, Employee agrees that, at all times during the Employment Period and thereafter, to hold in confidence, and not to use or to disclose to any Person without written authorization of the Company, for any reason or purpose whatsoever except as may be required in the ordinary course of performing Employee's duties as an employee of the Company, any Confidential Information that Employee obtains or creates. Employee understands that "Confidential Information" means information in spoken, printed, electronic, or any other form or medium, that is not generally known publicly and is owned or maintained by the Company and/or has been acquired, developed, discovered or compiled by the Company at its great effort and expense, and that the Company wishes to maintain as confidential, that has value in or to the business of the Company. Employee understands that:

(i) Confidential Information includes, but is not limited to, any and all non-public information that relates to the actual or anticipated business and/or products or services, research, or development of the Company, or to the Company's technical data, trade secrets, or know-how, including, but not limited to, business records, customer lists or compilations, terms of customer agreements, supplier or service information, pricing or cost information, marketing information, future products and strategies or plans, ideas, business opportunities, inventions, creations, enhancements, business operation information, financial information or personnel data, designs, drawings or inspections of premises, parts, equipment, or other Company property, any formula, recipe, manufacturing process, pattern, device and/or compilation of information that is used in the Company's business and that gives the Company an advantage over its competitors, or other information regarding the Company's products or services, markets, customers (including, but not limited to, customers of the Company on whom Employee called or with whom Employee may become acquainted during the Employment Period), software, processes, formulas, product specifications, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, policies, training manuals and similar materials used by the Company in conducting its business operations, potential business combinations, and other business information disclosed by the Company either directly or indirectly, in writing, electronically or orally, and other confidential or proprietary information created, used and/or obtained by Employee in the course of Employee's employment with the Company;

(ii) Confidential Information also includes proprietary or confidential information of any third party who may disclose such information to Company or to Employee in the course of the Company's business subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes;

(iii) Confidential Information also includes other information of any existing or prospective customer or of any other Person that has entrusted information to the Company in confidence. Employee acknowledges that all Confidential Information is the sole and exclusive property of the Company. Employee further acknowledges that the Company's communication systems (such as email and voicemail) are maintained to assist in the conduct of the Company's business and that such systems and data exchanged or stored thereon are Company property; and

(iv) notwithstanding the foregoing, Confidential Information shall not include any of the foregoing items that have become publicly and widely known through no unauthorized disclosure by Employee or others who were under confidentiality obligations as to the item or items involved.

(b) Former Employer Information. Employee represents and warrants that Employee is not a party to any non-competition agreement or other contractual limitation that would interfere with or hinder Employee's ability to undertake the obligations and expectations of employment with the Company. Employee represents that Employee's performance of all of the terms of this Agreement as an employee of the Company has not breached and will not breach any agreement to keep in confidence proprietary information, knowledge, or data acquired by Employee in confidence or trust prior to the commencement of Employee's employment with the Company, and Employee will not disclose to the Company, or induce the Company to use, any developments, or confidential information or material Employee may have obtained in connection with employment with any prior employer in violation of a confidentiality agreement, nondisclosure agreement, or similar agreement with such prior employer. If any prior employer asserts a claim that Employee's employment with the Company violates any contractual obligations owed by Employee, or that Employee has otherwise committed a breach of any contractual or other duty to a prior employer, the Company may immediately terminate Employee's employment. In the event of such a claim, the Company is not obligated to indemnify Employee for any damages or to provide a defense against such claims.

(c) Permitted Disclosure. This Agreement does not limit or interfere with Employee's right, without notice to or authorization of the Company, to communicate and cooperate in good faith with any self-regulatory organization or federal, state, or local governmental agency, commission, or entity (collectively, a "Government Entity") for the purpose of (i) reporting a possible violation of any federal, state, or local law or regulation, (ii) participating in any investigation or proceeding that may be conducted or managed by any Government Entity, including by providing documents or other information, or (iii) filing a charge or complaint with a Government Entity, provided that in each case, such communications, participation, and disclosures are consistent with applicable law. Additionally, Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If Employee files a lawsuit for retaliation by an employer for reporting a suspected violation of law, Employee may disclose the trade secret to the Employee's attorney in such lawsuit and use the trade secret information in the court proceeding, if Employee files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order. All disclosures permitted under this Section 1(c) are hereinafter

referred to as “Permitted Disclosures.” Notwithstanding the foregoing, under no circumstance will Employee be authorized to disclose any Confidential Information as to which the Company may assert protections from disclosure under the attorney-client privilege or the attorney work product doctrine, without prior written consent of Company’s General Counsel or other authorized officer designated by the Company.

Section 2. Developments.

All inventions, improvements, trade secrets, reports, manuals, computer programs, systems, educational and sales materials or other publications, and other ideas and materials developed or invented by Employee, including all tangible work product derived therefrom, during the Employment Period, either solely or in collaboration with others, which relate to the actual or anticipated business or research of the Company, which result from or are suggested by any work Employee may do for the Company, or which result from use of the Company’s premises or the Company’s or its customers’ property (collectively, the “Developments”) shall be the sole and exclusive property of the Company. Employee hereby assigns to the Company Employee’s entire right and interest in any such Developments. Employee agrees to promptly and fully disclose to the Company all Developments. At the request of the Company, Employee will, during and after the term of this Agreement, without charge to the Company but at the expense of the Company, assist the Company in any reasonable way to vest in the Company title to all such Developments, and to obtain any related patents, trademarks, or copyrights in all countries throughout the world. Employee will execute and deliver assignments and any other documents that the Company may reasonably request in connection with such assistance.

This Section 2 does not apply to an invention for which no equipment, supplies, facility or trade secret information of the Company was used and which was developed entirely on Employee’s own time, and (1) which does not relate (a) directly to the business of the Company or (b) to the Company’s actual or demonstrably anticipated research or development, or (2) which does not result from any work performed by Employee for the Company.

Section 3. Returning Company Documents and Equipment.

At the time of the termination of Employee’s employment with the Company for any reason (or earlier if so requested), Employee will promptly deliver to the Company (and will not keep in Employee’s possession, recreate, copy, or deliver to anyone else) any and all Confidential Information and all other documents, materials, information, computer equipment, electronic equipment, mobile phones, and other property in Employee’s possession or control, created or received by Employee in connection with Employee’s employment or otherwise belonging to the Company (excluding documents related only to Employee’s compensation and employee benefits). Any property situated on the Company’s premises and owned by the Company (or any other member of the Company), including USB flash drives and other storage media, filing cabinets, and other work areas, is subject to inspection by the Company at any time with or without notice. Furthermore, at the time of termination, Employee will return all property of the Company in proper working order without any modification to device or data contained within it, and will provide all passwords or passcodes needed for the Company to access any electronic devices.

Section 4. Restrictions on Interfering.

(a) Non-Competition. During the Employment Period and the Post-Termination Restricted Period, Employee shall not, without the express written consent of the CEO of the Company, directly or indirectly, individually or on behalf of any Person, whether for compensation or otherwise, engage in any Competitive Activities in any jurisdiction in which the

Company engages in business and in relation to which Employee has had a material influence or material involvement, or obtained material Confidential Information.

(b) Non-Interference. During the Employment Period and the Post-Termination Restricted Period, Employee shall not, without the express written consent of the CEO of the Company, directly or indirectly, individually or on behalf of any Person, engage in Interfering Activities.

(c) Non-Disparagement. At all times during the Employment Period and thereafter, Employee shall not, directly or indirectly, individually or on behalf of any Person, induce or encourage others to make, publish, or communicate to any Person, any disparaging or defamatory comments regarding the Company, its businesses, its products or its services, or any of the Company's current or former directors, officers, or employees. However, nothing in this Section 4(c) shall prevent Employee from making a Permitted Disclosure as defined in Section 1(c).

(d) Definitions. For purposes of this Agreement:

(i) "Business Relation" shall mean any current or prospective customer, vendor, supplier or other business relation of the Company, or any such relation that was a customer, vendor, supplier, or other business relation within the prior twelve (12)-month period, in each case, with whom Employee, or persons reporting to Employee, had personal contact or dealings during the Employment Period.

(ii) "Competitive Activities" shall mean any activity in which the Employee directly or indirectly, in whole or in part, as an employee, employer, owner, operator, manager, advisor, consultant, agent, representative, partner, member, director, stockholder, officer, volunteer, intern, or any other similar position in a capacity similar to the position held by Employee with the Company, on behalf of or in association with a business engaged in the same or similar business as the Company, including, without limitation, any business activity related to the research, development, production, marketing, sale, or distribution of consumer goods or products that are the same as or substantially similar to the consumer goods or products then being, or that at any time in the prior twelve (12) months were being researched, developed, produced, marketed, sold or distributed by the Company, including but not limited to organic and natural products sold through specialty and natural food distributors, supermarkets, natural foods stores, mass-market and e-commerce retailers, food service channels, and club, drug, and convenience stores (the "Business"). Notwithstanding the foregoing, Competitive Activities are limited to such segments of the Company's Business for which Employee had responsibility or about which Employee learned Confidential Information during the last two (2) years of the Employment Period. Competitive Activities does not include purchasing or owning not in excess of three percent (3%) of the publicly traded securities of any corporation, or purchasing or owning stock, partnership interests, or other securities of any entity not in excess of three percent (3%) of any class of such securities, provided that such ownership represents a passive investment and Employee is not a controlling person of, or a member of a group that controls, such corporation.

(iii) "Employment Period" shall mean the period of Employee's employment with the Company.

(iv) "Interfering Activities" shall mean, directly or indirectly, (A) Soliciting, encouraging, enticing, causing, or inducing, or in any manner attempting to Solicit, encourage, entice, cause, or induce, any Person employed by, or providing consulting services or independent contractor services to, the Company and with whom Employee

had material contact (meaning an employee whom the Employee supervised, worked closely with, or directly reported to) within the last two (2) years of the Employment Period or about whom Employee had Confidential Information during the Employment Period to terminate such Person's employment or services (or in the case of a consultant or independent contractor, materially reducing such services) with the Company, or to work for a third party other than the Company, without the prior written consent of the Company; (B) hiring or engaging any Person who was employed by, or providing consulting or independent contractor services to, the Company within the six (6)-month period prior to the date of such hiring or engagement, and with whom Employee had material contact (meaning an employee whom the Employee supervised, worked closely with, or directly reported to) within the last two (2) years of the Employment Period or about whom Employee had Confidential Information during the Employment Period; or (C) Soliciting, encouraging, calling upon, directing, diverting, influencing, or inducing, or in any manner attempting to Solicit, encourage, call upon, direct, divert, influence, or induce, any Business Relation to cease doing business with or reduce the amount of business conducted with the Company, or in any way interfering with the relationship between any such Business Relation and the Company, including by convincing any such Business Relation to change or alter the terms of its existing or prospective contractual terms and conditions with the Company; or (D) on behalf of or in association with any Person, accepting business from a Business Relation in competition with the Business of the Company.

(v) "Person" shall mean any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust (charitable or non-charitable), unincorporated organization, or other form of business entity.

(vi) "Post-Termination Restricted Period" shall mean the period commencing on the date of the termination of the Employee's employment with the Company for any reason, and ending on the date that is one (1) year following such date of termination.

(vii) "Solicit," "Soliciting," or "Solicitation" shall mean any direct or indirect communication of any kind, regardless of who initiates it, that in any way invites, advises, encourages, or requests any Person to take or refrain from taking any action.

Section 5. Reasonableness of Restrictions.

Employee acknowledges and recognizes the highly competitive nature of the Company's business, and agrees that access to Confidential Information renders Employee special and unique within the Company's industry, and that Employee will have the opportunity to develop substantial relationships of confidence, trust and goodwill with existing and prospective employees, customers, vendors, suppliers, and/or business partners of the Company during the course of and as a result of Employee's employment with the Company. In light of the foregoing, Employee recognizes and acknowledges that the restrictions and limitations set forth in this Agreement are reasonable and valid in geographic and temporal scope and in all other respects and are essential to protect the value of the Business, goodwill and assets of the Company. Employee further acknowledges that the Company competes worldwide, and that Employee's access to Confidential Information, including trade secrets, and the relationships Employee builds during Employee's employment make it necessary for the Company to restrict Employee's post-employment activities in any market in which the Company competes, and in which Employee's access to Confidential Information and the relationships Employee builds during Employee's employment could be used to the detriment of the Company. Employee further acknowledges that the restrictions and limitations set forth in this Agreement will not materially interfere with Employee's ability to earn a living following the termination of Employee's employment with the Company.

Section 6. Independence; Severability; Blue Pencil.

Each of the rights enumerated in this Agreement shall be independent of the others and shall be in addition to and not in lieu of any other rights and remedies available to the Company at law or in equity. If any of the provisions of this Agreement or any part of any of them is hereafter construed or adjudicated to be invalid or unenforceable in any respect, the same shall not affect the remainder of this Agreement, which shall be given full effect without regard to the invalid portions. If any of the covenants contained herein are held to be invalid or unenforceable because of the duration of such provisions or the area or scope covered thereby, the court making such determination shall have the power to modify the duration, scope, and/or area of such provision to the maximum and/or broadest duration, scope, and/or area permissible by law, and in its reduced form said provision shall then be enforceable. Such modification will apply only with respect to the operation of such provision in the particular jurisdiction in which such adjudication is made.

Section 7. Remedies.

Employee expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Agreement may result in substantial, continuing, and irreparable injury to the Company, monetary relief would not compensate for such breach, and damages arising out of such a breach may be difficult to ascertain. Therefore, Employee agrees that, in addition to any other remedy that may be available to the Company, including but not limited to the remedies set forth in Section 6.4 of the Restricted Share Unit Agreement, the Company has the right to seek temporary, preliminary, and/or permanent injunctive relief, specific performance, or other equitable relief from any court of competent jurisdiction in the event of any breach or threatened breach of the terms of this Agreement, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The Company may pursue any remedy available, including declaratory relief, concurrently or consecutively in any order, and the pursuit of one such remedy at any time will not be deemed an election of remedies or waiver of the right to pursue any other remedy. In addition, in the event of a breach by the Employee of any provision of this Agreement, the Company shall be entitled to the cessation of payment of any unpaid severance benefits and/or to seek repayment of any severance benefits paid to the Employee pursuant to any severance benefit agreement, plan, or program of the Company, as may be legally permissible. Notwithstanding any other provision to the contrary, the Post-Termination Restricted Period shall be tolled during any period of violation of any of the covenants in Section 4 of this Agreement.

Section 8. Cooperation.

Following any termination of Employee's employment, Employee will continue to provide reasonable cooperation to the Company and its counsel in connection with any investigation, administrative proceeding, or litigation relating to any matter that occurred during the Employment Period in which Employee was involved or of which Employee has knowledge. As a condition of such cooperation, the Company shall reimburse Employee for reasonable out-of-pocket expenses incurred at the request of the Company with respect to Employee's compliance with this Section 8. In the event Employee is subpoenaed by any person or entity (including, but not limited to, any Government Entity) to give testimony or provide documents (in a deposition, court proceeding, or otherwise), that in any way relates to Employee's employment by the Company, Employee will give prompt notice of such subpoena to the Company and will make no disclosure until the Company has had a reasonable opportunity to contest the right of the requesting person or entity to such disclosure. Nothing in this Section 8 shall limit Employee's right to make Permitted Disclosures as provided in Section 1(c).

Section 9. General Provisions.

(a) **GOVERNING LAW; WAIVER OF JURY TRIAL.** THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAWS, AND TO APPLICABLE FEDERAL LAW. EACH PARTY TO THIS AGREEMENT ALSO HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY SUIT, ACTION, OR PROCEEDING UNDER OR IN CONNECTION WITH THIS AGREEMENT. THE PARTIES AGREE THAT ANY ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT SHALL BE BROUGHT EXCLUSIVELY IN THE SUPREME COURT OF THE STATE OF NEW YORK, NASSAU COUNTY, OR IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK, OR IN ANY OTHER COURT OF COMPETENT JURISDICTION IN AND FOR THE STATE OF NEW YORK, NASSAU COUNTY, AND THE PARTIES AGREE TO THE PERSONAL JURISDICTION THEREOF. THE PARTIES HEREBY IRREVOCABLY WAIVE ANY OBJECTION THEY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH ACTION IN SUCH COURT(S), AND FURTHER IRREVOCABLY WAIVE ANY CLAIM THEY MAY NOW OR HEREAFTER HAVE THAT ANY SUCH ACTION BROUGHT IN SUCH COURT(S) HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(b) **Entire Agreement.** This Agreement sets forth the entire agreement and understanding between the Company and Employee relating to the subject matter herein and supersedes all prior and contemporaneous negotiations, discussions, correspondence, communications, understandings, agreements, representations, promises, and any other statements, both written and oral, between the parties relating to the subject matter of this Agreement, except for any agreement between the Company and Employee addressing the use of confidential information or competitive activities post-employment which agreements shall remain in full force and effect. The failure of either the Company or Employee, whether purposeful or otherwise, to exercise in any instance any right, power, or privilege under this Agreement or under law shall not constitute a waiver of the same or any other right, power, or privilege in any other instance. Any waiver or modification by the Company or by Employee must be in writing and signed by either Employee, if Employee is seeking to waive any of Employee's rights under this Agreement, or by the CEO of the Company, if the Company is seeking to waive any of its rights under this Agreement. Any subsequent change or changes in Employee's duties, obligations, rights, or compensation will not affect the validity or scope of this Agreement.

(c) **Successors and Assigns.** This Agreement will be binding upon Employee's heirs, executors, administrators, and other legal representatives and will be for the benefit of the Company, its successors, and its assigns. This Agreement may be assigned by the Company without Employee's consent to any subsidiary or affiliate of the Company as well as to any purchaser of all or substantially all of the assets or business of the Company, whether by purchase, merger, or other similar corporate transaction. Employee's obligations under this Agreement may not be delegated, and Employee may not assign or otherwise transfer this Agreement or any part hereof. Any purported assignment by Employee shall be null and void from the initial date of purported assignment. This Agreement is for the sole benefit of the Company and the Employee and their respective successors and permitted assigns and not for the benefit of, or enforceable by, any third party.

(d) **Acknowledgment.** Employee acknowledges that Employee has had adequate time to consider the terms of this Agreement, has knowingly and voluntarily entered into this Agreement and has been advised by the Company to seek the advice of independent counsel

prior to reaching agreement with the Company on any of the terms of this Agreement. No rule of construction shall apply to this Agreement which construes ambiguous language in favor of or against any party by reason of that party's role in drafting this Agreement.

(e) Survival. The provisions of this Agreement shall survive the termination of Employee's employment with the Company and/or the assignment of this Agreement by the Company to any successor in interest or other assignee.

(f) Section Headings. Section and subsection headings are inserted for convenience only and shall not limit, expand, or alter the meaning or interpretation of this Agreement.

The Hain Celestial Group, Inc.
Performance Share Unit Agreement

This Performance Share Unit Agreement (this “**Agreement**”) is dated as of [_____] (the “**Grant Date**”) and sets forth the terms of an award of performance share units (“**Performance Share Units**” or “**PSUs**”) by The Hain Celestial Group, Inc., a Delaware corporation (the “**Company**”), to [_____] (the “**Participant**”).

WHEREAS, the Company has adopted The Hain Celestial Group, Inc. Amended and Restated 2002 Long Term Incentive and Stock Award Plan (the “**Plan**”), the provisions of which are incorporated herein by reference; and

WHEREAS, the Compensation Committee of the Board of Directors of the Company (the “**Compensation Committee**”) or its delegate has determined that it is in the best interests of the Company and its shareholders to grant the award of Performance Share Units provided for herein, with the award to constitute an Award of Performance Units under the Plan.

1. **DEFINITIONS AND CONSTRUCTION.**

1.1 **Definitions.** Unless otherwise defined herein, capitalized terms shall have the meaning set forth in the Plan. The following terms have the following definitions:

- “**Cause**” has the meaning set forth in the Change in Control Agreement between the Company and the Participant (the “**Change in Control Agreement**”) or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then “Cause” shall mean the occurrence of any of the following events: (i) any material violation by the Participant of any law or regulation applicable to the Company or its Affiliates; (ii) the Participant’s commission of, plea of guilty or nolo contendere to, or indictment for, a felony or any other crime involving moral turpitude; (iii) the Participant’s commission of an act of personal dishonesty in connection with the Company or any other entity having a business relationship with the Company; (iv) any breach by the Participant of any written agreement between the Company and the Participant, or the terms of the Participant’s service as an employee of the Company, including, without limitation, the breach of any written non-competition, non-solicitation, invention assignment, confidentiality or similar written restrictive covenants; (v) the Participant’s violation of the written policies of the Company, commission of sexual harassment, or any other conduct causing the Company or any of its Subsidiaries public disgrace or disrepute or economic harm; (vi) reporting to work under the influence of alcohol or illegal drugs or the use of illegal drugs (whether or not at the workplace); or (vii) a willful failure to substantially perform the Participant’s duties and obligations to the Company and its Subsidiaries, other than failure resulting from complete or partial incapacity due to physical or mental illness or impairment; provided, that clause (vii) shall constitute “Cause” only if the Participant fails to cure such event (if curable) within ten (10) business days after receipt from the Company of written notice specifying the Participant’s actions that constitute Cause.
- “**Disability**” has the meaning set forth in the Change in Control Agreement between the Company and the Participant or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then

“Disability” shall mean the permanent and total disability of the Participant within the meaning of Section 22(e)(3) of the Code.

- **“Good Reason”** has the meaning set forth in the Change in Control Agreement between the Company and the Participant or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then “Good Reason” shall mean the occurrence of any of the following events, without the express written consent of the Participant: (i) a material diminution in the Participant’s duties or responsibilities, excluding for this purpose any diminution during any period of the Participant’s incapacity or Disability, so long as such diminution ceases upon the cessation of the Participant’s incapacity or Disability; or (ii) a reduction in the Participant’s annual base salary; provided, that the Participant may not terminate the Participant’s employment for Good Reason unless: (a) the Participant provides the Board with written notice of the event constituting Good Reason within thirty (30) days following the Participant’s initial knowledge of such event, which notice shall specify the facts and circumstances constituting Good Reason, (b) the Company fails to cure such event within thirty (30) days following receipt by the Board of such written notice, and (c) the Participant actually resigns for Good Reason no later than thirty (30) days following the expiration of such thirty (30) day cure period.

1.2 **Construction.** References herein to the Participant’s employment or employment arrangements with the Company shall be deemed to refer to employment with the Company or any of its Subsidiaries or Affiliates. Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of this Agreement. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

2. **ADMINISTRATION.**

In accordance with Section 3 of the Plan, all questions of interpretation concerning this Agreement shall be determined by the Compensation Committee. All determinations by the Compensation Committee made reasonably and in good faith shall be final and binding upon all persons having an interest in this Award.

3. **THE AWARD.**

3.1 **Grant of Performance Share Units.** On the Grant Date, the Participant has been granted a right, evidenced by the number of Performance Share Units set forth in Section 4, to receive Shares based on the terms and conditions set forth in this Agreement, which will be earned and vested (or not) as set forth in Section 4. Each Performance Share Unit represents a contingent right to receive one (1) Share on the Vesting Date (as defined below).

3.2 **No Monetary Payment Required.** The Participant is not required to make any monetary payment (other than applicable tax withholding, if any) as a condition to receiving the PSUs or Shares issued upon settlement of the PSUs, the consideration for which shall be past services actually rendered and/or future services to be rendered to the Company or for its benefit. Notwithstanding the foregoing, if required by applicable state corporate law, the Participant shall furnish consideration in the form of cash or past services rendered to the Company or for its benefit having a value not less than the par value of the Shares issued upon settlement of the PSUs.

3.3 **Confidentiality, Non-Interference, and Invention Assignment Agreement.** As a condition to the grant of the PSUs pursuant to this Agreement, the Participant accepts the Confidentiality, Non-Interference, and Invention Assignment Agreement attached hereto as Annex A.

4. **VESTING OF PERFORMANCE SHARE UNITS.**

4.1 **Performance Based Vesting.** The target number of PSUs that may be earned by the Participant is [_____] PSUs (the “**Target Number of PSUs**”). Subject to the time-based vesting requirements set forth in Section 4.3, the number of PSUs that will be conditionally earned based on Company performance shall be based upon the Compound Annual Total Shareholder Return over the Performance Period (each as defined below), as follows:

Compound Annual Total Shareholder Return over the Performance Period	PSUs Earned Based on Company Performance (% of Target Number of PSUs)
Below 7.00%	0% of Target Number of PSUs
7.00%	50% of Target Number of PSUs
11.00%	100% of Target Number of PSUs
15.00% or Greater	200% of Target Number of PSUs

Straight-line interpolation shall apply between performance levels, rounded to the nearest whole number of PSUs using normal rounding. By way of example only, Compound Annual Total Shareholder Return of 10.00% would result in 87.50% of the Target Number of PSUs being earned, and Compound Annual Total Shareholder Return of 12.00% would result in 125.00% of the Target Number of PSUs being earned.

For the avoidance of doubt, no PSUs will be earned if the Compound Annual Total Shareholder Return over the Performance Period is below 7%, and the maximum number of PSUs that may be earned is 200% of the Target Number of PSUs.

In addition to the performance vesting requirements described in this Section 4.1, the PSUs shall be subject to the time-based vesting requirements set forth in Section 4.3 below.

4.2 **Determination of Compound Annual Total Shareholder Return.** “**Compound Annual Total Shareholder Return**” means the compound annual growth rate over the Performance Period, expressed as a percentage, from the Initial Share Price to the Ending Average Share Price, plus reinvested dividends over the Performance Period, subject to the following definitions and parameters associated with the calculation:

- “**Date of Determination**” means the earlier of (A) November 17, 2024; (B) the date the Participant’s employment is terminated by reason of death or Disability; or (C) the effective date of a Change in Control.
- “**Ending Average Share Price**” means the average of the daily closing prices per Share of the Company’s common stock, as reported on the stock exchange or market on which such stock is listed, for the 20 trading days ending on and including the applicable Date of Determination, except that in the event of a Change in Control, the Ending Average Share Price will be equal to the value of the consideration paid or

exchanged for a Share pursuant to the terms of the Change in Control. For avoidance of doubt, in the event of a Change in Control, the Ending Average Share Price will not be based on the average of the daily closing prices on the 20 trading days ending on the Date of Determination as described above.

- “**Initial Share Price**” means \$40.78, which was the closing price per Share of the Company’s common stock, as reported on The Nasdaq Global Select Market on November 17, 2021.
- “**Performance Period**” means the period beginning on the Grant Date and ending on the Date of Determination.

Dividends that have an ex-dividend date during the Performance Period shall be included in the calculation assuming the reinvestment of such dividends as of the applicable ex-dividend date, and dividends shall include the per Share value of any cash or stock dividends, including the per Share value as determined in good faith by the Company’s Board of Directors of a dividend issued in any Company spin-off of assets or subsidiary stock.

Notwithstanding the foregoing, if the Participant’s employment is terminated by reason of death or Disability or the Participant has a Change in Control Qualifying Termination (as defined below) prior to the one-year anniversary of the Grant Date, Compound Annual Total Shareholder Return will be computed as if the Date of Determination were the one-year anniversary of the Grant Date such that the Performance Period shall be treated as one year.

The Compensation Committee shall have the right to determine the Compound Annual Total Shareholder Return in its sole discretion.

4.3 **Time-Based Vesting.** Any PSUs conditionally earned based on Company performance under Section 4.1 shall become vested and earned on the following vesting dates (each such date a “**Vesting Date**”):

(a) Continuous Employment Through November 17, 2024. If the Participant remains in the continuous employment of the Company through November 17, 2024 (including on or after a Change in Control), then 100% of the PSUs conditionally earned based on Company performance under Section 4.1 shall become vested and earned on November 17, 2024.

(b) Death or Disability. If, prior to November 17, 2024, the Participant’s employment with the Company is terminated by reason of death or Disability (including on or after a Change in Control), then a portion of the PSUs conditionally earned based on Company performance under Section 4.1 shall become vested and earned on the date of such death or Disability, with the number of PSUs that become vested and earned prorated based on the number of days the Participant spent on the active payroll during the Performance Period divided by the total number of days in the Performance Period assuming the Performance Period were to end on November 17, 2024.

(c) Qualifying Termination On or After Change in Control. If, prior to November 17, 2024 and on or after a Change in Control, the Participant’s employment with the Company is terminated by the Company without Cause or by the Participant for Good Reason (each of which shall be a “**Change in Control Qualifying Termination**”), then 100% of the PSUs conditionally earned based on Company performance under Section 4.1 shall become vested and earned on the date of the Change in Control Qualifying Termination.

(d) For the avoidance of doubt, if the Participant's employment is terminated prior to November 17, 2024 for any reason other than the Participant's death or Disability or a Change in Control Qualifying Termination, then the PSUs shall be immediately forfeited and cancelled without consideration.

4.4 **Definition of Change in Control.** Change in Control for purposes of this Agreement has the meaning set forth in the Change in Control Agreement between the Company and the Participant or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then "Change in Control" shall mean the occurrence of:

(a) the acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of the combined voting power of the then outstanding voting securities of the Company; provided, however, that for purposes of this clause (a), the following acquisitions shall not constitute a Change of Control: (i) any issuance of voting securities of the Company directly from the Company that is approved by the Incumbent Board (as defined below), or (ii) any acquisition of voting securities of the Company by any Person pursuant to a Business Combination (as defined below) that complies with clauses (i), (ii) and (iii) of clause (c) below; or

(b) individuals who, as of the date hereof, constitute the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a member of the Board (a "**Director**") subsequent to the date hereof whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least two-thirds of the Directors then comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall be deemed to have been a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest (within the meaning of Rule 14a-11 of the Exchange Act) with respect to the election or removal of Directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) consummation of a reorganization, merger or consolidation, a sale or other disposition of all or substantially all of the assets of the Company, or other transaction (each, a "**Business Combination**"), unless, in each case, immediately following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners of voting securities of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding voting securities of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions relative to each other as their ownership immediately prior to such Business Combination, (ii) no Person (other than such entity resulting from such Business Combination) beneficially owns, directly or indirectly, 50% or more of the combined voting power of the then outstanding voting securities of the entity resulting from such Business Combination and (iii) at least a majority of the members of the board of directors of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or

(d) the stockholders of the Company approve a complete liquidation or dissolution of the Company.

“Person” shall have the meaning ascribed thereto in Section 3(a)(9) of the Exchange Act, as modified, applied and used in Sections 13(d) and 14(d) thereof; provided, however, a Person shall not include (i) the Company or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Subsidiaries (in its capacity as such), (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation or other entity owned, directly or indirectly, by the stockholders of the Company in substantially the same character and proportions as their ownership of voting securities of the Company.

5. **DIVIDENDS CREDITED ON THE PERFORMANCE SHARE UNITS.**

5.1 The PSUs will earn dividend equivalents in the form of additional PSUs. Specifically, as of each dividend payment date for Company common stock during the period beginning on the Grant Date and ending on the Vesting Date, the Participant’s account will be credited with additional PSUs (“**Dividend Equivalent PSUs**”) equal in number, at 100% of target, to the number of Shares that could be bought with the cash dividends that would be paid on the PSUs if each of the Target Number of PSUs was a Share, rounded to a whole number of Dividend Equivalent PSUs using normal rounding.

5.2 The number of Shares that could be bought with the cash dividends will be calculated based on the Fair Market Value (as defined below) of Company common stock on the applicable dividend payment date. For purposes of this Agreement, “**Fair Market Value**” means the average of the high and the low per Share trading prices for Company common stock as reported in The Wall Street Journal for the specific dividend payment date, or in such other source as the Company deems reliable.

5.3 Dividend Equivalent PSUs will vest at the same time and in the same manner as the PSUs with which they are associated, with the number of PSUs that may become vested and earned with respect to the Dividend Equivalent PSUs ranging from 0% to 200% of the number of Dividend Equivalent PSUs.

6. **SETTLEMENT OF THE AWARD; FORFEITURE AND CLAWBACK.**

6.1 **Issuance of Shares.** Subject to the provisions of Section 6.3 and Section 7, promptly following the Vesting Date, the Company shall issue to the Participant in settlement of the PSUs, the number of Shares equal to one (1) Share for each PSU that is vested and earned pursuant to Section 4.1 and 4.3, and all PSUs will terminate and cease to be outstanding upon such issuance of Shares. The Participant understands and agrees that the administration of the issuance of Shares may take up to 15 days following the Vesting Date.

6.2 **Mechanics of Issuance of Shares.** The Participant hereby authorizes the Company, in its sole discretion, to deposit for the benefit of the Participant with any broker with which the Participant has an account relationship of which the Company has notice (including any broker that administers the Company’s equity award plans) any or all Shares acquired by the Participant pursuant to the settlement of the Award. Except as provided by the preceding sentence, a certificate for the Shares as to which the Award is settled shall be registered in the name of the Participant, or, if applicable, in the names of the heirs of the Participant.

6.3 **Securities Laws and Other Laws.** The grant of the Award and issuance of Shares upon settlement of the Award shall be subject to compliance with all applicable requirements of federal, state or foreign law, including securities laws and regulations.

6.4 **Forfeiture and Clawback.** In the event the Participant breaches the Confidentiality, Non-Interference, and Invention Assignment Agreement attached hereto as

Annex A, then the Company shall have the right to (a) deem all PSUs which have not vested to be canceled and rescinded, and forfeited by the Participant, and (b) require the Participant to return to the Company any Shares issued to the Participant upon settlement of the PSUs during the two (2) years prior to such breach and pay to the Company any proceeds realized as a result of the Participant's sale of Shares issued to the Participant upon settlement of the PSUs during the two (2) years prior to such breach, in each case within thirty (30) days following the Company's request for such return or payment.

7. **TAX IMPLICATIONS.**

7.1 **In General.** The Participant hereby authorizes withholding from payroll and any other amounts payable to the Participant, and otherwise agrees to make adequate provision for, any sums required to satisfy the federal, state, local and foreign tax (including any social insurance) withholding obligations of the Company (or its Affiliate or Subsidiary), if any, which arise in connection with this Award, the vesting of PSUs or the issuance of Shares in settlement thereof (the "**Tax Liability**"). These requirements may change from time to time as laws or interpretations change. Regardless of the Company's (or its Affiliate's or Subsidiary's) actions in this regard, the Participant hereby acknowledges and agrees that the Tax Liability shall be the Participant's responsibility and liability.

7.2 **Withholding in Shares.** The Company may satisfy all or any portion of tax withholding obligations by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award a number of whole Shares having a fair market value, as determined by the Company as of the date on which the tax withholding obligations arise, not in excess of the amount of such tax withholding obligations determined by the applicable maximum statutory withholding rates.

8. **ADJUSTMENTS FOR CHANGES IN CAPITAL STRUCTURE.**

The Compensation Committee may make adjustments in accordance with Section 4(d) of the Plan.

9. **NO RIGHTS AS A STOCKHOLDER OR EMPLOYEE.**

The Participant shall have no rights as a stockholder with respect to any PSUs until the date of the issuance of the Shares in settlement thereof. No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date the Shares are issued, except as provided in Sections 5 and 8. The Participant understands and acknowledges that, except as otherwise provided in a separate, written employment agreement between the Company and the Participant, the Participant's employment is "at will" and is for no specified term. Nothing in this Agreement shall confer upon the Participant any right to continue in the employment of the Company or any Subsidiary or interfere in any way with any right of such entities to terminate the Participant's employment at any time.

10. **MISCELLANEOUS PROVISIONS.**

10.1 **Termination or Amendment.** The Board may terminate or amend the Plan or this Agreement at any time; provided, however, that no such termination or amendment may adversely affect the Participant's rights under this Agreement without the consent of the Participant unless such termination or amendment is necessary to comply with applicable law or government regulation, including, but not limited to, Section 409A of the Code. No amendment or addition to this Agreement shall be effective unless in writing.

10.2 **Nontransferability of the Award.** Prior to the issuance of Shares on settlement of the Award, neither this Award nor any PSUs subject to this Award shall be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to the Award shall be exercisable during the Participant's lifetime only by the Participant or the Participant's guardian or legal representative.

10.3 **Further Instruments.** The parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

10.4 **Binding Effect.** This Agreement shall inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer set forth herein, be binding upon the Participant and the Participant's heirs, executors, administrators, successors and assigns.

10.5 **Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, if to the Company at 1111 Marcus Avenue, Lake Success, NY 11042, Attention: General Counsel, and if to the Participant at the home address of the Participant on file with the Company.

(a) **Description of Electronic Delivery.** The Plan documents, which may include but do not necessarily include: the Plan, this Agreement, the Plan's prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. In addition, the Participant may deliver electronically the Agreement to the Company or to such third party involved in administering the Plan as the Company may designate from time to time. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

(b) **Consent to Electronic Delivery and Execution.** The Participant acknowledges that the Participant has read Section 10.5 of this Agreement and consents to the electronic delivery of the Plan documents, as described in Section 10.5(a). The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery or execution of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in Section 10.5(a) or may change the electronic mail address to which such documents are to be delivered (if Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents described in Section 10.5(a). Electronic acceptance of this Agreement and any annexes shall have the same binding effect as a written or hard copy signature and accordingly, shall bind the

Participant and the Company to all of the terms and conditions set forth in this Agreement and any annexes.

10.6 Integrated Agreement. This Agreement and the Plan shall constitute the entire understanding and agreement of the Participant and the Company with respect to the subject matter contained herein or therein and supersedes any prior agreements, understandings, restrictions, representations, or warranties between the Participant and the Company with respect to such subject matter other than those as set forth or provided for herein or therein. To the extent contemplated herein or therein, the provisions of the Agreement shall survive any settlement of the Award and shall remain in full force and effect.

10.7 Section 409A. This Agreement and the PSUs granted hereunder are intended to fit within the “short-term deferral” exemption from Section 409A of the Code as set forth in Treasury Regulation Section 1.409A-1(b)(4). In administering this Agreement, the Company shall interpret this Agreement in a manner consistent with such exemption. Notwithstanding the foregoing, if it is determined that the PSUs fail to satisfy the requirements of the short-term deferral rule and are otherwise deferred compensation subject to Section 409A, and if the Participant is a “Specified Employee” (within the meaning set forth Section 409A(a)(2)(B)(i) of the Code) as of the date of the Participant’s separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), then the issuance of any Shares that would otherwise be made upon the date of the separation from service or within the first six (6) months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six (6) months and one day after the date of the separation from service, but if and only if such delay in the issuance of the Shares is necessary to avoid the imposition of additional taxation on the Participant in respect of the Shares under Section 409A of the Code. Each installment of Shares that vests is intended to constitute a “separate payment” for purposes of Section 409A of the Code and Treasury Regulation Section 1.409A-2(b)(2).

10.8 Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to its conflict of laws provisions. The parties agree that any action or proceeding with respect to this Agreement shall be brought exclusively in the Supreme Court of the State of New York, Nassau County, or in the United States District Court for the Eastern District of New York, or in any other court of competent jurisdiction in and for the State of New York, Nassau County and the parties agree to the personal jurisdiction thereof. The parties hereby irrevocably waive any objection they may now or hereafter have to the laying of venue of any such action in such court(s), and further irrevocably waive any claim they may now or hereafter have that any such action brought in such court(s) has been brought in an inconvenient forum. The parties agree that, if any dispute or controversy arising from or relating to this agreement is submitted for adjudication to any court, all issues of fact shall be tried without a jury.

10.9 Severability. If any term or provision of this Agreement or the application thereof to any Participant or circumstance shall to any extent be invalid or unenforceable, such provision will be modified, rewritten or interpreted to include as much of its nature and scope as will render it enforceable. If it cannot be so modified, rewritten or interpreted to be enforceable in any respect, it will not be given effect and the remainder of this Agreement, or the application of such term or provision to Participants or circumstances other than those held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

10.10 Acceptance. By accepting this Agreement, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with this Agreement and the Plan, (b) accepts the Award subject to all of the terms and conditions of this

Agreement and the Plan, (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under this Agreement except as otherwise provided in this Agreement and (d) accepts the Confidentiality, Non-Interference, and Invention Assignment Agreement attached hereto as Annex A. The Participant acknowledges that there may be tax consequences upon the vesting and settlement of the PSUs or disposition of the underlying Shares and that the Participant has been advised to consult a tax advisor prior to such vesting, settlement or disposition.

Annex A

CONFIDENTIALITY, NON-INTERFERENCE, AND INVENTION ASSIGNMENT AGREEMENT

This CONFIDENTIALITY, NON-INTERFERENCE, AND INVENTION ASSIGNMENT AGREEMENT (this “Agreement”) is made and entered into as of [_____] by [_____] (“Employee”) for the benefit of The Hain Celestial Group, Inc., a Delaware corporation, and its subsidiaries and affiliates (collectively, the “Company”).

In consideration of Employee’s continued employment with the Company and remuneration received thereunder, and Employee’s receipt of the compensation now and hereafter paid to Employee by the Company, including Employee’s receipt of an award of Performance Share Units in accordance with the Performance Share Unit Agreement to which this Agreement is attached, the receipt and sufficiency of which are mutually acknowledged, Employee agrees as follows:

Section 1. Confidential Information.

(a) Company Information. Employee acknowledges that, during the course of Employee’s employment, Employee will have substantial access to, be provided with and inevitably will use confidential and proprietary information of the Company. In recognition of the foregoing, Employee agrees that, at all times during the Employment Period and thereafter, to hold in confidence, and not to use or to disclose to any Person without written authorization of the Company, for any reason or purpose whatsoever except as may be required in the ordinary course of performing Employee’s duties as an employee of the Company, any Confidential Information that Employee obtains or creates. Employee understands that “Confidential Information” means information in spoken, printed, electronic, or any other form or medium, that is not generally known publicly and is owned or maintained by the Company and/or has been acquired, developed, discovered or compiled by the Company at its great effort and expense, and that the Company wishes to maintain as confidential, that has value in or to the business of the Company. Employee understands that:

(i) Confidential Information includes, but is not limited to, any and all non-public information that relates to the actual or anticipated business and/or products or services, research, or development of the Company, or to the Company’s technical data, trade secrets, or know-how, including, but not limited to, business records, customer lists or compilations, terms of customer agreements, supplier or service information, pricing or cost information, marketing information, future products and strategies or plans, ideas, business opportunities, inventions, creations, enhancements, business operation information, financial information or personnel data, designs, drawings or inspections of premises, parts, equipment, or other Company property, any formula, recipe, manufacturing process, pattern, device and/or compilation of information that is used in the Company’s business and that gives the Company an advantage over its competitors, or other information regarding the Company’s products or services, markets, customers (including, but not limited to, customers of the Company on whom Employee called or with whom Employee may become acquainted during the Employment Period), software, processes, formulas, product specifications, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, policies, training manuals and similar materials used by the Company in conducting its business operations, potential business combinations, and other business information disclosed by the Company either directly or indirectly, in writing, electronically or orally, and other confidential or proprietary information created, used and/or obtained by Employee in the course of Employee’s employment with the Company;

(ii) Confidential Information also includes proprietary or confidential information of any third party who may disclose such information to Company or to Employee in the course of the Company's business subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes;

(iii) Confidential Information also includes other information of any existing or prospective customer or of any other Person that has entrusted information to the Company in confidence. Employee acknowledges that all Confidential Information is the sole and exclusive property of the Company. Employee further acknowledges that the Company's communication systems (such as email and voicemail) are maintained to assist in the conduct of the Company's business and that such systems and data exchanged or stored thereon are Company property; and

(iv) notwithstanding the foregoing, Confidential Information shall not include any of the foregoing items that have become publicly and widely known through no unauthorized disclosure by Employee or others who were under confidentiality obligations as to the item or items involved.

(b) Former Employer Information. Employee represents and warrants that Employee is not a party to any non-competition agreement or other contractual limitation that would interfere with or hinder Employee's ability to undertake the obligations and expectations of employment with the Company. Employee represents that Employee's performance of all of the terms of this Agreement as an employee of the Company has not breached and will not breach any agreement to keep in confidence proprietary information, knowledge, or data acquired by Employee in confidence or trust prior to the commencement of Employee's employment with the Company, and Employee will not disclose to the Company, or induce the Company to use, any developments, or confidential information or material Employee may have obtained in connection with employment with any prior employer in violation of a confidentiality agreement, nondisclosure agreement, or similar agreement with such prior employer. If any prior employer asserts a claim that Employee's employment with the Company violates any contractual obligations owed by Employee, or that Employee has otherwise committed a breach of any contractual or other duty to a prior employer, the Company may immediately terminate Employee's employment. In the event of such a claim, the Company is not obligated to indemnify Employee for any damages or to provide a defense against such claims.

(c) Permitted Disclosure. This Agreement does not limit or interfere with Employee's right, without notice to or authorization of the Company, to communicate and cooperate in good faith with any self-regulatory organization or federal, state, or local governmental agency, commission, or entity (collectively, a "Government Entity") for the purpose of (i) reporting a possible violation of any federal, state, or local law or regulation, (ii) participating in any investigation or proceeding that may be conducted or managed by any Government Entity, including by providing documents or other information, or (iii) filing a charge or complaint with a Government Entity, provided that in each case, such communications, participation, and disclosures are consistent with applicable law. Additionally, Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If Employee files a lawsuit for retaliation by an employer for reporting a suspected violation of law, Employee may disclose the trade secret to the Employee's attorney in such lawsuit and use the trade secret information in the court proceeding, if Employee files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order. All disclosures permitted under this Section 1(c) are hereinafter

referred to as “Permitted Disclosures.” Notwithstanding the foregoing, under no circumstance will Employee be authorized to disclose any Confidential Information as to which the Company may assert protections from disclosure under the attorney-client privilege or the attorney work product doctrine, without prior written consent of Company’s General Counsel or other authorized officer designated by the Company.

Section 2. Developments.

All inventions, improvements, trade secrets, reports, manuals, computer programs, systems, educational and sales materials or other publications, and other ideas and materials developed or invented by Employee, including all tangible work product derived therefrom, during the Employment Period, either solely or in collaboration with others, which relate to the actual or anticipated business or research of the Company, which result from or are suggested by any work Employee may do for the Company, or which result from use of the Company’s premises or the Company’s or its customers’ property (collectively, the “Developments”) shall be the sole and exclusive property of the Company. Employee hereby assigns to the Company Employee’s entire right and interest in any such Developments. Employee agrees to promptly and fully disclose to the Company all Developments. At the request of the Company, Employee will, during and after the term of this Agreement, without charge to the Company but at the expense of the Company, assist the Company in any reasonable way to vest in the Company title to all such Developments, and to obtain any related patents, trademarks, or copyrights in all countries throughout the world. Employee will execute and deliver assignments and any other documents that the Company may reasonably request in connection with such assistance.

This Section 2 does not apply to an invention for which no equipment, supplies, facility or trade secret information of the Company was used and which was developed entirely on Employee’s own time, and (1) which does not relate (a) directly to the business of the Company or (b) to the Company’s actual or demonstrably anticipated research or development, or (2) which does not result from any work performed by Employee for the Company.

Section 3. Returning Company Documents and Equipment.

At the time of the termination of Employee’s employment with the Company for any reason (or earlier if so requested), Employee will promptly deliver to the Company (and will not keep in Employee’s possession, recreate, copy, or deliver to anyone else) any and all Confidential Information and all other documents, materials, information, computer equipment, electronic equipment, mobile phones, and other property in Employee’s possession or control, created or received by Employee in connection with Employee’s employment or otherwise belonging to the Company (excluding documents related only to Employee’s compensation and employee benefits). Any property situated on the Company’s premises and owned by the Company (or any other member of the Company), including USB flash drives and other storage media, filing cabinets, and other work areas, is subject to inspection by the Company at any time with or without notice. Furthermore, at the time of termination, Employee will return all property of the Company in proper working order without any modification to device or data contained within it, and will provide all passwords or passcodes needed for the Company to access any electronic devices.

Section 4. Restrictions on Interfering.

(a) Non-Competition. During the Employment Period and the Post-Termination Restricted Period, Employee shall not, without the express written consent of the CEO of the Company, directly or indirectly, individually or on behalf of any Person, whether for compensation or otherwise, engage in any Competitive Activities in any jurisdiction in which the

Company engages in business and in relation to which Employee has had a material influence or material involvement, or obtained material Confidential Information.

(b) Non-Interference. During the Employment Period and the Post-Termination Restricted Period, Employee shall not, without the express written consent of the CEO of the Company, directly or indirectly, individually or on behalf of any Person, engage in Interfering Activities.

(c) Non-Disparagement. At all times during the Employment Period and thereafter, Employee shall not, directly or indirectly, individually or on behalf of any Person, induce or encourage others to make, publish, or communicate to any Person, any disparaging or defamatory comments regarding the Company, its businesses, its products or its services, or any of the Company's current or former directors, officers, or employees. However, nothing in this Section 4(c) shall prevent Employee from making a Permitted Disclosure as defined in Section 1(c).

(d) Definitions. For purposes of this Agreement:

(i) "Business Relation" shall mean any current or prospective customer, vendor, supplier or other business relation of the Company, or any such relation that was a customer, vendor, supplier, or other business relation within the prior twelve (12)-month period, in each case, with whom Employee, or persons reporting to Employee, had personal contact or dealings during the Employment Period.

(ii) "Competitive Activities" shall mean any activity in which the Employee directly or indirectly, in whole or in part, as an employee, employer, owner, operator, manager, advisor, consultant, agent, representative, partner, member, director, stockholder, officer, volunteer, intern, or any other similar position in a capacity similar to the position held by Employee with the Company, on behalf of or in association with a business engaged in the same or similar business as the Company, including, without limitation, any business activity related to the research, development, production, marketing, sale, or distribution of consumer goods or products that are the same as or substantially similar to the consumer goods or products then being, or that at any time in the prior twelve (12) months were being researched, developed, produced, marketed, sold or distributed by the Company, including but not limited to organic and natural products sold through specialty and natural food distributors, supermarkets, natural foods stores, mass-market and e-commerce retailers, food service channels, and club, drug, and convenience stores (the "Business"). Notwithstanding the foregoing, Competitive Activities are limited to such segments of the Company's Business for which Employee had responsibility or about which Employee learned Confidential Information during the last two (2) years of the Employment Period. Competitive Activities does not include purchasing or owning not in excess of three percent (3%) of the publicly traded securities of any corporation, or purchasing or owning stock, partnership interests, or other securities of any entity not in excess of three percent (3%) of any class of such securities, provided that such ownership represents a passive investment and Employee is not a controlling person of, or a member of a group that controls, such corporation.

(iii) "Employment Period" shall mean the period of Employee's employment with the Company.

(iv) "Interfering Activities" shall mean, directly or indirectly, (A) Soliciting, encouraging, enticing, causing, or inducing, or in any manner attempting to Solicit, encourage, entice, cause, or induce, any Person employed by, or providing consulting services or independent contractor services to, the Company and with whom Employee

had material contact (meaning an employee whom the Employee supervised, worked closely with, or directly reported to) within the last two (2) years of the Employment Period or about whom Employee had Confidential Information during the Employment Period to terminate such Person's employment or services (or in the case of a consultant or independent contractor, materially reducing such services) with the Company, or to work for a third party other than the Company, without the prior written consent of the Company; (B) hiring or engaging any Person who was employed by, or providing consulting or independent contractor services to, the Company within the six (6)-month period prior to the date of such hiring or engagement, and with whom Employee had material contact (meaning an employee whom the Employee supervised, worked closely with, or directly reported to) within the last two (2) years of the Employment Period or about whom Employee had Confidential Information during the Employment Period; or (C) Soliciting, encouraging, calling upon, directing, diverting, influencing, or inducing, or in any manner attempting to Solicit, encourage, call upon, direct, divert, influence, or induce, any Business Relation to cease doing business with or reduce the amount of business conducted with the Company, or in any way interfering with the relationship between any such Business Relation and the Company, including by convincing any such Business Relation to change or alter the terms of its existing or prospective contractual terms and conditions with the Company; or (D) on behalf of or in association with any Person, accepting business from a Business Relation in competition with the Business of the Company.

(v) "Person" shall mean any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust (charitable or non-charitable), unincorporated organization, or other form of business entity.

(vi) "Post-Termination Restricted Period" shall mean the period commencing on the date of the termination of the Employee's employment with the Company for any reason, and ending on the date that is one (1) year following such date of termination.

(vii) "Solicit," "Soliciting," or "Solicitation" shall mean any direct or indirect communication of any kind, regardless of who initiates it, that in any way invites, advises, encourages, or requests any Person to take or refrain from taking any action.

Section 5. Reasonableness of Restrictions.

Employee acknowledges and recognizes the highly competitive nature of the Company's business, and agrees that access to Confidential Information renders Employee special and unique within the Company's industry, and that Employee will have the opportunity to develop substantial relationships of confidence, trust and goodwill with existing and prospective employees, customers, vendors, suppliers, and/or business partners of the Company during the course of and as a result of Employee's employment with the Company. In light of the foregoing, Employee recognizes and acknowledges that the restrictions and limitations set forth in this Agreement are reasonable and valid in geographic and temporal scope and in all other respects and are essential to protect the value of the Business, goodwill and assets of the Company. Employee further acknowledges that the Company competes worldwide, and that Employee's access to Confidential Information, including trade secrets, and the relationships Employee builds during Employee's employment make it necessary for the Company to restrict Employee's post-employment activities in any market in which the Company competes, and in which Employee's access to Confidential Information and the relationships Employee builds during Employee's employment could be used to the detriment of the Company. Employee further acknowledges that the restrictions and limitations set forth in this Agreement will not materially interfere with Employee's ability to earn a living following the termination of Employee's employment with the Company.

Section 6. Independence; Severability; Blue Pencil.

Each of the rights enumerated in this Agreement shall be independent of the others and shall be in addition to and not in lieu of any other rights and remedies available to the Company at law or in equity. If any of the provisions of this Agreement or any part of any of them is hereafter construed or adjudicated to be invalid or unenforceable in any respect, the same shall not affect the remainder of this Agreement, which shall be given full effect without regard to the invalid portions. If any of the covenants contained herein are held to be invalid or unenforceable because of the duration of such provisions or the area or scope covered thereby, the court making such determination shall have the power to modify the duration, scope, and/or area of such provision to the maximum and/or broadest duration, scope, and/or area permissible by law, and in its reduced form said provision shall then be enforceable. Such modification will apply only with respect to the operation of such provision in the particular jurisdiction in which such adjudication is made.

Section 7. Remedies.

Employee expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Agreement may result in substantial, continuing, and irreparable injury to the Company, monetary relief would not compensate for such breach, and damages arising out of such a breach may be difficult to ascertain. Therefore, Employee agrees that, in addition to any other remedy that may be available to the Company, including but not limited to the remedies set forth in Section 6.4 of the Performance Share Unit Agreement, the Company has the right to seek temporary, preliminary, and/or permanent injunctive relief, specific performance, or other equitable relief from any court of competent jurisdiction in the event of any breach or threatened breach of the terms of this Agreement, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The Company may pursue any remedy available, including declaratory relief, concurrently or consecutively in any order, and the pursuit of one such remedy at any time will not be deemed an election of remedies or waiver of the right to pursue any other remedy. In addition, in the event of a breach by the Employee of any provision of this Agreement, the Company shall be entitled to the cessation of payment of any unpaid severance benefits and/or to seek repayment of any severance benefits paid to the Employee pursuant to any severance benefit agreement, plan, or program of the Company, as may be legally permissible. Notwithstanding any other provision to the contrary, the Post-Termination Restricted Period shall be tolled during any period of violation of any of the covenants in Section 4 of this Agreement.

Section 8. Cooperation.

Following any termination of Employee's employment, Employee will continue to provide reasonable cooperation to the Company and its counsel in connection with any investigation, administrative proceeding, or litigation relating to any matter that occurred during the Employment Period in which Employee was involved or of which Employee has knowledge. As a condition of such cooperation, the Company shall reimburse Employee for reasonable out-of-pocket expenses incurred at the request of the Company with respect to Employee's compliance with this Section 8. In the event Employee is subpoenaed by any person or entity (including, but not limited to, any Government Entity) to give testimony or provide documents (in a deposition, court proceeding, or otherwise), that in any way relates to Employee's employment by the Company, Employee will give prompt notice of such subpoena to the Company and will make no disclosure until the Company has had a reasonable opportunity to contest the right of the requesting person or entity to such disclosure. Nothing in this Section 8 shall limit Employee's right to make Permitted Disclosures as provided in Section 1(c).

Section 9. General Provisions.

(a) **GOVERNING LAW; WAIVER OF JURY TRIAL.** THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAWS, AND TO APPLICABLE FEDERAL LAW. EACH PARTY TO THIS AGREEMENT ALSO HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY SUIT, ACTION, OR PROCEEDING UNDER OR IN CONNECTION WITH THIS AGREEMENT. THE PARTIES AGREE THAT ANY ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT SHALL BE BROUGHT EXCLUSIVELY IN THE SUPREME COURT OF THE STATE OF NEW YORK, NASSAU COUNTY, OR IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK, OR IN ANY OTHER COURT OF COMPETENT JURISDICTION IN AND FOR THE STATE OF NEW YORK, NASSAU COUNTY, AND THE PARTIES AGREE TO THE PERSONAL JURISDICTION THEREOF. THE PARTIES HEREBY IRREVOCABLY WAIVE ANY OBJECTION THEY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH ACTION IN SUCH COURT(S), AND FURTHER IRREVOCABLY WAIVE ANY CLAIM THEY MAY NOW OR HEREAFTER HAVE THAT ANY SUCH ACTION BROUGHT IN SUCH COURT(S) HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(b) **Entire Agreement.** This Agreement sets forth the entire agreement and understanding between the Company and Employee relating to the subject matter herein and supersedes all prior and contemporaneous negotiations, discussions, correspondence, communications, understandings, agreements, representations, promises, and any other statements, both written and oral, between the parties relating to the subject matter of this Agreement, except for any agreement between the Company and Employee addressing the use of confidential information or competitive activities post-employment which agreements shall remain in full force and effect. The failure of either the Company or Employee, whether purposeful or otherwise, to exercise in any instance any right, power, or privilege under this Agreement or under law shall not constitute a waiver of the same or any other right, power, or privilege in any other instance. Any waiver or modification by the Company or by Employee must be in writing and signed by either Employee, if Employee is seeking to waive any of Employee's rights under this Agreement, or by the CEO of the Company, if the Company is seeking to waive any of its rights under this Agreement. Any subsequent change or changes in Employee's duties, obligations, rights, or compensation will not affect the validity or scope of this Agreement.

(c) **Successors and Assigns.** This Agreement will be binding upon Employee's heirs, executors, administrators, and other legal representatives and will be for the benefit of the Company, its successors, and its assigns. This Agreement may be assigned by the Company without Employee's consent to any subsidiary or affiliate of the Company as well as to any purchaser of all or substantially all of the assets or business of the Company, whether by purchase, merger, or other similar corporate transaction. Employee's obligations under this Agreement may not be delegated, and Employee may not assign or otherwise transfer this Agreement or any part hereof. Any purported assignment by Employee shall be null and void from the initial date of purported assignment. This Agreement is for the sole benefit of the Company and the Employee and their respective successors and permitted assigns and not for the benefit of, or enforceable by, any third party.

(d) **Acknowledgment.** Employee acknowledges that Employee has had adequate time to consider the terms of this Agreement, has knowingly and voluntarily entered into this Agreement and has been advised by the Company to seek the advice of independent counsel

prior to reaching agreement with the Company on any of the terms of this Agreement. No rule of construction shall apply to this Agreement which construes ambiguous language in favor of or against any party by reason of that party's role in drafting this Agreement.

(e) Survival. The provisions of this Agreement shall survive the termination of Employee's employment with the Company and/or the assignment of this Agreement by the Company to any successor in interest or other assignee.

(f) Section Headings. Section and subsection headings are inserted for convenience only and shall not limit, expand, or alter the meaning or interpretation of this Agreement.

The Hain Celestial Group, Inc.
Performance Share Unit Agreement

This Performance Share Unit Agreement (this “**Agreement**”) is dated as of [_____] (the “**Grant Date**”) and sets forth the terms of an award of performance share units (“**Performance Share Units**” or “**PSUs**”) by The Hain Celestial Group, Inc., a Delaware corporation (the “**Company**”), to [_____] (the “**Participant**”).

WHEREAS, the Company has adopted The Hain Celestial Group, Inc. Amended and Restated 2002 Long Term Incentive and Stock Award Plan (the “**Plan**”), the provisions of which are incorporated herein by reference; and

WHEREAS, the Compensation Committee of the Board of Directors of the Company (the “**Compensation Committee**”) or its delegate has determined that it is in the best interests of the Company and its shareholders to grant the award of Performance Share Units provided for herein, with the award to constitute an Award of Performance Units under the Plan.

1. **DEFINITIONS AND CONSTRUCTION.**

1.1 **Definitions.** Unless otherwise defined herein, capitalized terms shall have the meaning set forth in the Plan. The following terms have the following definitions:

- “**Cause**” has the meaning set forth in the Change in Control Agreement between the Company and the Participant (the “**Change in Control Agreement**”) or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then “Cause” shall mean the occurrence of any of the following events: (i) any material violation by the Participant of any law or regulation applicable to the Company or its Affiliates; (ii) the Participant’s commission of, plea of guilty or nolo contendere to, or indictment for, a felony or any other crime involving moral turpitude; (iii) the Participant’s commission of an act of personal dishonesty in connection with the Company or any other entity having a business relationship with the Company; (iv) any breach by the Participant of any written agreement between the Company and the Participant, or the terms of the Participant’s service as an employee of the Company, including, without limitation, the breach of any written non-competition, non-solicitation, invention assignment, confidentiality or similar written restrictive covenants; (v) the Participant’s violation of the written policies of the Company, commission of sexual harassment, or any other conduct causing the Company or any of its Subsidiaries public disgrace or disrepute or economic harm; (vi) reporting to work under the influence of alcohol or illegal drugs or the use of illegal drugs (whether or not at the workplace); or (vii) a willful failure to substantially perform the Participant’s duties and obligations to the Company and its Subsidiaries, other than failure resulting from complete or partial incapacity due to physical or mental illness or impairment; provided, that clause (vii) shall constitute “Cause” only if the Participant fails to cure such event (if curable) within ten (10) business days after receipt from the Company of written notice specifying the Participant’s actions that constitute Cause.
- “**Disability**” has the meaning set forth in the Change in Control Agreement between the Company and the Participant or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then

“Disability” shall mean the permanent and total disability of the Participant within the meaning of Section 22(e)(3) of the Code.

- **“Good Reason”** has the meaning set forth in the Change in Control Agreement between the Company and the Participant or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then “Good Reason” shall mean the occurrence of any of the following events, without the express written consent of the Participant: (i) a material diminution in the Participant’s duties or responsibilities, excluding for this purpose any diminution during any period of the Participant’s incapacity or Disability, so long as such diminution ceases upon the cessation of the Participant’s incapacity or Disability; or (ii) a reduction in the Participant’s annual base salary; provided, that the Participant may not terminate the Participant’s employment for Good Reason unless: (a) the Participant provides the Board with written notice of the event constituting Good Reason within thirty (30) days following the Participant’s initial knowledge of such event, which notice shall specify the facts and circumstances constituting Good Reason, (b) the Company fails to cure such event within thirty (30) days following receipt by the Board of such written notice, and (c) the Participant actually resigns for Good Reason no later than thirty (30) days following the expiration of such thirty (30) day cure period.

1.2 **Construction.** References herein to the Participant’s employment or employment arrangements with the Company shall be deemed to refer to employment with the Company or any of its Subsidiaries or Affiliates. Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of this Agreement. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

2. **ADMINISTRATION.**

In accordance with Section 3 of the Plan, all questions of interpretation concerning this Agreement shall be determined by the Compensation Committee. All determinations by the Compensation Committee made reasonably and in good faith shall be final and binding upon all persons having an interest in this Award.

3. **THE AWARD.**

3.1 **Grant of Performance Share Units.** On the Grant Date, the Participant has been granted a right, evidenced by the number of Performance Share Units set forth in Section 4, to receive Shares based on the terms and conditions set forth in this Agreement, which will be earned and vested (or not) as set forth in Section 4. Each Performance Share Unit represents a contingent right to receive one (1) Share on the Vesting Date (as defined below).

3.2 **No Monetary Payment Required.** The Participant is not required to make any monetary payment (other than applicable tax withholding, if any) as a condition to receiving the PSUs or Shares issued upon settlement of the PSUs, the consideration for which shall be past services actually rendered and/or future services to be rendered to the Company or for its benefit. Notwithstanding the foregoing, if required by applicable state corporate law, the Participant shall furnish consideration in the form of cash or past services rendered to the Company or for its benefit having a value not less than the par value of the Shares issued upon settlement of the PSUs.

3.3 **Confidentiality, Non-Interference, and Invention Assignment Agreement.** As a condition to the grant of the PSUs pursuant to this Agreement, the Participant accepts the Confidentiality, Non-Interference, and Invention Assignment Agreement attached hereto as Annex A.

4. **VESTING OF PERFORMANCE SHARE UNITS.**

4.1 **Performance Based Vesting.** The target number of PSUs that may be earned by the Participant is [_____] PSUs (the “**Target Number of PSUs**”). Subject to the time-based vesting requirements set forth in Section 4.3, the number of PSUs that will be conditionally earned based on Company performance shall be based upon the Company’s Total Shareholder Return percentile rank versus the S&P Food & Beverage Select Industry Index over the Performance Period (each as defined below), as follows:

Percentile Rank of the Company’s Total Shareholder Return Versus the S&P Food & Beverage Select Industry Index Over the Performance Period	PSUs Earned Based on Company Performance (% of Target Number of PSUs)
Below 30 th Percentile	0% of Target Number of PSUs
30 th Percentile	50% of Target Number of PSUs
51 st Percentile	100% of Target Number of PSUs
75 th Percentile or Greater	200% of Target Number of PSUs

Percentile rank will be determined using the formula **Percentile rank = $r / (n-1)$** , where “r” is the number of companies with a Total Shareholder Return lower than the Company, and “n” is the total number of companies in the S&P Food & Beverage Select Industry Index (including the Company).

Straight-line interpolation shall apply between performance levels, rounded to the nearest whole number of PSUs using normal rounding. By way of example only, a percentile rank of the 45th percentile would result in 85.71% of the Target Number of PSUs being earned, and a percentile rank of the 55th percentile would result in 116.67% of the Target Number of PSUs being earned.

For the avoidance of doubt, no PSUs will be earned if the Company’s Total Shareholder Return percentile rank versus the S&P Food & Beverage Select Industry Index over the Performance Period is below the 30th percentile, and the maximum number of PSUs that may be earned is 200% of the Target Number of PSUs.

In addition to the performance vesting requirements described in this Section 4.1, the PSUs shall be subject to the time-based vesting requirements set forth in Section 4.3 below.

4.2 **Determination of Total Shareholder Return.** The following definitions and parameters shall govern the application of Section 4.1 and the determination of a company’s Total Shareholder Return:

- “**Date of Determination**” means the earlier of (A) November 17, 2024; (B) the date the Participant’s employment is terminated by reason of death or Disability; or (C) the effective date of a Change in Control.

- “**Ending Average Share Price**” means the average of the daily closing prices per share of a company’s stock for the 20 trading days ending on and including the applicable Date of Determination, except that in the event of a Change in Control, the Company’s Ending Average Share Price will be equal to the value of the consideration paid or exchanged for a Share pursuant to the terms of the Change in Control. For avoidance of doubt, in the event of a Change in Control, the Company’s Ending Average Share Price will not be based on the average of the daily closing prices on the 20 trading days ending on the Date of Determination as described above.
- “**Initial Share Price**” means the closing price of a share of a company’s stock on November 17, 2021.
- “**Performance Period**” means the period beginning on the Grant Date and ending on the Date of Determination.
- “**S&P Food & Beverage Select Industry Index**” means the companies constituting the S&P Food & Beverage Select Industry Index as of the beginning of the Performance Period, which companies are listed in Annex B. Any component company of the S&P Food & Beverage Select Industry Index that is acquired or taken private at any time during the Performance Period will be eliminated from the S&P Food & Beverage Select Industry Index for the entire Performance Period. Any component company of the S&P Food & Beverage Select Industry Index that is liquidated or no longer publicly traded due to filing for bankruptcy protection at any time during the Performance Period will be ranked at the bottom for purposes of determining percentile rank. There will be no adjustments to account for any other changes to the S&P Food & Beverage Select Industry Index during the Performance Period.
- “**Total Shareholder Return**” means a company’s total shareholder return during the Performance Period, which will be calculated as (i) the Ending Average Share Price minus the Initial Share Price plus reinvested dividends, *divided by* (ii) the Initial Share Price. No adjustments to Total Shareholder Return shall be made for stock issuances or stock buybacks during the Performance Period.

The Compensation Committee shall have the right to make all determinations required by Section 4.1 and this Section 4.2 in its sole discretion.

4.3 **Time-Based Vesting.** Any PSUs conditionally earned based on Company performance under Section 4.1 shall become vested and earned on the following vesting dates (each such date a “**Vesting Date**”):

(a) Continuous Employment Through November 17, 2024. If the Participant remains in the continuous employment of the Company through November 17, 2024 (including on or after a Change in Control), then 100% of the PSUs conditionally earned based on Company performance under Section 4.1 shall become vested and earned on November 17, 2024.

(b) Death or Disability. If, prior to November 17, 2024, the Participant’s employment with the Company is terminated by reason of death or Disability (including on or after a Change in Control), then a portion of the PSUs conditionally earned based on Company performance under Section 4.1 shall become vested and earned on the date of such death or Disability, with the number of PSUs that become vested and earned prorated based on the number of days the Participant spent on the active payroll during the Performance Period

divided by the total number of days in the Performance Period assuming the Performance Period were to end on November 17, 2024.

(c) Qualifying Termination On or After Change in Control. If, prior to November 17, 2024 and on or after a Change in Control, the Participant's employment with the Company is terminated by the Company without Cause or by the Participant for Good Reason (each of which shall be a "**Change in Control Qualifying Termination**"), then 100% of the PSUs conditionally earned based on Company performance under Section 4.1 shall become vested and earned on the date of the Change in Control Qualifying Termination.

(d) For the avoidance of doubt, if the Participant's employment is terminated prior to November 17, 2024 for any reason other than the Participant's death or Disability or a Change in Control Qualifying Termination, then the PSUs shall be immediately forfeited and cancelled without consideration.

4.4 Definition of Change in Control. Change in Control for purposes of this Agreement has the meaning set forth in the Change in Control Agreement between the Company and the Participant or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then "Change in Control" shall mean the occurrence of:

(a) the acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of the combined voting power of the then outstanding voting securities of the Company; provided, however, that for purposes of this clause (a), the following acquisitions shall not constitute a Change of Control: (i) any issuance of voting securities of the Company directly from the Company that is approved by the Incumbent Board (as defined below), or (ii) any acquisition of voting securities of the Company by any Person pursuant to a Business Combination (as defined below) that complies with clauses (i), (ii) and (iii) of clause (c) below; or

(b) individuals who, as of the date hereof, constitute the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a member of the Board (a "**Director**") subsequent to the date hereof whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least two-thirds of the Directors then comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall be deemed to have been a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest (within the meaning of Rule 14a-11 of the Exchange Act) with respect to the election or removal of Directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) consummation of a reorganization, merger or consolidation, a sale or other disposition of all or substantially all of the assets of the Company, or other transaction (each, a "**Business Combination**"), unless, in each case, immediately following such Business Combination, (i) all or substantially all of the individuals and entities who were the beneficial owners of voting securities of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding voting securities of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions relative to each other as their ownership immediately prior to

such Business Combination, (ii) no Person (other than such entity resulting from such Business Combination) beneficially owns, directly or indirectly, 50% or more of the combined voting power of the then outstanding voting securities of the entity resulting from such Business Combination and (iii) at least a majority of the members of the board of directors of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or

(d) the stockholders of the Company approve a complete liquidation or dissolution of the Company.

“Person” shall have the meaning ascribed thereto in Section 3(a)(9) of the Exchange Act, as modified, applied and used in Sections 13(d) and 14(d) thereof; provided, however, a Person shall not include (i) the Company or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Subsidiaries (in its capacity as such), (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation or other entity owned, directly or indirectly, by the stockholders of the Company in substantially the same character and proportions as their ownership of voting securities of the Company.

5. **DIVIDENDS CREDITED ON THE PERFORMANCE SHARE UNITS.**

5.1 The PSUs will earn dividend equivalents in the form of additional PSUs. Specifically, as of each dividend payment date for Company common stock during the period beginning on the Grant Date and ending on the Vesting Date, the Participant’s account will be credited with additional PSUs (“**Dividend Equivalent PSUs**”) equal in number, at 100% of target, to the number of Shares that could be bought with the cash dividends that would be paid on the PSUs if each of the Target Number of PSUs was a Share, rounded to a whole number of Dividend Equivalent PSUs using normal rounding.

5.2 The number of Shares that could be bought with the cash dividends will be calculated based on the Fair Market Value (as defined below) of Company common stock on the applicable dividend payment date. For purposes of this Agreement, “**Fair Market Value**” means the average of the high and the low per Share trading prices for Company common stock as reported in The Wall Street Journal for the specific dividend payment date, or in such other source as the Company deems reliable.

5.3 Dividend Equivalent PSUs will vest at the same time and in the same manner as the PSUs with which they are associated, with the number of PSUs that may become vested and earned with respect to the Dividend Equivalent PSUs ranging from 0% to 200% of the number of Dividend Equivalent PSUs.

6. **SETTLEMENT OF THE AWARD; FORFEITURE AND CLAWBACK.**

6.1 **Issuance of Shares.** Subject to the provisions of Section 6.3 and Section 7, promptly following the Vesting Date, the Company shall issue to the Participant in settlement of the PSUs, the number of Shares equal to one (1) Share for each PSU that is vested and earned pursuant to Section 4.1 and 4.3, and all PSUs will terminate and cease to be outstanding upon such issuance of Shares. The Participant understands and agrees that the administration of the issuance of Shares may take up to 15 days following the Vesting Date.

6.2 **Mechanics of Issuance of Shares.** The Participant hereby authorizes the Company, in its sole discretion, to deposit for the benefit of the Participant with any broker with which the Participant has an account relationship of which the Company has notice (including

any broker that administers the Company's equity award plans) any or all Shares acquired by the Participant pursuant to the settlement of the Award. Except as provided by the preceding sentence, a certificate for the Shares as to which the Award is settled shall be registered in the name of the Participant, or, if applicable, in the names of the heirs of the Participant.

6.3 **Securities Laws and Other Laws.** The grant of the Award and issuance of Shares upon settlement of the Award shall be subject to compliance with all applicable requirements of federal, state or foreign law, including securities laws and regulations.

6.4 **Forfeiture and Clawback.** In the event the Participant breaches the Confidentiality, Non-Interference, and Invention Assignment Agreement attached hereto as Annex A, then the Company shall have the right to (a) deem all PSUs which have not vested to be canceled and rescinded, and forfeited by the Participant, and (b) require the Participant to return to the Company any Shares issued to the Participant upon settlement of the PSUs during the two (2) years prior to such breach and pay to the Company any proceeds realized as a result of the Participant's sale of Shares issued to the Participant upon settlement of the PSUs during the two (2) years prior to such breach, in each case within thirty (30) days following the Company's request for such return or payment.

7. **TAX IMPLICATIONS.**

7.1 **In General.** The Participant hereby authorizes withholding from payroll and any other amounts payable to the Participant, and otherwise agrees to make adequate provision for, any sums required to satisfy the federal, state, local and foreign tax (including any social insurance) withholding obligations of the Company (or its Affiliate or Subsidiary), if any, which arise in connection with this Award, the vesting of PSUs or the issuance of Shares in settlement thereof (the "**Tax Liability**"). These requirements may change from time to time as laws or interpretations change. Regardless of the Company's (or its Affiliate's or Subsidiary's) actions in this regard, the Participant hereby acknowledges and agrees that the Tax Liability shall be the Participant's responsibility and liability.

7.2 **Withholding in Shares.** The Company may satisfy all or any portion of tax withholding obligations by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award a number of whole Shares having a fair market value, as determined by the Company as of the date on which the tax withholding obligations arise, not in excess of the amount of such tax withholding obligations determined by the applicable maximum statutory withholding rates.

8. **ADJUSTMENTS FOR CHANGES IN CAPITAL STRUCTURE.**

The Compensation Committee may make adjustments in accordance with Section 4(d) of the Plan.

9. **NO RIGHTS AS A STOCKHOLDER OR EMPLOYEE.**

The Participant shall have no rights as a stockholder with respect to any PSUs until the date of the issuance of the Shares in settlement thereof. No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date the Shares are issued, except as provided in Sections 5 and 8. The Participant understands and acknowledges that, except as otherwise provided in a separate, written employment agreement between the Company and the Participant, the Participant's employment is "at will" and is for no specified term. Nothing in this Agreement shall confer upon the Participant any right to continue in the employment of the Company or any Subsidiary or interfere in any way with any right of such entities to terminate the Participant's employment at any time.

10. MISCELLANEOUS PROVISIONS.

10.1 **Termination or Amendment.** The Board may terminate or amend the Plan or this Agreement at any time; provided, however, that no such termination or amendment may adversely affect the Participant's rights under this Agreement without the consent of the Participant unless such termination or amendment is necessary to comply with applicable law or government regulation, including, but not limited to, Section 409A of the Code. No amendment or addition to this Agreement shall be effective unless in writing.

10.2 **Nontransferability of the Award.** Prior to the issuance of Shares on settlement of the Award, neither this Award nor any PSUs subject to this Award shall be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to the Award shall be exercisable during the Participant's lifetime only by the Participant or the Participant's guardian or legal representative.

10.3 **Further Instruments.** The parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

10.4 **Binding Effect.** This Agreement shall inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer set forth herein, be binding upon the Participant and the Participant's heirs, executors, administrators, successors and assigns.

10.5 **Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, if to the Company at 1111 Marcus Avenue, Lake Success, NY 11042, Attention: General Counsel, and if to the Participant at the home address of the Participant on file with the Company.

(a) **Description of Electronic Delivery.** The Plan documents, which may include but do not necessarily include: the Plan, this Agreement, the Plan's prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. In addition, the Participant may deliver electronically the Agreement to the Company or to such third party involved in administering the Plan as the Company may designate from time to time. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

(b) **Consent to Electronic Delivery and Execution.** The Participant acknowledges that the Participant has read Section 10.5 of this Agreement and consents to the electronic delivery of the Plan documents, as described in Section 10.5(a). The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any

designated third party administrator with a paper copy of any documents if the attempted electronic delivery or execution of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in Section 10.5(a) or may change the electronic mail address to which such documents are to be delivered (if Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents described in Section 10.5(a). Electronic acceptance of this Agreement and any annexes shall have the same binding effect as a written or hard copy signature and accordingly, shall bind the Participant and the Company to all of the terms and conditions set forth in this Agreement and any annexes.

10.6 Integrated Agreement. This Agreement and the Plan shall constitute the entire understanding and agreement of the Participant and the Company with respect to the subject matter contained herein or therein and supersedes any prior agreements, understandings, restrictions, representations, or warranties between the Participant and the Company with respect to such subject matter other than those as set forth or provided for herein or therein. To the extent contemplated herein or therein, the provisions of the Agreement shall survive any settlement of the Award and shall remain in full force and effect.

10.7 Section 409A. This Agreement and the PSUs granted hereunder are intended to fit within the “short-term deferral” exemption from Section 409A of the Code as set forth in Treasury Regulation Section 1.409A-1(b)(4). In administering this Agreement, the Company shall interpret this Agreement in a manner consistent with such exemption. Notwithstanding the foregoing, if it is determined that the PSUs fail to satisfy the requirements of the short-term deferral rule and are otherwise deferred compensation subject to Section 409A, and if the Participant is a “Specified Employee” (within the meaning set forth Section 409A(a)(2)(B)(i) of the Code) as of the date of the Participant’s separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), then the issuance of any Shares that would otherwise be made upon the date of the separation from service or within the first six (6) months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six (6) months and one day after the date of the separation from service, but if and only if such delay in the issuance of the Shares is necessary to avoid the imposition of additional taxation on the Participant in respect of the Shares under Section 409A of the Code. Each installment of Shares that vests is intended to constitute a “separate payment” for purposes of Section 409A of the Code and Treasury Regulation Section 1.409A-2(b)(2).

10.8 Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to its conflict of laws provisions. The parties agree that any action or proceeding with respect to this Agreement shall be brought exclusively in the Supreme Court of the State of New York, Nassau County, or in the United States District Court for the Eastern District of New York, or in any other court of competent jurisdiction in and for the State of New York, Nassau County and the parties agree to the personal jurisdiction thereof. The parties hereby irrevocably waive any objection they may now or hereafter have to the laying of venue of any such action in such court(s), and further irrevocably waive any claim they may now or hereafter have that any such action brought in such court(s) has been brought in an inconvenient forum. The parties agree that, if any dispute or controversy arising from or relating to this agreement is submitted for adjudication to any court, all issues of fact shall be tried without a jury.

10.9 Severability. If any term or provision of this Agreement or the application thereof to any Participant or circumstance shall to any extent be invalid or unenforceable, such provision will be modified, rewritten or interpreted to include as much of its

nature and scope as will render it enforceable. If it cannot be so modified, rewritten or interpreted to be enforceable in any respect, it will not be given effect and the remainder of this Agreement, or the application of such term or provision to Participants or circumstances other than those held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

10.10 **Acceptance.** By accepting this Agreement, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with this Agreement and the Plan, (b) accepts the Award subject to all of the terms and conditions of this Agreement and the Plan, (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under this Agreement except as otherwise provided in this Agreement and (d) accepts the Confidentiality, Non-Interference, and Invention Assignment Agreement attached hereto as Annex A. The Participant acknowledges that there may be tax consequences upon the vesting and settlement of the PSUs or disposition of the underlying Shares and that the Participant has been advised to consult a tax advisor prior to such vesting, settlement or disposition.

Annex A

CONFIDENTIALITY, NON-INTERFERENCE, AND INVENTION ASSIGNMENT AGREEMENT

This CONFIDENTIALITY, NON-INTERFERENCE, AND INVENTION ASSIGNMENT AGREEMENT (this “Agreement”) is made and entered into as of [_____] by [_____] (“Employee”) for the benefit of The Hain Celestial Group, Inc., a Delaware corporation, and its subsidiaries and affiliates (collectively, the “Company”).

In consideration of Employee’s continued employment with the Company and remuneration received thereunder, and Employee’s receipt of the compensation now and hereafter paid to Employee by the Company, including Employee’s receipt of an award of Performance Share Units in accordance with the Performance Share Unit Agreement to which this Agreement is attached, the receipt and sufficiency of which are mutually acknowledged, Employee agrees as follows:

Section 1. Confidential Information.

(a) Company Information. Employee acknowledges that, during the course of Employee’s employment, Employee will have substantial access to, be provided with and inevitably will use confidential and proprietary information of the Company. In recognition of the foregoing, Employee agrees that, at all times during the Employment Period and thereafter, to hold in confidence, and not to use or to disclose to any Person without written authorization of the Company, for any reason or purpose whatsoever except as may be required in the ordinary course of performing Employee’s duties as an employee of the Company, any Confidential Information that Employee obtains or creates. Employee understands that “Confidential Information” means information in spoken, printed, electronic, or any other form or medium, that is not generally known publicly and is owned or maintained by the Company and/or has been acquired, developed, discovered or compiled by the Company at its great effort and expense, and that the Company wishes to maintain as confidential, that has value in or to the business of the Company. Employee understands that:

(i) Confidential Information includes, but is not limited to, any and all non-public information that relates to the actual or anticipated business and/or products or services, research, or development of the Company, or to the Company’s technical data, trade secrets, or know-how, including, but not limited to, business records, customer lists or compilations, terms of customer agreements, supplier or service information, pricing or cost information, marketing information, future products and strategies or plans, ideas, business opportunities, inventions, creations, enhancements, business operation information, financial information or personnel data, designs, drawings or inspections of premises, parts, equipment, or other Company property, any formula, recipe, manufacturing process, pattern, device and/or compilation of information that is used in the Company’s business and that gives the Company an advantage over its competitors, or other information regarding the Company’s products or services, markets, customers (including, but not limited to, customers of the Company on whom Employee called or with whom Employee may become acquainted during the Employment Period), software, processes, formulas, product specifications, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, policies, training manuals and similar materials used by the Company in conducting its business operations, potential business combinations, and other business information disclosed by the Company either directly or indirectly, in writing, electronically or orally, and other confidential or proprietary information created, used and/or obtained by Employee in the course of Employee’s employment with the Company;

(ii) Confidential Information also includes proprietary or confidential information of any third party who may disclose such information to Company or to Employee in the course of the Company's business subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes;

(iii) Confidential Information also includes other information of any existing or prospective customer or of any other Person that has entrusted information to the Company in confidence. Employee acknowledges that all Confidential Information is the sole and exclusive property of the Company. Employee further acknowledges that the Company's communication systems (such as email and voicemail) are maintained to assist in the conduct of the Company's business and that such systems and data exchanged or stored thereon are Company property; and

(iv) notwithstanding the foregoing, Confidential Information shall not include any of the foregoing items that have become publicly and widely known through no unauthorized disclosure by Employee or others who were under confidentiality obligations as to the item or items involved.

(b) Former Employer Information. Employee represents and warrants that Employee is not a party to any non-competition agreement or other contractual limitation that would interfere with or hinder Employee's ability to undertake the obligations and expectations of employment with the Company. Employee represents that Employee's performance of all of the terms of this Agreement as an employee of the Company has not breached and will not breach any agreement to keep in confidence proprietary information, knowledge, or data acquired by Employee in confidence or trust prior to the commencement of Employee's employment with the Company, and Employee will not disclose to the Company, or induce the Company to use, any developments, or confidential information or material Employee may have obtained in connection with employment with any prior employer in violation of a confidentiality agreement, nondisclosure agreement, or similar agreement with such prior employer. If any prior employer asserts a claim that Employee's employment with the Company violates any contractual obligations owed by Employee, or that Employee has otherwise committed a breach of any contractual or other duty to a prior employer, the Company may immediately terminate Employee's employment. In the event of such a claim, the Company is not obligated to indemnify Employee for any damages or to provide a defense against such claims.

(c) Permitted Disclosure. This Agreement does not limit or interfere with Employee's right, without notice to or authorization of the Company, to communicate and cooperate in good faith with any self-regulatory organization or federal, state, or local governmental agency, commission, or entity (collectively, a "Government Entity") for the purpose of (i) reporting a possible violation of any federal, state, or local law or regulation, (ii) participating in any investigation or proceeding that may be conducted or managed by any Government Entity, including by providing documents or other information, or (iii) filing a charge or complaint with a Government Entity, provided that in each case, such communications, participation, and disclosures are consistent with applicable law. Additionally, Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If Employee files a lawsuit for retaliation by an employer for reporting a suspected violation of law, Employee may disclose the trade secret to the Employee's attorney in such lawsuit and use the trade secret information in the court proceeding, if Employee files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order. All disclosures permitted under this Section 1(c) are hereinafter

referred to as “Permitted Disclosures.” Notwithstanding the foregoing, under no circumstance will Employee be authorized to disclose any Confidential Information as to which the Company may assert protections from disclosure under the attorney-client privilege or the attorney work product doctrine, without prior written consent of Company’s General Counsel or other authorized officer designated by the Company.

Section 2. Developments.

All inventions, improvements, trade secrets, reports, manuals, computer programs, systems, educational and sales materials or other publications, and other ideas and materials developed or invented by Employee, including all tangible work product derived therefrom, during the Employment Period, either solely or in collaboration with others, which relate to the actual or anticipated business or research of the Company, which result from or are suggested by any work Employee may do for the Company, or which result from use of the Company’s premises or the Company’s or its customers’ property (collectively, the “Developments”) shall be the sole and exclusive property of the Company. Employee hereby assigns to the Company Employee’s entire right and interest in any such Developments. Employee agrees to promptly and fully disclose to the Company all Developments. At the request of the Company, Employee will, during and after the term of this Agreement, without charge to the Company but at the expense of the Company, assist the Company in any reasonable way to vest in the Company title to all such Developments, and to obtain any related patents, trademarks, or copyrights in all countries throughout the world. Employee will execute and deliver assignments and any other documents that the Company may reasonably request in connection with such assistance.

This Section 2 does not apply to an invention for which no equipment, supplies, facility or trade secret information of the Company was used and which was developed entirely on Employee’s own time, and (1) which does not relate (a) directly to the business of the Company or (b) to the Company’s actual or demonstrably anticipated research or development, or (2) which does not result from any work performed by Employee for the Company.

Section 3. Returning Company Documents and Equipment.

At the time of the termination of Employee’s employment with the Company for any reason (or earlier if so requested), Employee will promptly deliver to the Company (and will not keep in Employee’s possession, recreate, copy, or deliver to anyone else) any and all Confidential Information and all other documents, materials, information, computer equipment, electronic equipment, mobile phones, and other property in Employee’s possession or control, created or received by Employee in connection with Employee’s employment or otherwise belonging to the Company (excluding documents related only to Employee’s compensation and employee benefits). Any property situated on the Company’s premises and owned by the Company (or any other member of the Company), including USB flash drives and other storage media, filing cabinets, and other work areas, is subject to inspection by the Company at any time with or without notice. Furthermore, at the time of termination, Employee will return all property of the Company in proper working order without any modification to device or data contained within it, and will provide all passwords or passcodes needed for the Company to access any electronic devices.

Section 4. Restrictions on Interfering.

(a) Non-Competition. During the Employment Period and the Post-Termination Restricted Period, Employee shall not, without the express written consent of the CEO of the Company, directly or indirectly, individually or on behalf of any Person, whether for compensation or otherwise, engage in any Competitive Activities in any jurisdiction in which the

Company engages in business and in relation to which Employee has had a material influence or material involvement, or obtained material Confidential Information.

(b) Non-Interference. During the Employment Period and the Post-Termination Restricted Period, Employee shall not, without the express written consent of the CEO of the Company, directly or indirectly, individually or on behalf of any Person, engage in Interfering Activities.

(c) Non-Disparagement. At all times during the Employment Period and thereafter, Employee shall not, directly or indirectly, individually or on behalf of any Person, induce or encourage others to make, publish, or communicate to any Person, any disparaging or defamatory comments regarding the Company, its businesses, its products or its services, or any of the Company's current or former directors, officers, or employees. However, nothing in this Section 4(c) shall prevent Employee from making a Permitted Disclosure as defined in Section 1(c).

(d) Definitions. For purposes of this Agreement:

(i) "Business Relation" shall mean any current or prospective customer, vendor, supplier or other business relation of the Company, or any such relation that was a customer, vendor, supplier, or other business relation within the prior twelve (12)-month period, in each case, with whom Employee, or persons reporting to Employee, had personal contact or dealings during the Employment Period.

(ii) "Competitive Activities" shall mean any activity in which the Employee directly or indirectly, in whole or in part, as an employee, employer, owner, operator, manager, advisor, consultant, agent, representative, partner, member, director, stockholder, officer, volunteer, intern, or any other similar position in a capacity similar to the position held by Employee with the Company, on behalf of or in association with a business engaged in the same or similar business as the Company, including, without limitation, any business activity related to the research, development, production, marketing, sale, or distribution of consumer goods or products that are the same as or substantially similar to the consumer goods or products then being, or that at any time in the prior twelve (12) months were being researched, developed, produced, marketed, sold or distributed by the Company, including but not limited to organic and natural products sold through specialty and natural food distributors, supermarkets, natural foods stores, mass-market and e-commerce retailers, food service channels, and club, drug, and convenience stores (the "Business"). Notwithstanding the foregoing, Competitive Activities are limited to such segments of the Company's Business for which Employee had responsibility or about which Employee learned Confidential Information during the last two (2) years of the Employment Period. Competitive Activities does not include purchasing or owning not in excess of three percent (3%) of the publicly traded securities of any corporation, or purchasing or owning stock, partnership interests, or other securities of any entity not in excess of three percent (3%) of any class of such securities, provided that such ownership represents a passive investment and Employee is not a controlling person of, or a member of a group that controls, such corporation.

(iii) "Employment Period" shall mean the period of Employee's employment with the Company.

(iv) "Interfering Activities" shall mean, directly or indirectly, (A) Soliciting, encouraging, enticing, causing, or inducing, or in any manner attempting to Solicit, encourage, entice, cause, or induce, any Person employed by, or providing consulting services or independent contractor services to, the Company and with whom Employee

had material contact (meaning an employee whom the Employee supervised, worked closely with, or directly reported to) within the last two (2) years of the Employment Period or about whom Employee had Confidential Information during the Employment Period to terminate such Person's employment or services (or in the case of a consultant or independent contractor, materially reducing such services) with the Company, or to work for a third party other than the Company, without the prior written consent of the Company; (B) hiring or engaging any Person who was employed by, or providing consulting or independent contractor services to, the Company within the six (6)-month period prior to the date of such hiring or engagement, and with whom Employee had material contact (meaning an employee whom the Employee supervised, worked closely with, or directly reported to) within the last two (2) years of the Employment Period or about whom Employee had Confidential Information during the Employment Period; or (C) Soliciting, encouraging, calling upon, directing, diverting, influencing, or inducing, or in any manner attempting to Solicit, encourage, call upon, direct, divert, influence, or induce, any Business Relation to cease doing business with or reduce the amount of business conducted with the Company, or in any way interfering with the relationship between any such Business Relation and the Company, including by convincing any such Business Relation to change or alter the terms of its existing or prospective contractual terms and conditions with the Company; or (D) on behalf of or in association with any Person, accepting business from a Business Relation in competition with the Business of the Company.

(v) "Person" shall mean any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust (charitable or non-charitable), unincorporated organization, or other form of business entity.

(vi) "Post-Termination Restricted Period" shall mean the period commencing on the date of the termination of the Employee's employment with the Company for any reason, and ending on the date that is one (1) year following such date of termination.

(vii) "Solicit," "Soliciting," or "Solicitation" shall mean any direct or indirect communication of any kind, regardless of who initiates it, that in any way invites, advises, encourages, or requests any Person to take or refrain from taking any action.

Section 5. Reasonableness of Restrictions.

Employee acknowledges and recognizes the highly competitive nature of the Company's business, and agrees that access to Confidential Information renders Employee special and unique within the Company's industry, and that Employee will have the opportunity to develop substantial relationships of confidence, trust and goodwill with existing and prospective employees, customers, vendors, suppliers, and/or business partners of the Company during the course of and as a result of Employee's employment with the Company. In light of the foregoing, Employee recognizes and acknowledges that the restrictions and limitations set forth in this Agreement are reasonable and valid in geographic and temporal scope and in all other respects and are essential to protect the value of the Business, goodwill and assets of the Company. Employee further acknowledges that the Company competes worldwide, and that Employee's access to Confidential Information, including trade secrets, and the relationships Employee builds during Employee's employment make it necessary for the Company to restrict Employee's post-employment activities in any market in which the Company competes, and in which Employee's access to Confidential Information and the relationships Employee builds during Employee's employment could be used to the detriment of the Company. Employee further acknowledges that the restrictions and limitations set forth in this Agreement will not materially interfere with Employee's ability to earn a living following the termination of Employee's employment with the Company.

Section 6. Independence; Severability; Blue Pencil.

Each of the rights enumerated in this Agreement shall be independent of the others and shall be in addition to and not in lieu of any other rights and remedies available to the Company at law or in equity. If any of the provisions of this Agreement or any part of any of them is hereafter construed or adjudicated to be invalid or unenforceable in any respect, the same shall not affect the remainder of this Agreement, which shall be given full effect without regard to the invalid portions. If any of the covenants contained herein are held to be invalid or unenforceable because of the duration of such provisions or the area or scope covered thereby, the court making such determination shall have the power to modify the duration, scope, and/or area of such provision to the maximum and/or broadest duration, scope, and/or area permissible by law, and in its reduced form said provision shall then be enforceable. Such modification will apply only with respect to the operation of such provision in the particular jurisdiction in which such adjudication is made.

Section 7. Remedies.

Employee expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Agreement may result in substantial, continuing, and irreparable injury to the Company, monetary relief would not compensate for such breach, and damages arising out of such a breach may be difficult to ascertain. Therefore, Employee agrees that, in addition to any other remedy that may be available to the Company, including but not limited to the remedies set forth in Section 6.4 of the Performance Share Unit Agreement, the Company has the right to seek temporary, preliminary, and/or permanent injunctive relief, specific performance, or other equitable relief from any court of competent jurisdiction in the event of any breach or threatened breach of the terms of this Agreement, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The Company may pursue any remedy available, including declaratory relief, concurrently or consecutively in any order, and the pursuit of one such remedy at any time will not be deemed an election of remedies or waiver of the right to pursue any other remedy. In addition, in the event of a breach by the Employee of any provision of this Agreement, the Company shall be entitled to the cessation of payment of any unpaid severance benefits and/or to seek repayment of any severance benefits paid to the Employee pursuant to any severance benefit agreement, plan, or program of the Company, as may be legally permissible. Notwithstanding any other provision to the contrary, the Post-Termination Restricted Period shall be tolled during any period of violation of any of the covenants in Section 4 of this Agreement.

Section 8. Cooperation.

Following any termination of Employee's employment, Employee will continue to provide reasonable cooperation to the Company and its counsel in connection with any investigation, administrative proceeding, or litigation relating to any matter that occurred during the Employment Period in which Employee was involved or of which Employee has knowledge. As a condition of such cooperation, the Company shall reimburse Employee for reasonable out-of-pocket expenses incurred at the request of the Company with respect to Employee's compliance with this Section 8. In the event Employee is subpoenaed by any person or entity (including, but not limited to, any Government Entity) to give testimony or provide documents (in a deposition, court proceeding, or otherwise), that in any way relates to Employee's employment by the Company, Employee will give prompt notice of such subpoena to the Company and will make no disclosure until the Company has had a reasonable opportunity to contest the right of the requesting person or entity to such disclosure. Nothing in this Section 8 shall limit Employee's right to make Permitted Disclosures as provided in Section 1(c).

Section 9. General Provisions.

(a) **GOVERNING LAW; WAIVER OF JURY TRIAL.** THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAWS, AND TO APPLICABLE FEDERAL LAW. EACH PARTY TO THIS AGREEMENT ALSO HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY SUIT, ACTION, OR PROCEEDING UNDER OR IN CONNECTION WITH THIS AGREEMENT. THE PARTIES AGREE THAT ANY ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT SHALL BE BROUGHT EXCLUSIVELY IN THE SUPREME COURT OF THE STATE OF NEW YORK, NASSAU COUNTY, OR IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK, OR IN ANY OTHER COURT OF COMPETENT JURISDICTION IN AND FOR THE STATE OF NEW YORK, NASSAU COUNTY, AND THE PARTIES AGREE TO THE PERSONAL JURISDICTION THEREOF. THE PARTIES HEREBY IRREVOCABLY WAIVE ANY OBJECTION THEY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH ACTION IN SUCH COURT(S), AND FURTHER IRREVOCABLY WAIVE ANY CLAIM THEY MAY NOW OR HEREAFTER HAVE THAT ANY SUCH ACTION BROUGHT IN SUCH COURT(S) HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(b) **Entire Agreement.** This Agreement sets forth the entire agreement and understanding between the Company and Employee relating to the subject matter herein and supersedes all prior and contemporaneous negotiations, discussions, correspondence, communications, understandings, agreements, representations, promises, and any other statements, both written and oral, between the parties relating to the subject matter of this Agreement, except for any agreement between the Company and Employee addressing the use of confidential information or competitive activities post-employment which agreements shall remain in full force and effect. The failure of either the Company or Employee, whether purposeful or otherwise, to exercise in any instance any right, power, or privilege under this Agreement or under law shall not constitute a waiver of the same or any other right, power, or privilege in any other instance. Any waiver or modification by the Company or by Employee must be in writing and signed by either Employee, if Employee is seeking to waive any of Employee's rights under this Agreement, or by the CEO of the Company, if the Company is seeking to waive any of its rights under this Agreement. Any subsequent change or changes in Employee's duties, obligations, rights, or compensation will not affect the validity or scope of this Agreement.

(c) **Successors and Assigns.** This Agreement will be binding upon Employee's heirs, executors, administrators, and other legal representatives and will be for the benefit of the Company, its successors, and its assigns. This Agreement may be assigned by the Company without Employee's consent to any subsidiary or affiliate of the Company as well as to any purchaser of all or substantially all of the assets or business of the Company, whether by purchase, merger, or other similar corporate transaction. Employee's obligations under this Agreement may not be delegated, and Employee may not assign or otherwise transfer this Agreement or any part hereof. Any purported assignment by Employee shall be null and void from the initial date of purported assignment. This Agreement is for the sole benefit of the Company and the Employee and their respective successors and permitted assigns and not for the benefit of, or enforceable by, any third party.

(d) **Acknowledgment.** Employee acknowledges that Employee has had adequate time to consider the terms of this Agreement, has knowingly and voluntarily entered into this Agreement and has been advised by the Company to seek the advice of independent counsel

prior to reaching agreement with the Company on any of the terms of this Agreement. No rule of construction shall apply to this Agreement which construes ambiguous language in favor of or against any party by reason of that party's role in drafting this Agreement.

(e) Survival. The provisions of this Agreement shall survive the termination of Employee's employment with the Company and/or the assignment of this Agreement by the Company to any successor in interest or other assignee.

(f) Section Headings. Section and subsection headings are inserted for convenience only and shall not limit, expand, or alter the meaning or interpretation of this Agreement.

Annex B

Companies Constituting the S&P Food & Beverage Select Industry Index as of the Beginning of the Performance Period

Albertsons Companies, Inc. (NYSE:ACI)
AppHarvest, Inc. (NasdaqGS:APPH)
Archer-Daniels-Midland Company (NYSE:ADM)
B&G Foods, Inc. (NYSE:BGS)
Beyond Meat, Inc. (NasdaqGS:BYND)
BJ's Wholesale Club Holdings, Inc. (NYSE:BJ)
Brown-Forman Corporation (NYSE:BF.B)
Bunge Limited (NYSE:BG)
Cal-Maine Foods, Inc. (NasdaqGS:CALM)
Calavo Growers, Inc. (NasdaqGS:CVGW)
Campbell Soup Company (NYSE:CPB)
Casey's General Stores, Inc. (NasdaqGS:CASY)
Celsius Holdings, Inc. (NasdaqCM:CELH)
Coca-Cola Consolidated, Inc. (NasdaqGS:COKE)
Conagra Brands, Inc. (NYSE:CAG)
Constellation Brands, Inc. (NYSE:STZ)
Costco Wholesale Corporation (NasdaqGS:COST)
Darling Ingredients Inc. (NYSE:DAR)
Flowers Foods, Inc. (NYSE:FLO)
Fresh Del Monte Produce Inc. (NYSE:FDP)
Freshpet, Inc. (NasdaqGM:FRPT)
General Mills, Inc. (NYSE:GIS)
Grocery Outlet Holding Corp. (NasdaqGS:GO)
Hormel Foods Corporation (NYSE:HRL)
Hostess Brands, Inc. (NasdaqCM:TWNK)
Ingles Markets, Incorporated (NasdaqGS:IMKT.A)
Ingredion Incorporated (NYSE:INGR)
J & J Snack Foods Corp. (NasdaqGS:JJSF)
John B. Sanfilippo & Son, Inc. (NasdaqGS:JBSS)
Kellogg Company (NYSE:K)
Keurig Dr Pepper Inc. (NasdaqGS:KDP)
Lamb Weston Holdings, Inc. (NYSE:LW)
Lancaster Colony Corporation (NasdaqGS:LANC)
McCormick & Company, Incorporated (NYSE:MKC)
MGP Ingredients, Inc. (NasdaqGS:MGPI)
Molson Coors Beverage Company (NYSE:TAP)
Mondelez International, Inc. (NasdaqGS:MDLZ)
Monster Beverage Corporation (NasdaqGS:MNST)
National Beverage Corp. (NasdaqGS:FIZZ)
PepsiCo, Inc. (NasdaqGS:PEP)
Performance Food Group Company (NYSE:PFGC)
Pilgrim's Pride Corporation (NasdaqGS:PPC)
Post Holdings, Inc. (NYSE:POST)
PriceSmart, Inc. (NasdaqGS:PSMT)
Sanderson Farms, Inc. (NasdaqGS:SAFM)
Seaboard Corporation (NYSEAM:SEB)
SpartanNash Company (NasdaqGS:SPTN)
Sprouts Farmers Market, Inc. (NasdaqGS:SFM)
Sysco Corporation (NYSE:SYY)
Tattooed Chef, Inc. (NasdaqCM:TTCF)
The Andersons, Inc. (NasdaqGS:ANDE)
The Boston Beer Company, Inc. (NYSE:SAM)
The Chefs' Warehouse, Inc. (NasdaqGS:CHEF)
The Coca-Cola Company (NYSE:KO)
The Duckhorn Portfolio, Inc. (NYSE:NAPA)
The Hain Celestial Group, Inc. (NasdaqGS:HAIN)
The Hershey Company (NYSE:HSY)
The J. M. Smucker Company (NYSE:SJM)
The Kraft Heinz Company (NasdaqGS:KHC)
The Kroger Co. (NYSE:KR)
The Simply Good Foods Company (NasdaqCM:SMPL)
Tootsie Roll Industries, Inc. (NYSE:TR)
TreeHouse Foods, Inc. (NYSE:THS)
Tyson Foods, Inc. (NYSE:TSN)
United Natural Foods, Inc. (NYSE:UNFI)
US Foods Holding Corp. (NYSE:USFD)
Utz Brands, Inc. (NYSE:UTZ)
Walmart Inc. (NYSE:WMT)
Weis Markets, Inc. (NYSE:WMK)
Whole Earth Brands, Inc. (NasdaqCM:FREE)

THE HAIN CELESTIAL GROUP, INC.
NOTICE OF GRANT OF RESTRICTED SHARE UNITS

The Participant has been granted an award (the "**Award**") pursuant to The Hain Celestial Group, Inc. Amended and Restated 2002 Long Term Incentive and Stock Award Plan (the "**Plan**") consisting of one or more rights (each such right being hereafter referred to as a "**Restricted Share Unit**" or "**RSU**") to receive in settlement of each such right one (1) share of common stock of The Hain Celestial Group, Inc. By accepting below, the Participant acknowledges and agrees that the Award and the Restricted Share Units shall be subject in all respects to the terms and conditions set forth in the Plan and the Restricted Share Unit Agreement attached hereto.

Participant: [_____]

Grant Date: [_____]

Total Number of RSUs: [_____]

Vesting of Shares: Except as provided in the Restricted Share Unit Agreement and provided that the Participant's employment has not terminated prior to the relevant date, 100% of the RSUs shall vest on December 31, 2023 (the "**Vesting Date**").

The Hain Celestial Group, Inc.

Restricted Share Unit Agreement

The Hain Celestial Group, Inc. has granted to the Participant named in the *Notice of Grant of Restricted Share Units* (the “**Notice**”) to which this Restricted Share Unit Agreement (this “**Agreement**”) is attached an Award consisting of Restricted Share Units (“**Restricted Share Units**” or “**RSUs**”) subject to the terms and conditions set forth in the Notice and this Agreement. This Award shall constitute a Restricted Share Units award under the Company’s Amended and Restated 2002 Long Term Incentive and Stock Award Plan (the “**Plan**”), as amended to the Grant Date, the provisions of which are incorporated herein by reference. By accepting the Notice, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with the Notice, this Agreement, and the Plan, (b) accepts the Award subject to all of the terms and conditions of the Notice, this Agreement and the Plan and (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Compensation Committee of the Board of Directors of the Company (the “**Compensation Committee**”) upon any questions arising under the Notice, this Agreement or the Plan.

1. **DEFINITIONS AND CONSTRUCTION.**

1.1 **Definitions.** Unless otherwise defined herein, capitalized terms shall have the meanings assigned to such terms in the Notice or the Plan.

1.2 **Construction.** References herein to the Participant’s employment or employment arrangements with the Company shall be deemed to refer to employment with the Company or any of its Subsidiaries or Affiliates. Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of this Agreement. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

2. **ADMINISTRATION.**

In accordance with Section 3 of the Plan, all questions of interpretation concerning the Notice and this Agreement shall be determined by the Compensation Committee. All determinations by the Compensation Committee made reasonably and in good faith shall be final and binding upon all persons having an interest in this Award.

3. **THE AWARD.**

3.1 **Grant of RSUs.** On the Grant Date, the Participant shall acquire, subject to the provisions of this Agreement, the Total Number of RSUs set forth in the Notice. Each Unit represents a right to receive one (1) Share on the applicable vesting date determined in accordance with the Notice and this Agreement.

3.2 **No Monetary Payment Required.** The Participant is not required to make any monetary payment (other than applicable tax withholding, if any) as a condition to receiving the RSUs or Shares issued upon settlement of the RSUs, the consideration for which shall be past services actually rendered and/or future services to be rendered to the Company or for its benefit. Notwithstanding the foregoing, if required by applicable state corporate law, the Participant shall furnish consideration in the form of cash or past services rendered to the Company or for its benefit having a value not less than the par value of the Shares issued upon settlement of the RSUs.

3.3 **Confidentiality, Non-Interference, and Invention Assignment Agreement.** As a condition to the grant of the Award and the receipt of Restricted Share Units pursuant to this Agreement and the Notice, the Participant accepts the Confidentiality, Non-Interference, and Invention Assignment Agreement attached hereto as Annex B.

4. **VESTING OF RSUs.**

4.1 **Normal Vesting.** Except as provided by Section 4.2 and Section 4.3, the RSUs shall vest as provided in the Notice.

4.2 **Acceleration of Vesting Upon Certain Terminations.** If the Participant's employment with the Company is terminated (i) at any time as a result of the Participant's death or Disability (as defined in Annex A), or (ii) by the Company without Cause (as defined in Annex A) within twelve (12) months following the consummation of a Change in Control (as defined in Annex A), then, in each case, any unvested RSUs shall vest immediately.

4.3 **Prorated Acceleration of Vesting Upon Certain Terminations.** If the Participant's employment with the Company is terminated by the Company without Cause at any time other than within twelve (12) months following the consummation of a Change in Control, then a prorated number of any unvested RSUs shall vest immediately, with the number of RSUs that become vested prorated based on the number of days the Participant spent on the active payroll on and following the Grant Date divided by the total number of days in the period beginning on the Grant Date and ending on December 31, 2023.

5. **DIVIDENDS CREDITED ON THE RESTRICTED SHARE UNITS.**

5.1 The RSUs will earn dividend equivalents in the form of additional RSUs. Specifically, as of each dividend payment date for Company common stock during the period beginning on the Grant Date and ending on the Vesting Date, the Participant's account will be credited with additional RSUs ("**Dividend Equivalent RSUs**") equal in number to the number of Shares that could be bought with the cash dividends that would be paid on the RSUs if each of the unvested RSUs was a Share, rounded to a whole number of Dividend Equivalent RSUs using normal rounding.

5.2 The number of Shares that could be bought with the cash dividends will be calculated based on the Fair Market Value (as defined below) of Company common stock on the applicable dividend payment date. For purposes of this Agreement, "**Fair Market Value**" means the average of the high and the low per Share trading prices for Company common stock as reported in The Wall Street Journal for the specific dividend payment date, or in such other source as the Company deems reliable.

5.3 Dividend Equivalent RSUs will vest at the same time and in the same manner as the RSUs with which they are associated.

6. **SETTLEMENT OF THE AWARD; FORFEITURE AND CLAWBACK.**

6.1 **Issuance of Shares.** Subject to the provisions of Section 6.3 and Section 7, promptly following each Vesting Date, the Company shall issue to the Participant in settlement of the RSUs that vested on such Vesting Date, the number of Shares equal to one (1) Share for each RSU that vests on such Vesting Date. The Participant understands and agrees that the administration of the issuance of Shares may take up to 15 days following the Vesting Date.

6.2 **Mechanics of Issuance of Shares.** The Participant hereby authorizes the Company, in its sole discretion, to deposit for the benefit of the Participant with any broker with

which the Participant has an account relationship of which the Company has notice (including any broker that administers the Company's equity award plans) any or all Shares acquired by the Participant pursuant to the settlement of the Award. Except as provided by the preceding sentence, a certificate for the Shares as to which the Award is settled shall be registered in the name of the Participant, or, if applicable, in the names of the heirs of the Participant.

6.3 **Securities Laws and Other Laws.** The grant of the Award and issuance of Shares upon settlement of the Award shall be subject to compliance with all applicable requirements of federal, state or foreign law, including securities laws and regulations.

6.4 **Forfeiture and Clawback.** In the event the Participant breaches the Confidentiality, Non-Interference, and Invention Assignment Agreement attached hereto as Annex B, then the Company shall have the right to (a) deem all RSUs which have not vested to be canceled and rescinded, and forfeited by the Participant, and (b) require the Participant to return to the Company any Shares issued to the Participant upon settlement of the RSUs during the two (2) years prior to such breach and pay to the Company any proceeds realized as a result of the Participant's sale of Shares issued to the Participant upon settlement of the RSUs during the two (2) years prior to such breach, in each case within thirty (30) days following the Company's request for such return or payment.

7. **TAX IMPLICATIONS.**

7.1 **In General.** The Participant hereby authorizes withholding from payroll and any other amounts payable to the Participant, and otherwise agrees to make adequate provision for, any sums required to satisfy the federal, state, local and foreign tax (including any social insurance) withholding obligations of the Company (or its Affiliate or Subsidiary), if any, which arise in connection with this Award, the vesting of RSUs or the issuance of Shares in settlement thereof (the "**Tax Liability**"). These requirements may change from time to time as laws or interpretations change. Regardless of the Company's (or its Affiliate's or Subsidiary's) actions in this regard, the Participant hereby acknowledges and agrees that the Tax Liability shall be the Participant's responsibility and liability.

7.2 **Withholding in Shares.** The Company may satisfy all or any portion of tax withholding obligations by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award a number of whole Shares having a fair market value, as determined by the Company as of the date on which the tax withholding obligations arise, not in excess of the amount of such tax withholding obligations determined by the applicable maximum statutory withholding rates.

8. **ADJUSTMENTS FOR CHANGES IN CAPITAL STRUCTURE.**

The Compensation Committee may make adjustments in accordance with Section 4(d) of the Plan.

9. **NO RIGHTS AS A STOCKHOLDER OR EMPLOYEE.**

The Participant shall have no rights as a stockholder with respect to any RSUs until the date of the issuance of the Shares in settlement thereof. No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date the Shares are issued, except as provided in Sections 5 and 8. The Participant understands and acknowledges that, except as otherwise provided in a separate, written employment agreement between the Company and the Participant, the Participant's employment is "at will" and is for no specified term. Nothing in this Agreement shall confer upon the Participant any right to continue in the

employment of the Company or any Subsidiary or interfere in any way with any right of such entities to terminate the Participant's employment at any time.

10. **MISCELLANEOUS PROVISIONS.**

10.1 **Termination or Amendment.** The Board may terminate or amend the Plan or this Agreement at any time; provided, however, that no such termination or amendment may adversely affect the Participant's rights under this Agreement without the consent of the Participant unless such termination or amendment is necessary to comply with applicable law or government regulation, including, but not limited to, Section 409A of the Code. No amendment or addition to this Agreement shall be effective unless in writing.

10.2 **Nontransferability of the Award.** Prior to the issuance of Shares on settlement of the Award, neither this Award nor any RSUs subject to this Award shall be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to the Award shall be exercisable during the Participant's lifetime only by the Participant or the Participant's guardian or legal representative.

10.3 **Further Instruments.** The parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

10.4 **Binding Effect.** This Agreement shall inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer set forth herein, be binding upon the Participant and the Participant's heirs, executors, administrators, successors and assigns.

10.5 **Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, if to the Company at 1111 Marcus Avenue, Lake Success, NY 11042, Attention: General Counsel, and if to the Participant at the home address of the Participant on file with the Company.

(a) **Description of Electronic Delivery.** The Plan documents, which may include but do not necessarily include: the Plan, the Notice, this Agreement, the Plan's prospectus, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. In addition, the Participant may deliver electronically the Notice and this Agreement to the Company or to such third party involved in administering the Plan as the Company may designate from time to time. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

(b) **Consent to Electronic Delivery and Execution.** The Participant acknowledges that the Participant has read Section 10.5(a) of this Agreement and consents to the electronic delivery of the Plan documents, as described in Section 10.5(a). The Participant acknowledges that he or she may receive from the Company a paper copy of any documents

delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery or execution of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in Section 10.5(a) or may change the electronic mail address to which such documents are to be delivered (if Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents described in Section 10.5(a). Electronic acceptance of the Notice, this Agreement and any annexes shall have the same binding effect as a written or hard copy signature and accordingly, shall bind the Participant to all of the terms and conditions set forth in the Plan, the Notice, this Agreement and any annexes.

10.6 Integrated Agreement. The Notice, this Agreement and the Plan shall constitute the entire understanding and agreement of the Participant and the Company with respect to the subject matter contained herein or therein and supersedes any prior agreements, understandings, restrictions, representations, or warranties between the Participant and the Company with respect to such subject matter other than those as set forth or provided for herein or therein. To the extent contemplated herein or therein, the provisions of the Notice and the Agreement shall survive any settlement of the Award and shall remain in full force and effect.

10.7 Section 409A. This Agreement and the RSUs granted hereunder are intended to fit within the “short-term deferral” exemption from Section 409A of the Code as set forth in Treasury Regulation Section 1.409A-1(b)(4). In administering this Agreement, the Company shall interpret this Agreement in a manner consistent with such exemption. Notwithstanding the foregoing, if it is determined that the RSUs fail to satisfy the requirements of the short-term deferral rule and are otherwise deferred compensation subject to Section 409A, and if the Participant is a “Specified Employee” (within the meaning set forth Section 409A(a)(2)(B)(i) of the Code) as of the date of the Participant’s separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), then the issuance of any Shares that would otherwise be made upon the date of the separation from service or within the first six (6) months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six (6) months and one day after the date of the separation from service, but if and only if such delay in the issuance of the Shares is necessary to avoid the imposition of additional taxation on the Participant in respect of the Shares under Section 409A of the Code. Each installment of Shares that vests is intended to constitute a “separate payment” for purposes of Section 409A of the Code and Treasury Regulation Section 1.409A-2(b)(2).

10.8 Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to its conflict of laws provisions. The parties agree that any action or proceeding with respect to this Agreement shall be brought exclusively in the Supreme Court of the State of New York, Nassau County, or in the United States District Court for the Eastern District of New York, or in any other court of competent jurisdiction in and for the State of New York, Nassau County and the parties agree to the personal jurisdiction thereof. The parties hereby irrevocably waive any objection they may now or hereafter have to the laying of venue of any such action in such court(s), and further irrevocably waive any claim they may now or hereafter have that any such action brought in such court(s) has been brought in an inconvenient forum. The parties agree that, if any dispute or controversy arising from or relating to this agreement is submitted for adjudication to any court, all issues of fact shall be tried without a jury.

10.9 **Severability.** If any term or provision of this Agreement or the application thereof to any Participant or circumstance shall to any extent be invalid or unenforceable, such provision will be modified, rewritten or interpreted to include as much of its nature and scope as will render it enforceable. If it cannot be so modified, rewritten or interpreted to be enforceable in any respect, it will not be given effect and the remainder of this Agreement, or the application of such term or provision to Participants or circumstances other than those held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

10.10 **Acceptance.** By accepting this Agreement, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with this Agreement and the Plan, (b) accepts the Award subject to all of the terms and conditions of this Agreement and the Plan, (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under this Agreement except as otherwise provided in this Agreement and (d) accepts the Confidentiality, Non-Interference, and Invention Assignment Agreement attached hereto as Annex B. The Participant acknowledges that there may be tax consequences upon the vesting and settlement of the RSUs or disposition of the underlying Shares and that the Participant has been advised to consult a tax advisor prior to such vesting, settlement or disposition.

Annex A

Certain Definitions

“**Cause**” has the meaning set forth in the Change in Control Agreement between the Company and the Participant or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then “Cause” shall mean the occurrence of any of the following events: (i) any material violation by the Participant of any law or regulation applicable to the Company or its Affiliates; (ii) the Participant’s commission of, plea of guilty or nolo contendere to, or indictment for, a felony or any other crime involving moral turpitude; (iii) the Participant’s commission of an act of personal dishonesty in connection with the Company or any other entity having a business relationship with the Company; (iv) any breach by the Participant of any written agreement between the Company and the Participant, or the terms of the Participant’s service as an employee of the Company, including, without limitation, the breach of any written non-competition, non-solicitation, invention assignment, confidentiality or similar written restrictive covenants; (v) the Participant’s violation of the written policies of the Company, commission of sexual harassment, or any other conduct causing the Company or any of its Affiliates public disgrace or disrepute or economic harm; (vi) reporting to work under the influence of alcohol or illegal drugs or the use of illegal drugs (whether or not at the workplace); or (vii) a willful failure to substantially perform the Participant’s duties and obligations to the Company and its Subsidiaries, other than failure resulting from complete or partial incapacity due to physical or mental illness or impairment; provided, that clause (vii) shall constitute “Cause” only if the Participant fails to cure such event (if curable) within ten (10) business days after receipt from the Company of written notice specifying the Participant’s actions that constitute Cause.

“**Change in Control**” has the meaning set forth in the Change in Control Agreement between the Company and the Participant or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then:

- 1) the acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of the combined voting power of the then outstanding voting securities of the Company; provided, however, that for purposes of this clause (1), the following acquisitions shall not constitute a Change of Control: (A) any issuance of voting securities of the Company directly from the Company that is approved by the Incumbent Board (as defined below), or (B) any acquisition of voting securities of the Company by any Person pursuant to a Business Combination (as defined below) that complies with clauses (A), (B) and (C) of clause (3) below; or
- 2) individuals who, as of the date hereof, constitute the Board (the “**Incumbent Board**”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a member of the Board (a “**Director**”) subsequent to the date hereof whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least two-thirds of the Directors then comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall be deemed to have been a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest (within the meaning of Rule 14a-11 of the Exchange Act) with respect to the election or removal of Directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

- 3) consummation of a reorganization, merger or consolidation, a sale or other disposition of all or substantially all of the assets of the Company, or other transaction (each, a “**Business Combination**”), unless, in each case, immediately following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners of voting securities of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding voting securities of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) in substantially the same proportions relative to each other as their ownership immediately prior to such Business Combination, (B) no Person (other than such entity resulting from such Business Combination) beneficially owns, directly or indirectly, 50% or more of the combined voting power of the then outstanding voting securities of the entity resulting from such Business Combination and (C) at least a majority of the members of the board of directors of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or
- 4) the stockholders of the Company approve a complete liquidation or dissolution of the Company.

“**Disability**” has the meaning set forth in the Change in Control Agreement between the Company and the Participant or if none, the employment agreement between the Company and the Participant, in each case, then in effect, or if the Participant is not party to any such agreement or such term is not defined in any such agreement then “Disability” shall mean the permanent and total disability of the Participant within the meaning of Section 22(e)(3) of the Code.

“**Person**” shall have the meaning ascribed thereto in Section 3(a)(9) of the Exchange Act, as modified, applied and used in Sections 13(d) and 14(d) thereof; provided, however, a Person shall not include (i) the Company or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Subsidiaries (in its capacity as such), (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation or other entity owned, directly or indirectly, by the stockholders of the Company in substantially the same character and proportions as their ownership of voting securities of the Company.

Annex B

CONFIDENTIALITY, NON-INTERFERENCE, AND INVENTION ASSIGNMENT AGREEMENT

This CONFIDENTIALITY, NON-INTERFERENCE, AND INVENTION ASSIGNMENT AGREEMENT (this "Agreement") is made and entered into as of [_____] by [_____] ("Employee") for the benefit of The Hain Celestial Group, Inc., a Delaware corporation, and its subsidiaries and affiliates (collectively, the "Company").

In consideration of Employee's continued employment with the Company and remuneration received thereunder, and Employee's receipt of the compensation now and hereafter paid to Employee by the Company, including Employee's receipt of an award of Restricted Share Units in accordance with the Notice of Grant of Restricted Share Units and Restricted Share Unit Agreement to which this Agreement is attached, the receipt and sufficiency of which are mutually acknowledged, Employee agrees as follows:

Section 1. Confidential Information.

(a) Company Information. Employee acknowledges that, during the course of Employee's employment, Employee will have substantial access to, be provided with and inevitably will use confidential and proprietary information of the Company. In recognition of the foregoing, Employee agrees that, at all times during the Employment Period and thereafter, to hold in confidence, and not to use or to disclose to any Person without written authorization of the Company, for any reason or purpose whatsoever except as may be required in the ordinary course of performing Employee's duties as an employee of the Company, any Confidential Information that Employee obtains or creates. Employee understands that "Confidential Information" means information in spoken, printed, electronic, or any other form or medium, that is not generally known publicly and is owned or maintained by the Company and/or has been acquired, developed, discovered or compiled by the Company at its great effort and expense, and that the Company wishes to maintain as confidential, that has value in or to the business of the Company. Employee understands that:

(i) Confidential Information includes, but is not limited to, any and all non-public information that relates to the actual or anticipated business and/or products or services, research, or development of the Company, or to the Company's technical data, trade secrets, or know-how, including, but not limited to, business records, customer lists or compilations, terms of customer agreements, supplier or service information, pricing or cost information, marketing information, future products and strategies or plans, ideas, business opportunities, inventions, creations, enhancements, business operation information, financial information or personnel data, designs, drawings or inspections of premises, parts, equipment, or other Company property, any formula, recipe, manufacturing process, pattern, device and/or compilation of information that is used in the Company's business and that gives the Company an advantage over its competitors, or other information regarding the Company's products or services, markets, customers (including, but not limited to, customers of the Company on whom Employee called or with whom Employee may become acquainted during the Employment Period), software, processes, formulas, product specifications, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, policies, training manuals and similar materials used by the Company in conducting its business operations, potential business combinations, and other business information disclosed by the Company either directly or indirectly, in writing, electronically or orally, and other confidential or proprietary information created, used and/or obtained by Employee in the course of Employee's employment with the Company;

(ii) Confidential Information also includes proprietary or confidential information of any third party who may disclose such information to Company or to Employee in the course of the Company's business subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes;

(iii) Confidential Information also includes other information of any existing or prospective customer or of any other Person that has entrusted information to the Company in confidence. Employee acknowledges that all Confidential Information is the sole and exclusive property of the Company. Employee further acknowledges that the Company's communication systems (such as email and voicemail) are maintained to assist in the conduct of the Company's business and that such systems and data exchanged or stored thereon are Company property; and

(iv) notwithstanding the foregoing, Confidential Information shall not include any of the foregoing items that have become publicly and widely known through no unauthorized disclosure by Employee or others who were under confidentiality obligations as to the item or items involved.

(b) Former Employer Information. Employee represents and warrants that Employee is not a party to any non-competition agreement or other contractual limitation that would interfere with or hinder Employee's ability to undertake the obligations and expectations of employment with the Company. Employee represents that Employee's performance of all of the terms of this Agreement as an employee of the Company has not breached and will not breach any agreement to keep in confidence proprietary information, knowledge, or data acquired by Employee in confidence or trust prior to the commencement of Employee's employment with the Company, and Employee will not disclose to the Company, or induce the Company to use, any developments, or confidential information or material Employee may have obtained in connection with employment with any prior employer in violation of a confidentiality agreement, nondisclosure agreement, or similar agreement with such prior employer. If any prior employer asserts a claim that Employee's employment with the Company violates any contractual obligations owed by Employee, or that Employee has otherwise committed a breach of any contractual or other duty to a prior employer, the Company may immediately terminate Employee's employment. In the event of such a claim, the Company is not obligated to indemnify Employee for any damages or to provide a defense against such claims.

(c) Permitted Disclosure. This Agreement does not limit or interfere with Employee's right, without notice to or authorization of the Company, to communicate and cooperate in good faith with any self-regulatory organization or federal, state, or local governmental agency, commission, or entity (collectively, a "Government Entity") for the purpose of (i) reporting a possible violation of any federal, state, or local law or regulation, (ii) participating in any investigation or proceeding that may be conducted or managed by any Government Entity, including by providing documents or other information, or (iii) filing a charge or complaint with a Government Entity, provided that in each case, such communications, participation, and disclosures are consistent with applicable law. Additionally, Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If Employee files a lawsuit for retaliation by an employer for reporting a suspected violation of law, Employee may disclose the trade secret to the Employee's attorney in such lawsuit and use the trade secret information in the court proceeding, if Employee files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order. All disclosures permitted under this Section 1(c) are hereinafter

referred to as “Permitted Disclosures.” Notwithstanding the foregoing, under no circumstance will Employee be authorized to disclose any Confidential Information as to which the Company may assert protections from disclosure under the attorney-client privilege or the attorney work product doctrine, without prior written consent of Company’s General Counsel or other authorized officer designated by the Company.

Section 2. Developments.

All inventions, improvements, trade secrets, reports, manuals, computer programs, systems, educational and sales materials or other publications, and other ideas and materials developed or invented by Employee, including all tangible work product derived therefrom, during the Employment Period, either solely or in collaboration with others, which relate to the actual or anticipated business or research of the Company, which result from or are suggested by any work Employee may do for the Company, or which result from use of the Company’s premises or the Company’s or its customers’ property (collectively, the “Developments”) shall be the sole and exclusive property of the Company. Employee hereby assigns to the Company Employee’s entire right and interest in any such Developments. Employee agrees to promptly and fully disclose to the Company all Developments. At the request of the Company, Employee will, during and after the term of this Agreement, without charge to the Company but at the expense of the Company, assist the Company in any reasonable way to vest in the Company title to all such Developments, and to obtain any related patents, trademarks, or copyrights in all countries throughout the world. Employee will execute and deliver assignments and any other documents that the Company may reasonably request in connection with such assistance.

This Section 2 does not apply to an invention for which no equipment, supplies, facility or trade secret information of the Company was used and which was developed entirely on Employee’s own time, and (1) which does not relate (a) directly to the business of the Company or (b) to the Company’s actual or demonstrably anticipated research or development, or (2) which does not result from any work performed by Employee for the Company.

Section 3. Returning Company Documents and Equipment.

At the time of the termination of Employee’s employment with the Company for any reason (or earlier if so requested), Employee will promptly deliver to the Company (and will not keep in Employee’s possession, recreate, copy, or deliver to anyone else) any and all Confidential Information and all other documents, materials, information, computer equipment, electronic equipment, mobile phones, and other property in Employee’s possession or control, created or received by Employee in connection with Employee’s employment or otherwise belonging to the Company (excluding documents related only to Employee’s compensation and employee benefits). Any property situated on the Company’s premises and owned by the Company (or any other member of the Company), including USB flash drives and other storage media, filing cabinets, and other work areas, is subject to inspection by the Company at any time with or without notice. Furthermore, at the time of termination, Employee will return all property of the Company in proper working order without any modification to device or data contained within it, and will provide all passwords or passcodes needed for the Company to access any electronic devices.

Section 4. Restrictions on Interfering.

(a) Non-Competition. During the Employment Period and the Post-Termination Restricted Period, Employee shall not, without the express written consent of the CEO of the Company, directly or indirectly, individually or on behalf of any Person, whether for compensation or otherwise, engage in any Competitive Activities in any jurisdiction in which the

Company engages in business and in relation to which Employee has had a material influence or material involvement, or obtained material Confidential Information.

(b) Non-Interference. During the Employment Period and the Post-Termination Restricted Period, Employee shall not, without the express written consent of the CEO of the Company, directly or indirectly, individually or on behalf of any Person, engage in Interfering Activities.

(c) Non-Disparagement. At all times during the Employment Period and thereafter, Employee shall not, directly or indirectly, individually or on behalf of any Person, induce or encourage others to make, publish, or communicate to any Person, any disparaging or defamatory comments regarding the Company, its businesses, its products or its services, or any of the Company's current or former directors, officers, or employees. However, nothing in this Section 4(c) shall prevent Employee from making a Permitted Disclosure as defined in Section 1(c).

(d) Definitions. For purposes of this Agreement:

(i) "Business Relation" shall mean any current or prospective customer, vendor, supplier or other business relation of the Company, or any such relation that was a customer, vendor, supplier, or other business relation within the prior twelve (12)-month period, in each case, with whom Employee, or persons reporting to Employee, had personal contact or dealings during the Employment Period.

(ii) "Competitive Activities" shall mean any activity in which the Employee directly or indirectly, in whole or in part, as an employee, employer, owner, operator, manager, advisor, consultant, agent, representative, partner, member, director, stockholder, officer, volunteer, intern, or any other similar position in a capacity similar to the position held by Employee with the Company, on behalf of or in association with a business engaged in the same or similar business as the Company, including, without limitation, any business activity related to the research, development, production, marketing, sale, or distribution of consumer goods or products that are the same as or substantially similar to the consumer goods or products then being, or that at any time in the prior twelve (12) months were being researched, developed, produced, marketed, sold or distributed by the Company, including but not limited to organic and natural products sold through specialty and natural food distributors, supermarkets, natural foods stores, mass-market and e-commerce retailers, food service channels, and club, drug, and convenience stores (the "Business"). Notwithstanding the foregoing, Competitive Activities are limited to such segments of the Company's Business for which Employee had responsibility or about which Employee learned Confidential Information during the last two (2) years of the Employment Period. Competitive Activities does not include purchasing or owning not in excess of three percent (3%) of the publicly traded securities of any corporation, or purchasing or owning stock, partnership interests, or other securities of any entity not in excess of three percent (3%) of any class of such securities, provided that such ownership represents a passive investment and Employee is not a controlling person of, or a member of a group that controls, such corporation.

(iii) "Employment Period" shall mean the period of Employee's employment with the Company.

(iv) "Interfering Activities" shall mean, directly or indirectly, (A) Soliciting, encouraging, enticing, causing, or inducing, or in any manner attempting to Solicit, encourage, entice, cause, or induce, any Person employed by, or providing consulting services or independent contractor services to, the Company and with whom Employee

had material contact (meaning an employee whom the Employee supervised, worked closely with, or directly reported to) within the last two (2) years of the Employment Period or about whom Employee had Confidential Information during the Employment Period to terminate such Person's employment or services (or in the case of a consultant or independent contractor, materially reducing such services) with the Company, or to work for a third party other than the Company, without the prior written consent of the Company; (B) hiring or engaging any Person who was employed by, or providing consulting or independent contractor services to, the Company within the six (6)-month period prior to the date of such hiring or engagement, and with whom Employee had material contact (meaning an employee whom the Employee supervised, worked closely with, or directly reported to) within the last two (2) years of the Employment Period or about whom Employee had Confidential Information during the Employment Period; or (C) Soliciting, encouraging, calling upon, directing, diverting, influencing, or inducing, or in any manner attempting to Solicit, encourage, call upon, direct, divert, influence, or induce, any Business Relation to cease doing business with or reduce the amount of business conducted with the Company, or in any way interfering with the relationship between any such Business Relation and the Company, including by convincing any such Business Relation to change or alter the terms of its existing or prospective contractual terms and conditions with the Company; or (D) on behalf of or in association with any Person, accepting business from a Business Relation in competition with the Business of the Company.

(v) "Person" shall mean any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust (charitable or non-charitable), unincorporated organization, or other form of business entity.

(vi) "Post-Termination Restricted Period" shall mean the period commencing on the date of the termination of the Employee's employment with the Company for any reason, and ending on the date that is one (1) year following such date of termination.

(vii) "Solicit," "Soliciting," or "Solicitation" shall mean any direct or indirect communication of any kind, regardless of who initiates it, that in any way invites, advises, encourages, or requests any Person to take or refrain from taking any action.

Section 5. Reasonableness of Restrictions.

Employee acknowledges and recognizes the highly competitive nature of the Company's business, and agrees that access to Confidential Information renders Employee special and unique within the Company's industry, and that Employee will have the opportunity to develop substantial relationships of confidence, trust and goodwill with existing and prospective employees, customers, vendors, suppliers, and/or business partners of the Company during the course of and as a result of Employee's employment with the Company. In light of the foregoing, Employee recognizes and acknowledges that the restrictions and limitations set forth in this Agreement are reasonable and valid in geographic and temporal scope and in all other respects and are essential to protect the value of the Business, goodwill and assets of the Company. Employee further acknowledges that the Company competes worldwide, and that Employee's access to Confidential Information, including trade secrets, and the relationships Employee builds during Employee's employment make it necessary for the Company to restrict Employee's post-employment activities in any market in which the Company competes, and in which Employee's access to Confidential Information and the relationships Employee builds during Employee's employment could be used to the detriment of the Company. Employee further acknowledges that the restrictions and limitations set forth in this Agreement will not materially interfere with Employee's ability to earn a living following the termination of Employee's employment with the Company.

Section 6. Independence; Severability; Blue Pencil.

Each of the rights enumerated in this Agreement shall be independent of the others and shall be in addition to and not in lieu of any other rights and remedies available to the Company at law or in equity. If any of the provisions of this Agreement or any part of any of them is hereafter construed or adjudicated to be invalid or unenforceable in any respect, the same shall not affect the remainder of this Agreement, which shall be given full effect without regard to the invalid portions. If any of the covenants contained herein are held to be invalid or unenforceable because of the duration of such provisions or the area or scope covered thereby, the court making such determination shall have the power to modify the duration, scope, and/or area of such provision to the maximum and/or broadest duration, scope, and/or area permissible by law, and in its reduced form said provision shall then be enforceable. Such modification will apply only with respect to the operation of such provision in the particular jurisdiction in which such adjudication is made.

Section 7. Remedies.

Employee expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Agreement may result in substantial, continuing, and irreparable injury to the Company, monetary relief would not compensate for such breach, and damages arising out of such a breach may be difficult to ascertain. Therefore, Employee agrees that, in addition to any other remedy that may be available to the Company, including but not limited to the remedies set forth in Section 6.4 of the Restricted Share Unit Agreement, the Company has the right to seek temporary, preliminary, and/or permanent injunctive relief, specific performance, or other equitable relief from any court of competent jurisdiction in the event of any breach or threatened breach of the terms of this Agreement, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The Company may pursue any remedy available, including declaratory relief, concurrently or consecutively in any order, and the pursuit of one such remedy at any time will not be deemed an election of remedies or waiver of the right to pursue any other remedy. In addition, in the event of a breach by the Employee of any provision of this Agreement, the Company shall be entitled to the cessation of payment of any unpaid severance benefits and/or to seek repayment of any severance benefits paid to the Employee pursuant to any severance benefit agreement, plan, or program of the Company, as may be legally permissible. Notwithstanding any other provision to the contrary, the Post-Termination Restricted Period shall be tolled during any period of violation of any of the covenants in Section 4 of this Agreement.

Section 8. Cooperation.

Following any termination of Employee's employment, Employee will continue to provide reasonable cooperation to the Company and its counsel in connection with any investigation, administrative proceeding, or litigation relating to any matter that occurred during the Employment Period in which Employee was involved or of which Employee has knowledge. As a condition of such cooperation, the Company shall reimburse Employee for reasonable out-of-pocket expenses incurred at the request of the Company with respect to Employee's compliance with this Section 8. In the event Employee is subpoenaed by any person or entity (including, but not limited to, any Government Entity) to give testimony or provide documents (in a deposition, court proceeding, or otherwise), that in any way relates to Employee's employment by the Company, Employee will give prompt notice of such subpoena to the Company and will make no disclosure until the Company has had a reasonable opportunity to contest the right of the requesting person or entity to such disclosure. Nothing in this Section 8 shall limit Employee's right to make Permitted Disclosures as provided in Section 1(c).

Section 9. General Provisions.

(a) **GOVERNING LAW; WAIVER OF JURY TRIAL.** THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAWS, AND TO APPLICABLE FEDERAL LAW. EACH PARTY TO THIS AGREEMENT ALSO HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY SUIT, ACTION, OR PROCEEDING UNDER OR IN CONNECTION WITH THIS AGREEMENT. THE PARTIES AGREE THAT ANY ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT SHALL BE BROUGHT EXCLUSIVELY IN THE SUPREME COURT OF THE STATE OF NEW YORK, NASSAU COUNTY, OR IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK, OR IN ANY OTHER COURT OF COMPETENT JURISDICTION IN AND FOR THE STATE OF NEW YORK, NASSAU COUNTY, AND THE PARTIES AGREE TO THE PERSONAL JURISDICTION THEREOF. THE PARTIES HEREBY IRREVOCABLY WAIVE ANY OBJECTION THEY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH ACTION IN SUCH COURT(S), AND FURTHER IRREVOCABLY WAIVE ANY CLAIM THEY MAY NOW OR HEREAFTER HAVE THAT ANY SUCH ACTION BROUGHT IN SUCH COURT(S) HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(b) **Entire Agreement.** This Agreement sets forth the entire agreement and understanding between the Company and Employee relating to the subject matter herein and supersedes all prior and contemporaneous negotiations, discussions, correspondence, communications, understandings, agreements, representations, promises, and any other statements, both written and oral, between the parties relating to the subject matter of this Agreement, except for any agreement between the Company and Employee addressing the use of confidential information or competitive activities post-employment which agreements shall remain in full force and effect. The failure of either the Company or Employee, whether purposeful or otherwise, to exercise in any instance any right, power, or privilege under this Agreement or under law shall not constitute a waiver of the same or any other right, power, or privilege in any other instance. Any waiver or modification by the Company or by Employee must be in writing and signed by either Employee, if Employee is seeking to waive any of Employee's rights under this Agreement, or by the CEO of the Company, if the Company is seeking to waive any of its rights under this Agreement. Any subsequent change or changes in Employee's duties, obligations, rights, or compensation will not affect the validity or scope of this Agreement.

(c) **Successors and Assigns.** This Agreement will be binding upon Employee's heirs, executors, administrators, and other legal representatives and will be for the benefit of the Company, its successors, and its assigns. This Agreement may be assigned by the Company without Employee's consent to any subsidiary or affiliate of the Company as well as to any purchaser of all or substantially all of the assets or business of the Company, whether by purchase, merger, or other similar corporate transaction. Employee's obligations under this Agreement may not be delegated, and Employee may not assign or otherwise transfer this Agreement or any part hereof. Any purported assignment by Employee shall be null and void from the initial date of purported assignment. This Agreement is for the sole benefit of the Company and the Employee and their respective successors and permitted assigns and not for the benefit of, or enforceable by, any third party.

(d) **Acknowledgment.** Employee acknowledges that Employee has had adequate time to consider the terms of this Agreement, has knowingly and voluntarily entered into this Agreement and has been advised by the Company to seek the advice of independent counsel

prior to reaching agreement with the Company on any of the terms of this Agreement. No rule of construction shall apply to this Agreement which construes ambiguous language in favor of or against any party by reason of that party's role in drafting this Agreement.

(e) Survival. The provisions of this Agreement shall survive the termination of Employee's employment with the Company and/or the assignment of this Agreement by the Company to any successor in interest or other assignee.

(f) Section Headings. Section and subsection headings are inserted for convenience only and shall not limit, expand, or alter the meaning or interpretation of this Agreement.

CERTIFICATION

I, Mark L. Schiller, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Hain Celestial Group, 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 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 quarter 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 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.

Dated: February 3, 2022

/s/ Mark L. Schiller

Mark L. Schiller
President and Chief Executive Officer

CERTIFICATION

I, Javier H. Idrovo, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Hain Celestial Group, 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 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 quarter 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 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.

Dated: February 3, 2022

/s/ Javier H. Idrovo

Javier H. Idrovo
Executive Vice President and Chief Financial Officer

**CERTIFICATION FURNISHED
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

I, Mark L. Schiller, President and Chief Executive Officer of The Hain Celestial Group, Inc. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that to my knowledge:

- The Quarterly Report on Form 10-Q of the Company for the quarter ended December 31, 2021 (the “Report”) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 3, 2022

/s/ Mark L. Schiller

Mark L. Schiller
President and Chief Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff on request.

**CERTIFICATION FURNISHED
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

I, Javier H. Idrovo, Executive Vice President and Chief Financial Officer of The Hain Celestial Group, Inc. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that to my knowledge:

- The Quarterly Report on Form 10-Q of the Company for the quarter ended December 31, 2021 (the “Report”) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 3, 2022

/s/ Javier H. Idrovo

Javier H. Idrovo
Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff on request.