

# SUSTAINABLE IN EVERY WAY

2020 Environmental, Social, and Governance Report



# SUSTAINABILITY

It's why we've been able to supply one of the world's most favorite foods for 70 years, and it's why we'll continue to do so for years to come.



## About Our Report

We are pleased to publish Lamb Weston's first Environmental, Social, and Governance Report. While this report focuses on our actions and accomplishments during our fiscal year ended May 26, 2019, as an inaugural report it also covers initiatives that took place prior to this time period to provide context. The scope of this report covers Lamb Weston's manufacturing operations in North America and China, except for employment numbers, which also include administrative and sales professionals. Lamb Weston's farm and administrative offices are not included in the data reported in the Produce section. Sustainable agriculture data covers North America only.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. We are also reporting to the Sustainability Accounting Standards Board (SASB) Processed Foods Standard. More information about our company can be found on our [website](#).

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# A Message From Our CEO

When we started the work on this report, it felt like a truly transformational time for our company. We experienced tremendous growth after becoming a stand-alone public company in 2016, and global demand for fries and other potato products continued to increase. As the publication date for the report drew nearer, things felt transformational in a different way as we faced a global pandemic.

COVID-19 has forced us to take a step back and analyze our business in a new way. From how we ensure the safety of our team members and our food to our interactions with our customers and our global business partners, everything has changed.

Through all of this, we've maintained our focus on doing what we do best—making great fries—while finding new ways to work. Whether it's helping our team members work from home or instituting new company-wide policies on safety and social distancing, we've worked quickly and with purpose to protect our people. Because our people are what make this business work.

Their passion and purpose are reminiscent of the ingenuity and focus of our founder, Gib Lamb, who established this company 70 years ago. Despite the challenging landscape that we are facing today, I'm excited to share our inaugural ESG report, because the content within demonstrates our tradition of responsibility and our commitment to excellence at every point in our value chain.

While some of the programs you'll read about in this report are new and unique to Lamb Weston, our approach to topics such as sustainable agriculture, employee safety, and customer satisfaction is unchanged. We've always believed in doing the right things the right way, and this sense of integrity has helped us in today's ever-changing environment.

In the pages that follow, you'll see how Lamb Weston's core value of inventiveness—in the form of new technologies and processes—delivered results across our business in fiscal year 2019. This report focuses on our impact on people and the planet through four key areas:

- **Protect**—With robust programs, a culture of integrity, and automation that improves food safety and quality and keeps employees safe.
- **Plant**—Leveraging long-term relationships with our growers, and sharing best practices and new tools to help optimize potato crop quality and yields.
- **Produce**—Through improved equipment and practices that help us use less water and energy and reduce waste.



**Tom Werner**  
President and CEO

- **Provide**—By developing groundbreaking new products at the Lamb Weston Innovation Center and providing tools that help employees better contribute to their communities.

Our vision is to become the world's number-one global potato company. And although our plan to get there may look different today than it did in 2019, we won't compromise our values or our ESG priorities. As our business and customers learn from this situation and evolve, Lamb Weston aims to remain a company that is not only successful, but also sustainable in every way.

**Tom Werner**  
President and CEO

# Corporate Profile

## VISION

To be the No. 1 global potato company.

## MISSION

To create solutions that inspire and serve our customers and consumers with a food they love and trust.

# 1950

Founded

# Eagle, Idaho

Headquarters

# 27

production facilities<sup>1</sup>

# #1

in North American frozen potato category

# #2

in global frozen potato category

# 7,600

employees<sup>2</sup>



## MAJOR PRODUCTS

### • FRIES

Straight Cut, Crinkle Cut, Twister®, CrissCut®, Wedge Cut

### • SHREDDED POTATOES

### • DICED POTATOES

### • FORMED POTATOES

Hash Browns, Tater Puffs®

### • CHIPS

### • MASHED POTATOES

### • APPETIZERS

### • VEGETABLES

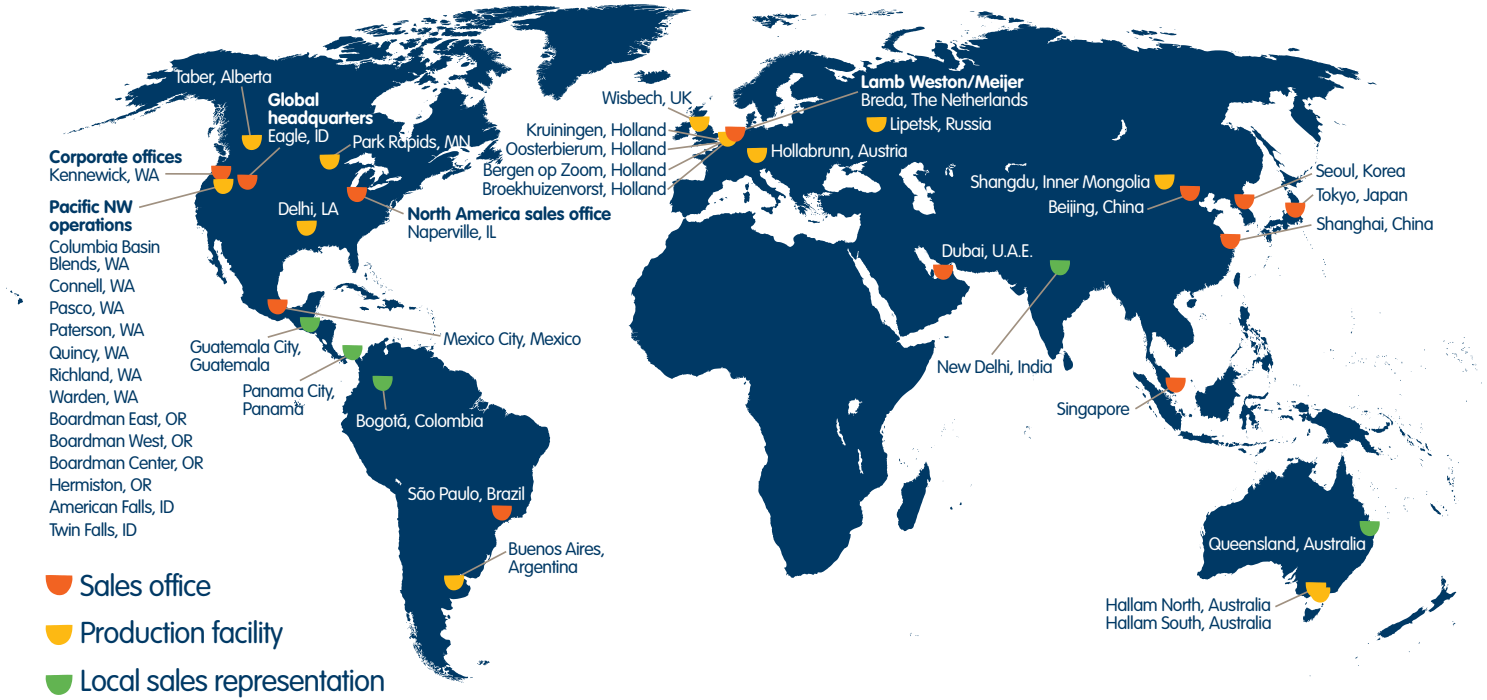


<sup>1</sup>As of June 2, 2020; includes joint ventures.

<sup>2</sup>As of May 28, 2019; excludes joint ventures.

# Corporate Profile

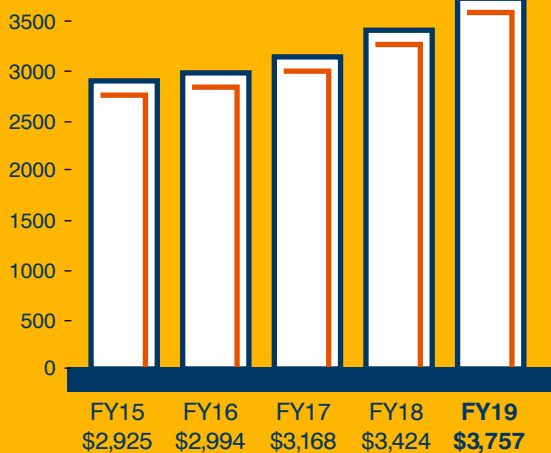
## 2020 Global Footprint\*



\*Includes joint ventures

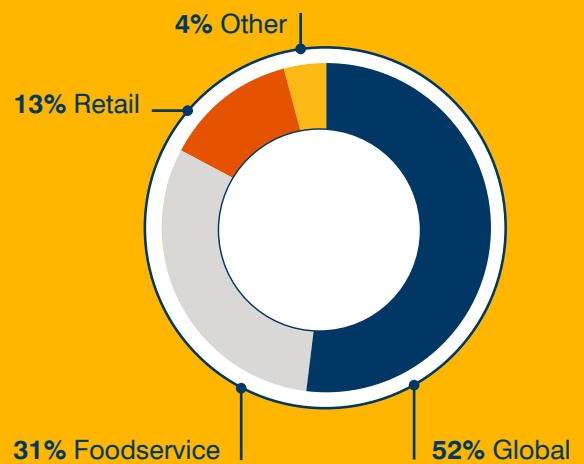
### Financial Profile

Net Sales (\$ In Millions)



### Customer Segments

FY19 Net Sales (\$ In Millions)



# How We Make a Favorite Food, Sustainably

Stewardship at Lamb Weston runs deep. Sustainability is threaded through our entire operation, from our production facilities, to the way we source, store, and transport products to our customers around the globe. Every step of the way, we are committed to safety and quality while we work to preserve and protect nature and its resources; using only what is necessary, and striving every day to enhance the livelihoods of our team members and surrounding communities.

With 70 years of experience and more than 7,000 potato experts around the globe, no one understands french fries better than we do. By continuously creating new products and processes, we've made fries accessible to more people than ever before.



Our sustainability approach consists of four main focus areas, which reflect the steps in our value chain.



## PROTECT

Ensure the safety of all who come into contact with our products and our business, whether the employees in our facilities or the consumers who eat our fries.



## PLANT

Employ sustainable agricultural practices on our own farm and ask our growers to participate in sustainable programs.



## PRODUCE

Continually look for ways to turn potatoes into fries more sustainably—including operating efficiently and responsibly sourcing inputs.



## PROVIDE

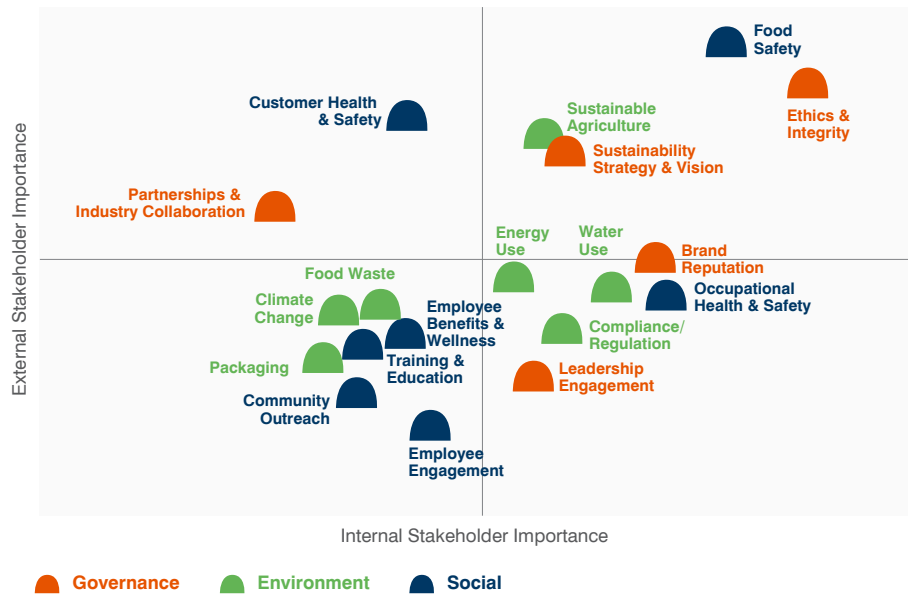
Make a positive impact by meeting the needs of our customers, consumers, employees, and communities.

# Material Topics

Lamb Weston conducted its first materiality assessment in 2018 with the goals of identifying the most important issues to our stakeholders, determining current gaps in our sustainability program, and gathering feedback on what we are doing well and where we have room to improve. Materiality survey participants included both internal and external stakeholders, such as Lamb Weston employees, customers, growers, and suppliers.

While managing through the impact of COVID-19 on our business, we have been mindful that Food Safety and Occupational Health and Safety were

## Lamb Weston Materiality Matrix



among our top material topics, and that has helped guide our ESG decisions. We plan to refresh this assessment in 2021, which will undoubtedly reflect our stakeholders' perception of risks in the wake of the pandemic.

# Aligning With the UN Sustainable Development Goals

As Lamb Weston continues to evolve its sustainability strategy, we will align our work with the UN Sustainable Development Goals. As a first step, we have mapped our most material issues to the individual goals. Looking ahead, we will continue to keep the goals and their underlying targets top-of-mind as we develop new targets and corresponding initiatives beyond 2020.

	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	15 LIFE ON LAND
Ethics & Integrity					●			
Food Safety		●						
Sustainable Agriculture	●		●					●
Occupational Health & Safety		●			●			
Consumer Health & Nutrition	●	●						
Water Use			●			●		
Energy Use				●		●	●	



# Stakeholder Engagement

By engaging with people and organizations inside and outside our business, we gain a better understanding of what they value. This allows us to take action on issues that matter. We engage with a range of stakeholders in a variety of ways.

STAKEHOLDER GROUP	HOW WE ENGAGE	MOST IMPORTANT ISSUES
Investors	Annual meeting of stockholders Quarterly earnings presentations ESG Report Smaller-scale meetings as appropriate	Corporate governance Climate change strategy
Customers	Dedicated sales resources Trace My Fries™ Product labeling and marketing Farm and facility tours	Food safety & quality Sustainable agriculture Nutrition Operational impact Responsible sourcing Packaging Transportation efficiency Food waste
Current and Potential Employees	Updates from executives Sustainability awards EHSS training Community engagement programs Recruiting programs	Ethics & integrity Occupational health & safety Resource use reduction Professional development opportunities Community impact
Peers	Potato Sustainability Alliance Roundtable on Sustainable Palm Oil International Association for Food Protection Global Food Safety Initiative Potatoes USA American Frozen Food Institute (AFFI) American Potato Trade Alliance (APTA)	Sustainable agriculture Food safety & quality Nutrition & labeling Responsible sourcing
Policymakers	Engagement with federal and local government Local press opportunities related to our initiatives Participation in regional and statewide chamber of commerce groups (IACI, Boise Metro Chamber of Commerce)	Sustainable agriculture Responsible sourcing Labeling Local community impact
Suppliers	Grower Handbook Dedicated relationship managers for growers Supplier audits Strategic Supplier business reviews	Sustainable agriculture Use of technology in farming Assured supply of critical inputs and services
Consumers	Product labeling and marketing Social media Website Consumer hotline	Food safety & quality Nutrition Pesticide use Responsible sourcing Packaging
Advocacy Groups/NGOs	Food Northwest IPM Institute of North America American Potato Trade Alliance (APTA) American Frozen Food Institute	Sustainable agriculture Pesticide use Responsible sourcing Chemicals of concern Packaging



# Goals and Progress

Lamb Weston is working to use less energy and water, and create less waste while we make great fries shared around the world. We have been gathering data on our progress since 2011, our baseline year, and set internal goals in 2016, when Lamb Weston became a public company. Future goals will strengthen our efforts in these key areas and be expanded to align with the UN Sustainable Development Goals.

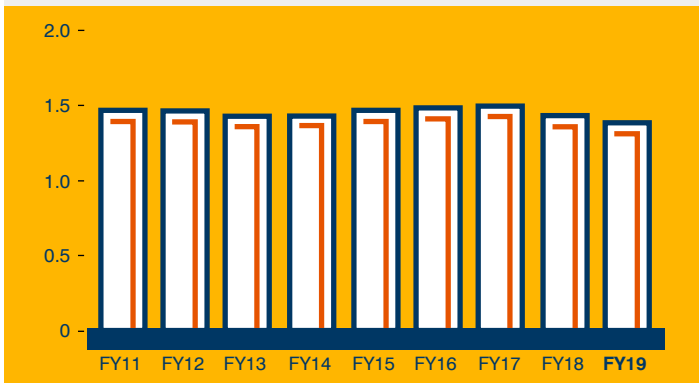
## Water Use Intensity

### GOAL

Reduce the water used to make our products by 10% per pound produced.

### PROGRESS

As of 2019, Lamb Weston has reduced water use intensity by 4.7% over baseline year 2011.



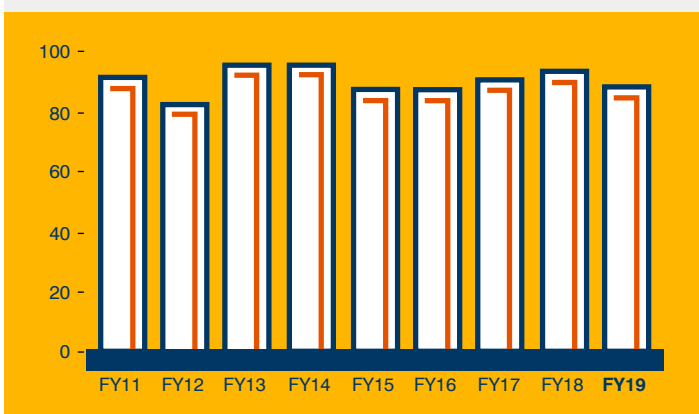
## Waste Diversion Rate

### GOAL

Send zero waste to landfill.

### PROGRESS

We diverted 89% of our operational waste in FY2019, slightly down from previous years due to the challenges facing the recycling industry.



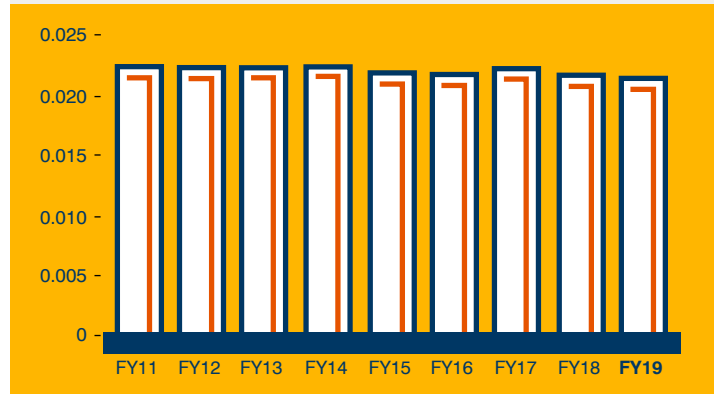
## Energy Use Intensity

### GOAL

Reduce the energy used to make our products by 10% per pound produced.

### PROGRESS

As of 2019, Lamb Weston has reduced energy intensity by 4.4% over baseline year 2011.



## Packaging

### GOAL

Develop packaging specifications that protect product integrity through the supply chain and minimize environmental impacts, while remaining fiscally responsible. Key objectives:

- Reduce fossil-derived resources
- Source sustainably
- Enhance material innovation
- Design for recycling

### PROGRESS

Our Tite-Pak recyclable bags for frozen french fries are an example of more environmentally friendly packaging. Learn more on page 38.

## Responsible Sourcing

### GOAL

Work with our partners to ensure responsible sourcing and long-term access to ingredients, materials, and services needed to make, store, and deliver our products.

### PROGRESS

We are working with our partners to improve sourcing practices for potatoes, oil, and packaging, as well as other procurement categories. Please read more on page 36.



## Governance

We believe having and adhering to a strong corporate governance framework is essential to our long-term success. Our Board of Directors is committed to performing its responsibilities consistent with sound governance practices. It routinely reviews its processes, assesses the regulatory and legislative environment, and adopts governance practices that support informed, competent, and independent oversight on behalf of our stockholders.

Lamb Weston's Board of Directors is composed of 10 members, including nine independent directors and our chief executive officer. An independent chairman leads the Board, which

reviews Lamb Weston's long-term strategic plan, selects the CEO, and oversees succession plans for members of the senior management team. Board committees include an audit and finance committee, a compensation committee, and a nominating and governance committee. The Board will also review our ESG reporting initiatives annually.

### ESG GOVERNANCE

We manage environmental, social, and governance (ESG) topics through an internal governance committee, core teams, and executive oversight. The governance committee consists of leaders across the business and is responsible for strategy development,

management, and communication of our ESG programs. The committee brings forth plans and content to executives for review and approval.

Our core teams include one focused on environmental issues, including operations, resource use, packaging, and sustainable agriculture, and one focused on social impact, including food safety, employee safety, regulatory matters, employee policies, and community giving. These two teams share reporting recommendations and identify new projects and opportunities in support of our overall ESG strategy. The teams' final recommendations are presented to Lamb Weston's executive leadership.

# Ethics and Integrity

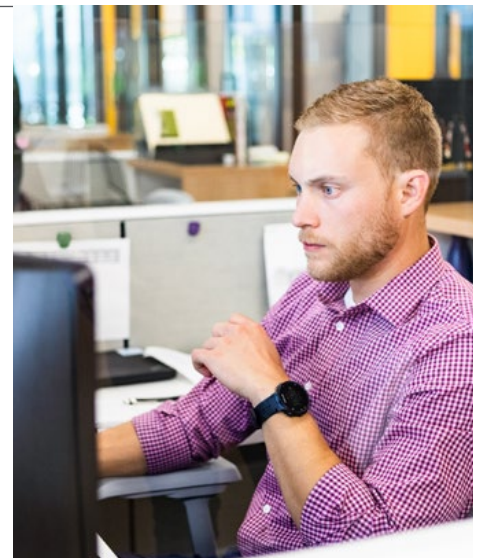
Our customers and consumers around the world put their trust in us each time they serve or eat our products. Building and maintaining that trust is an incredible responsibility. And it's why we do the right things the right way, every time, safely and with excellence.

Lamb Weston's Core Ethics & Compliance (E&C) Team is led by our General Counsel and Chief Compliance Officer. This position is supported by representatives from across the business, including finance, risk management, audit, communications, Environment, Health, Safety, and Security (EHSS), sales, trade compliance, Human Resources (HR), and Information Technology (IT); and regularly updates our Board of Directors on compliance initiatives and issues.

## OUR VALUES

- **Integrity** – We do the right things the right way every time, safely and with excellence.
- **Inventiveness** – We imagine and create better ways of doing things with our customers, suppliers, partners, and employees.
- **Empowerment** – We are bold leaders who make informed decisions and act like owners.
- **Teamwork** – We value, engage, and challenge each other and win as a Lamb Weston team.
- **Drive for Results** – We are passionate and accountable in our pursuit of exceeding our commitments for all of our stakeholders.

The cornerstone of Lamb Weston's expectations for ethical behavior is our [Code of Conduct](#), which is available



online as well as on our internal E&C Portal in multiple languages. The Portal includes links to other policies that provide more detail on our approach to specific issues, including:

- Anti-Corruption
- Business Hospitality
- Conflicts of Interest
- Delegation of Authority
- Due Diligence
- Enterprise Information Security
- Hiring Current and Former Government Officials
- Insider Trading
- Policy on Giving and Receiving Business Gifts
- Policy on Global Sponsorships and Charitable Giving
- Policy on Travel by Members of the Board

In addition, we have a Code of Ethics for senior corporate financial officers that applies to our CEO, CFO, and Controller, which requires complete and accurate financial disclosure in compliance with applicable laws and regulations. Lamb Weston's Board of Directors oversees our commitment to ethics and compliance with legal standards and has approved our Code of Conduct. The Legal Department is responsible for overseeing Lamb Weston's compliance with the Code and other policies. Matters relating to our Code of Conduct are routinely reported to the Audit Committee of the Board.





## ENGAGING EMPLOYEES ON ETHICS

Education about the importance of E&C starts when an employee begins employment at Lamb Weston and is continuously reinforced. New hires receive training on the Code of Conduct and Harassment & Discrimination, and all employees refresh and enhance their knowledge on these topics annually. We also have a multiyear training plan for all salaried employees on Information Security and targeted audience

training on Anti-bribery, Antitrust, Leadership, and Export Compliance.

Beyond formal training, we foster a tone of ethical behavior from the top with regular email communications from our CEO, as well as our communications, legal, and HR teams. We also engage employees through the We Choose Integrity video series, signage in our facilities about ethical decision making, and branded badge holders displaying the Lamb Weston values. During our annual

Ethics & Compliance Week, the E&C team organizes engaging and instructive activities to raise awareness about the importance of E&C.

## REPORTING CONCERNS

Lamb Weston encourages employees to speak up when they have an ethics concern. In fact, we depend on it. Without a culture where people ask questions, raise concerns, and report violations, we cannot live up to our commitment to act with integrity.

Employees can report concerns or ask questions by speaking to their immediate manager or other managers in their organization, their HR representative, the legal department, or the Lamb Weston Helpline. The Helpline is managed by an independent third party, can be accessed via phone or [online](#) through more than 70 languages, and is available 24/7. This reporting avenue is also open to customers, suppliers, and other stakeholders.

Reports are initially handled by specially trained third-party staff and are then investigated by authorized Lamb Weston personnel. Employees may submit concerns anonymously if the law in their country permits anonymous reports. However, we encourage employees to share their identity when possible so that we can perform a more effective investigation. We do not tolerate retaliation against any employee who reports a concern in good faith or participates in an ethics investigation. Likewise, we expect employees to fully cooperate with investigations, which includes providing accurate and complete information and maintaining confidentiality as necessary.





Sustainable in Every Way

# PROTECT

**Safety Across the Value Chain**

People are at the heart of everything we do. Operating with integrity is our priority, which is why we go above and beyond to keep employees and consumers safe and maintain the highest levels of quality in every one of our products.



# How We Approach Food Safety and Quality

Producing the high-quality products our customers and consumers expect means taking a “total care” approach, where food safety and quality is everyone’s responsibility every step of the way. Lamb Weston also has a deeply ingrained philosophy of continuous improvement—we constantly strive to exceed expectations.

Food safety and quality are intertwined, both affecting the other in a number of ways. We define safe products as those that meet the strictest criteria for reducing hazards that could cause injury or illness to consumers. These could include chemical hazards, physical hazards such as foreign material, or biological hazards such as pathogens. We maintain a robust product recall program for products that do not adhere to our high safety and quality standards. Quality, on the other hand, refers to how a product performs. Quality requirements vary from customer to customer, as different customers have a range of expectations regarding how their products should look and taste.

We take a proactive approach to food safety and quality, with

procedures, systems, and checks in place to identify and mitigate risks. As Lamb Weston grows around the world, we ensure that everyone, everywhere understands and applies our approach to food safety and quality. Whenever we integrate a new acquisition, we have a team of quality professionals who work on site at the acquired business to assess their quality programs. This due diligence process helps us identify gaps and create and implement corrective action plans. We also perform supplier and vendor qualification and monitoring audits to ensure our ingredients meet the highest standards of safety and quality. In 2019, we held a Global Food Safety Summit attended by

Lamb Weston leaders from around the world. One outcome of the summit was a Global Food Safety and Quality Journey Map, which reinforces global alignment and provides a common five-year safety and quality plan for Lamb Weston and our partners at Lamb-Weston/Meijer v.o.f.

Lamb Weston also works with a network of external academic and industry experts on overarching and emerging quality and safety issues impacting the food industry. This research encompasses detecting and surveying chemicals of concern and applying mitigation measures to reduce and eliminate them in the raw potato, finished product, and production processes.





# Managing Food Safety and Quality Daily

Lamb Weston works to eliminate, control, and manage all potential food safety hazards. We adhere to global food safety standards and implement them with food safety plans for each production line at each facility, as well as conducting internal audits at all of our production facilities. After products are released, we continue to monitor quality by tracking results related to finished-product testing, customer complaints, and product recalls.

One of the primary hazards we face is the entry of foreign materials, such as debris from the farm or our



facilities, into products or packaging. Overcoming this risk requires proactiveness and vigilance. Lamb Weston has a specialized team of subject matter experts, engineers, and processing experts focused on foreign material reduction. The team identifies foreign material risks at all stages of production and monitors customer complaints to ensure issues are remediated. Within the team, engineers focus on developing and introducing new technologies, as well as improving existing technology, to remove foreign material. Examples of this include x-rays and optical sorting, which uses specialized cameras to detect non-potato materials.

Internal audits, third-party audits, and audits conducted by our customers ensure we are following food safety processes and that they are working correctly. Third-party and customer audits vary in frequency and scope depending on risk level and on the auditor. For example, our ready-to-eat (RTE) products are considered higher risk, so our facilities producing RTE are audited to a higher standard and also have more stringent programs in place at these facilities.

Third-party auditors assess food safety systems against the Global Food Standard Initiative (GFSI)'s British Retail Consortium (BRC) Food Technical Standard, as well as other GFSI standards. If production facilities meet standards, they receive a certificate of compliance. Internal audits are conducted annually to the BRC code and to company-specific policies. Lamb Weston also has an allergen control program to prevent illness to the allergic consumer. This program is reviewed at least annually to ensure the highest standard of safety. We respond to non-conformances revealed by audits by implementing remedial actions. If a facility is found to have critical issues, they are re-audited within 90 days.

## QUALITY

To measure quality throughout the life of our products, we assign each item, including raw ingredients, a product specification that meets a customer's requirements. When our quality checks, performed either through sensor technology or human inspections, identify a product that falls short of our standards, we



take appropriate action to remove the product and remediate the issue. Quality testing includes measurements for defects, length, solids, texture, and wholesome flavor against customer specifications and targeted quality standards. Quality test results are recorded to allow us to track results, monitor trends, and make process adjustments over time.

### QUALITY TESTING PROCESS

- **In-facility sampling** – Quality assurance experts at each facility pull product samples from production lines every 30 minutes.
- **Enterprise-level sampling** – Each week, we gather samples from a

rotating selection of production facilities and evaluate them at Lamb Weston's headquarters to make sure they meet specifications.

- **Corrective action plans** – If we find defects, we work with the facility to document a plan of action.
- **Following up** – A designated person at each production facility is responsible for taking corrective action, and participates in monthly quality calls to review progress.

Hearing directly from our consumers is important to us, and we operate a consumer affairs function that engages with consumers via phone, websites, and through social media.

If we receive a complaint, we use a software program to track it and send it to the facility where it was produced for an investigation. The results are shared with the consumer via our Consumer Affairs team. Our facilities use the information they gather from this tracking for their continuous improvement efforts.





# Engaging Employees on Continuous Improvement

Food safety and quality is everyone's responsibility. To equip our employees to handle that responsibility, Lamb Weston invests significant resources in training programs at all levels of the organization. Beyond training specific to job roles, we have developed several courses and programs related to food safety and quality. Any employee—not just those who work in safety and quality roles—can participate. These programs include:

- **Process Quality (PQ) training** – This two-year program combines classroom instruction and independent assignments. Students learn the basics of food safety and quality testing, monitoring, and measurement. Almost all Lamb

Weston employees interested in leadership positions undergo this training.

- **Advanced Potato Processing Training (APPT)** – This advanced course delves more into the science behind potato processing.
- **Food Safety University (FSU)** – In early 2020, we launched this

year-long program specific to food safety. FSU will help employees better understand food safety principles and become mentors for others, allowing us to establish a succession plan for future food safety leaders.



## Collaborating Across Our Industry



Food safety and quality are a top priority not only for everyone at Lamb Weston, but also our peers across the industry. We collaborate with peers through a range of organizations, including through leadership and committee participation. The following are some organizations in which we participate:

- American Frozen Food Institute (AFFI)
- American Potato Trade Alliance (APTA)
- Analytical Chemist
- Association of Food & Drug Officials (AFDO)
- British Retail Consortium (BRC)
- Food Allergy Research and Resource Program (FARRP)
- Food Defense Consortium
- Food Northwest
- Frozen Potato Products Institute (FPPI)
- Global Food Standard Initiative (GFSI)
- Institute for Food Safety and Health (IFSH)
- Institute Food Technology (IFT)
- International Association for Food Protection (IAFP)
- Northwest Food Safety & Sanitation (FSS) Workshop (with Washington State University)





# How We Approach Occupational Health and Safety

Consumer trends, production technologies, and business priorities evolve over time. But Lamb Weston's commitment to safety is unchanging. We strive for world-class safety at every one of our facilities. This means we are constantly focused on creating a zero-incident culture, where every employee goes home every day, accident free. To achieve this level of safety, we direct employees not to engage or ask anyone else to engage in anything that could potentially put them at risk. The Lamb Weston Environment, Health, Safety, and Security (EHSS) Management System Framework guides our overall approach to safety. The framework includes three concepts:

- **Prevention** – Proactively identify, assess, and mitigate risks to our people and the environment. Knowing that the best way to avoid accidents is to eliminate risks altogether, we implement controls that focus more on engineering out risk than relying on personal responsibility.
- **Compliance** – Apply sound management practices to ensure ongoing compliance with company standards and regulatory requirements globally. Routine assessments help us

ensure that all facilities are conforming with requirements.

- **Culture** – Build and maintain a proactive and preventive culture by driving ownership at all levels of the organization. Our leaders reinforce this culture by starting supply chain meetings with a safety message.

We conduct routine assessments of our safety programs to evaluate conformance with our EHSS framework and programs. For core programs, we use a third-party assessor; for non-core programs, we conduct internal assessments. We also keep in close contact and share best practices with Lamb-Weston/Meijer v.o.f., our joint venture partner in Europe.

## TAKING A MOMENT FOR SAFETY

Every Lamb Weston supply chain meeting begins with the opportunity for a safety moment, where a meeting participant shares a short story that got them thinking about safety. It could be work-related, such as a reminder to use handrails at a company site. Or it could be something that came up at home, such as a tip on safe lawn mower maintenance. Safety moments encourage employees to keep safety top of mind at work, and away.



# Safety in Action in Our Facilities

Risks vary widely in our business. Many of our employees work in manufacturing facilities and face risks related to conveyors and processing equipment, driving, ergonomics, hot and cold environments, moving equipment such as forklifts, and slick conditions. Employees on our farm must evaluate potential hazards not only related to equipment, but also to weather. Safety training helps address each of these risks. All employees participate in a safety orientation when they begin working at Lamb Weston as part of the general onboarding process. In addition, employees undergo safety policy and standards training, as well as job-related training, which includes demonstrations of task-specific safe work practices.

We routinely assess our protocols to ensure we're providing a safe environment for team members under evolving conditions. At the beginning of each shift, our team members conduct daily risk assessments specific to the facility, production line, or area in which they're working. These assessments yield a list of risks that can impact safe operations or quality. The risks typically go beyond obvious mechanical hazards and encourage employees to think about issues such as how to handle

new or temporary workers, covering for colleagues who are out sick, or non-routine work required during the shift. Employees then prepare a plan to mitigate and control those risks. Daily assessments are complemented by safety huddles between employees and their shift leaders that focus on the risks and mitigation plans highlighted by the assessments. Other safety programs and practices include:

- Automation of process steps and inspection equipment that has greatly improved the safety of workers who would otherwise be exposed to repetitive motion injuries.
- Driving guidance for our sales force and other employees who visit farms and storage facilities.
- Ergonomics training in partnership with ErgoFit to help integrate stretching and flexibility regimens at each of our facilities. This on-shift effort helps workers continuously improve their joint stabilization, strength, and balance.
- A training seminar on taping and athletic conditioning for nurses to support employees' health and strength.
- Wellness or ergonomics committees at individual sites.



**The COVID-19 pandemic created unique challenges for our teams, as we focused on continuing to supply food as an essential function while establishing procedures to protect our team members from the spread of the virus. Our teams established new policies for social distancing, additional protocols for masking and health screening, and we quickly provided training to team members to help the measures succeed. As the situation evolves, so will our approach to keeping our team members safe.**

## PROMOTING A SAFETY CULTURE

To encourage continuous learning and sharing of best practices, many of our manufacturing facilities host book clubs that read about and discuss health and safety concepts and look for ways to integrate the lessons into Lamb Weston's practices. We also support the advancement of a safety culture externally by sponsoring local efforts such as the Oregon OSHA Blue Mountain Safety Conference. Our sponsorship brings together safety authors and thought leaders to share their work with the wider safety community.



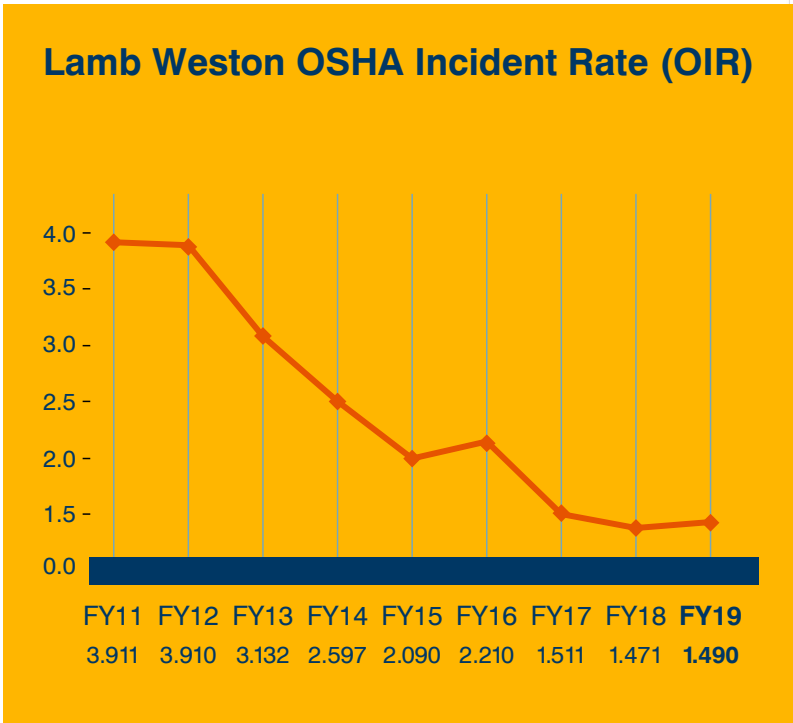


# Safety Performance

Lamb Weston has achieved significant safety performance improvement, and our recordable incident rate is typically half the North American Industry Classification System (NAICS) industry average. We continue to strive for even further improvement.

We track both leading and lagging indicators of safety performance. As a lagging indicator, injury and illness data are reported and tracked per Occupational Safety and Health Administration (OSHA) recordkeeping requirements. The Key Concepts of Safety Assessment is a leading indicator that we use to self-evaluate our safety program every quarter. On these assessments, we ask teams to share their perspective on how programs are performing.

Our steady reduction in incident rates means we can focus on eliminating potentially serious incidents (PSI). PSIs are incidents that could have resulted in irreversible damage to people or the environment if one critical element were different. We use this leading indicator in tandem with root cause analysis tools to develop preventive measures for potentially dangerous scenarios.



## A TRADITION OF SAFETY ON OUR FARM

Agriculture is considered a high-risk industry, but Lamb Weston’s farm has consistently been an exception to that rule. Our farm teams have worked for nearly five years with a world-class safety record (0.28 TIR), and some of our departments have worked over that time with zero recordable injuries. These outstanding results are thanks to our team members’ dedication and attention to safety, as well as personal protective equipment, automated safety systems in tractors and other farm equipment, and improved nutrient and water monitoring systems that reduce the need for labor-intensive field work. “This milestone is a great example of what can be achieved with teamwork, making the right choices, and personal accountability,” says Troy Emmerson, Director of Ag Services at 100 Circles Farm. “I enjoy watching everyone at the farm strive for and achieve excellence in everything they do.”







Sustainable in Every Way

# PLANT

**From Seed to Product**

For today's consumers, the people and companies behind the foods they eat are increasingly as important as the food itself. Behind Lamb Weston's fries are family farmers, field managers, and agronomy experts who know almost everything there is to know about potatoes and the land where they grow. It's a collaborative venture that incorporates sustainability in every way.



# How We Approach Sustainable Agriculture

## RELATIONSHIPS WITH FARMERS

Our deep connection to agriculture stems not just from sourcing millions of tons of potatoes for production each year, but also from working the land on our own farm. We operate a 20,000-plus-acre farm that allows us to pilot new technologies and develop in-house expertise. It also helps us better understand the challenges and opportunities our growers face. About 10% of our potatoes come from this farm, and the rest are sourced from contract growers. Through relationships with farmers carefully tended over decades, we've built connections based on fairness and trust.

## SUSTAINABLE GROWING PRACTICES

On our own farm and in our engagement with growers, we encourage adoption of practices that include integrated pest management (IPM), minimum tillage, and nutrient stewardship. IPM is adopting practices and crops that complement one another to reduce dependence upon chemistry.

## CONTINUOUS IMPROVEMENT

Our ongoing goal is to have the best agricultural management practices in the industry. Lamb Weston

documents these best practices and shares them with growers. We also adopt the latest equipment and technology on our farm that allows us to become even better stewards of the land.

**100+**  
growers farming  
approximately  
170,000 acres  
of land

## INDUSTRY ENGAGEMENT

The potato processing industry's Potato Sustainability Alliance provides both qualitative and quantitative measures to benchmark our performance on environmental, social, and economic factors. Through this and other efforts, we're contributing to an overall more sustainable potato supply chain.





# The Potato Growing Process

It all starts with a seed. With time and care, that seed grows into potatoes that become Lamb Weston fries. It's a cycle that depends on the changing of the seasons, as well as cutting-edge technology for soil health monitoring and potato storage. See how the process unfolds.

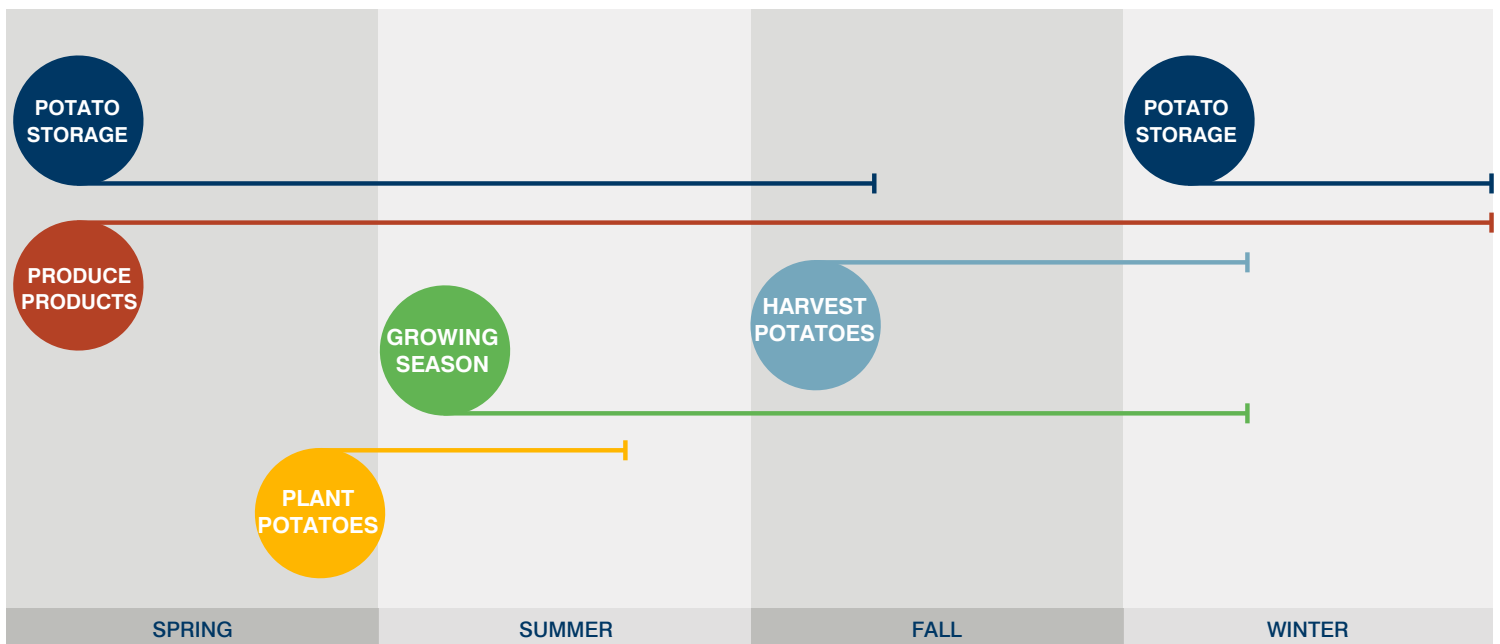
**Plant** – Potatoes are planted in early to mid-Spring depending on geographic region. Seed size, spacing, and depth are precisely controlled to maximize yield and quality.

**Grow** – Over the next few months, depending on the region and weather conditions, those seeds grow into potatoes. Crops are closely monitored for fertility, water, pests, and disease.

**Harvest** – When harvest time comes, row harvester machines get to work, each machine digging 15-20 acres per day. Potatoes are inspected for quality and loaded onto trucks for delivery.

**Store** – Potatoes are stored in climate-controlled buildings that are specifically designed and built for potatoes. Each building can hold about 12,000 tons of potatoes.

**Produce** – Using potatoes straight out of the field at harvest time, and from our storages, Lamb Weston processes potatoes into fries, hashbrowns, and more, all year round.





# Partnering With Our Growers

Farmers know the land better than anyone else and rely on it for their livelihoods. They also share our sustainability concerns because they are consumers themselves. Many of our growers operate family farms. They take pride in the potatoes they produce and have a strong personal interest in ensuring their land remains healthy and productive for generations to come. Lamb Weston knows this because we have been working closely with farmers for 70 years, and many of the same families for decades. Today, we depend upon a network of more than 100 growers.

Lamb Weston sets clear expectations for our grower partners with resources that include a Grower Guide that covers safety, sustainable agricultural practices, and reporting and auditing processes. We also offer education programs, including conferences and seminars, publications, and Lamb Weston agronomy experts who are available for advice and consulting. In addition, all



Lamb Weston growers must complete a Good Agricultural Practices (GAP) audit annually to ensure safe and sustainable crop management practices.

We established the Growers Information Edge program in 2010 based on short- and long-term goals that Lamb Weston has for our own farm and for our growers. The program established a data collection system to centralize information on farming inputs and outputs, and created baselines against which we can set goals and spot opportunities for improvement. It also allows us to share our expertise on

varietal development and growing technologies directly with farmers. Growers Information Edge helps Lamb Weston growers and partners make farming decisions that are data-driven, aligning with best practices and agricultural performance programs such as minimizing pesticide, fertilizer, and water use, while optimizing yield and crop quality.

Complementing our engagement with farmers is the operation of 100 Circles Farm, our 20,000-acre farm in Paterson, Washington. Here, we pilot technologies and practices that provide proofs of concept for new ideas before we introduce them to our growers. We raise root crops, vegetables, and dairy cows at this farm in a vertically integrated model: the byproducts of our harvested crops are used for dairy feed. Manure from the dairy operation is used as crop nutrients. We incorporate crop rotation, integrated pest management, and modern equipment to determine which combinations of practices deliver the best quality and yields.

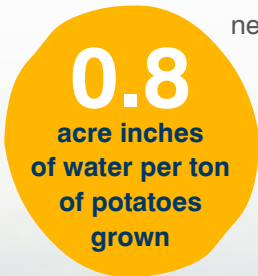


# Growing Potatoes Sustainably in Every Way

In agriculture, many variables are out of our control, from local climate and weather conditions to water availability—even nearby urban sprawl that encroaches on farmlands. These factors can vary greatly by region or crop year. Successful and sustainable farming requires taking these variables into account and optimizing the things that we can control to find the right balance of inputs. There is no single formula. Our growers are constantly refining their approaches, zeroing in on different aspects of their farming operations, all of which are interconnected.

## WATER

Potatoes are more than two-thirds water, so it's critically important to supply water to potato crops in the proper amounts.



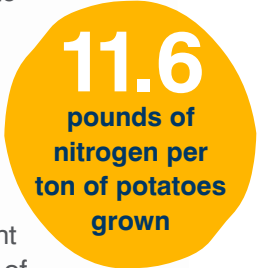
Too little water causes stress, which decreases yields and impacts quality, but too much can suffocate plants. We focus on both the availability of water in the regions that supply our potatoes and the quality of water used.

Conserving water is important. We conducted a water risk assessment in 2019 and determined that the majority of our growers are located in regions where the risk of water scarcity is low or medium. A few growing regions, including Hermiston, Oregon; Park Rapids, Minnesota; Twin Falls, Idaho; and Shangdu, China experience medium to high water risk. The output from growers in these regions represents 23% of our raw potato volume. Improved technology such as center pivot irrigation, in-field moisture monitoring, and infrared photography have helped farmers reduce water use through more uniform watering, lower evaporative loss, and better measurement of application rates.

## NUTRIENTS

Like any other living thing, potatoes need nutrients in order to grow. Nutrients can come from crop residue, compost, or manure, as well as from synthetic fertilizers. Regardless of the type of nutrients farmers use, it's essential to apply them

efficiently, and with the right timing to avoid runoff and waste of costly resources. Nutrients are tailored to crop needs according to soil type, the amount and type of organic matter in the soil, plant health, and the stage of crop growth. These factors can vary, so regular monitoring is key. To obtain insights into how to better optimize nutrients, growers sample their soils and a part of the potato plant stem called the petiole. These samples are sent to labs, and the results are shared with Lamb Weston. We then provide growers with optimal nutrient application data and ranges based on historical yields, quality levels, and potato varieties, delivered in easy-to-access graphs and charts.



## SOIL

Lamb Weston's Soil Health Initiative promotes sustainable soil management practices such as crop rotation and cover cropping that can further reduce runoff and erosion, decrease soil compaction, and improve yields. The initiative uses science-based research to





better understand critical factors like soil biology, chemistry, physical properties, soil genomics, and disease, and identify the ways that farms can improve. For example, planting in a field that has not been tilled after the prior crop saves farmers time, fuel, and reduces the potential for wind erosion. Lamb Weston is helping increase knowledge of soil health in the Pacific Northwest with a donation to Washington State University (WSU) to support an endowed chair focused on soil health research. In addition, on our own farm, we have six fields (over 600 hundred acres) dedicated to examining different rotation benefits, such as green manure crops.

**\$1M**  
 contributed to  
 the study of soil  
 health at WSU

**PESTS**

Pests are a reality of any agricultural activity. But pesticides are not the only way Lamb Weston growers manage pests in their fields. In fact, we encourage farmers to seek alternatives to and minimize use of pesticides whenever possible. Instead, we advocate for a variety of methods that can be used simultaneously to mitigate the risks of harmful pests. This approach is known as integrated pest management (IPM).

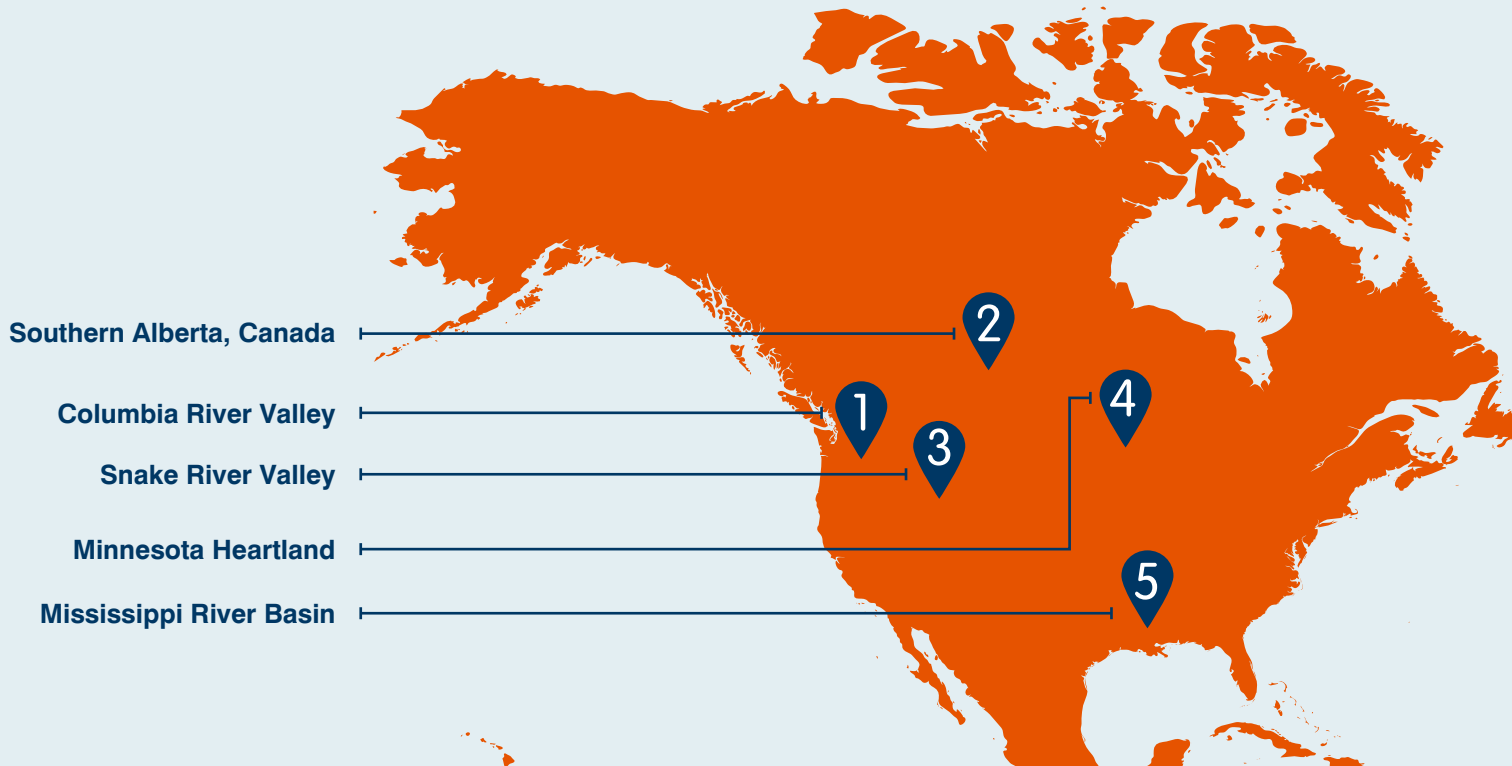
IPM practices range from the simple to the highly complex. For example, farmers can start by scouting their fields to look for insects and see if they need to take action. Lamb Weston offers a tool that pairs with

a mobile device farmers can use to log field observations, complete with pictures and GPS locations. From there, we can create “heat maps” to identify potential problem areas. Other IPM techniques include breeding crop varieties for disease and pest resistance, rotating crops to break pest cycles, and use of lower-toxicity chemicals when pesticides are needed. Lamb Weston growers go beyond established USDA guidelines for pesticide use, and we are continually collaborating with growers, NGOs, and academic partners to find ways to further improve.

**3.6**  
 pounds of  
 active ingredient  
 pesticide per ton of  
 potatoes grown

**Where Do Lamb Weston Potatoes Grow?**

Where did your fries get their start? [Trace My Fries](#) on the Lamb Weston website allows customers to enter a production code to see where their potatoes were grown.





# Taking Farming to the Next Level With Technology



Growing food is resource intensive, with inputs such as water, land, and labor becoming increasingly limited. Technology plays an essential role in Lamb Weston's growing operations, allowing us to do more with less. After piloting technologies on our own farm, we share our findings and recommendations with growers, and often share costs with farmers interested in trialing them. While there is no substitute for years of experience, we focus on innovations that provide decision support, giving growers the data, analysis, and insights they need to make the right decisions at the right times. These innovations are allowing growers to proactively manage their crops and optimize cost, quality, and yield.

## EFFICIENT EQUIPMENT

From air-planters that can direct seed into fields to multistep implements that

can do several ground operations in one pass, farmers work smarter with improved equipment. GPS-equipped planting and tillage equipment allows for more precise movement, which translates into savings on fuel, water, nutrients, and crop protection.

## REMOTE SENSING

Advanced technology gives farmers a detailed understanding of what's happening in their fields, even when they're not physically present. Monitoring equipment and practices such as weather stations, irrigation pivot management software, and moisture monitoring systems can provide data to aid in decision-making regarding crops' water and nutrient needs. Farmers can receive notifications on their mobile devices as conditions change, allowing them to make real-time adjustments to maximize productivity.

## AERIAL IMAGERY

Sometimes you need a bird's-eye view. Many Lamb Weston growers use photos taken from fixed-wing planes, drones, and satellites to get a detailed aerial picture of their fields. This allows them to identify variations and anomalies, such as inadequate watering or crop disease, up to 10 days before they can be seen with the human eye. Farmers can then respond quickly, making corrections to prevent crop or yield loss and protect crop quality.

## PREDICTIVE ANALYTICS

Farmers can benefit not only from data about what's happening in their fields now—but also how current conditions compare to past trends, and what this tells us about the future. Lamb Weston has gathered data for our company farm and all growers into a single web portal for analysis. We use historical data to establish benchmarks against which to chart future improvements. In the near future, we expect to use artificial intelligence and machine learning to generate applicable insights even more rapidly.

# Engaging With Others

Just as growers can increase their knowledge by accessing data from across the Lamb Weston network, we can deepen our understanding of sustainability issues and opportunities across our industry by working with our peers. This is the idea behind the [Potato Sustainability Alliance \(PSA\)](#), formerly the Potato Sustainability Initiative, of which Lamb Weston is a founding member. PSA is a collaboration between customers, processors, growers, grower organizations, and the IPM Institute, which work together to improve the sustainability of potato production in the U.S. and Canada. The organization launched in 2009 and evolved in 2020 to a roundtable format that welcomes fresh packers, agribusinesses, and environmental groups as members.

Its goals are to meet the needs of multiple stakeholders and reduce potential for multiple overlapping sustainability programs, duplication of effort, and costs all along the supply chain. The organization also encourages continuous improvement by identifying and promoting opportunities in IPM, pesticide risk reduction, air and water quality, energy and water conservation, recycling and waste reduction, soil health, and worker safety.

## TRACKING PROGRESS IN SUSTAINABLE AGRICULTURE

PSA organizes an annual assessment for growers, in which Lamb Weston requires 100% of growers to participate. We are proud to have increased our scores on several

measures, and are continually seeking ways to further improve. The assessment focuses on four critical aspects of potato production:

- **Sustainable farming** – Optimizing inputs and outputs including crop protection, water, nutrients, yield, and quality.
- **Environmental issues** – Improving soil and water conservation and pollinator protection.
- **Economic issues** – Ensuring long-term financial success of our farmers.
- **Social issues** – Improving worker safety and positively impacting the community.

## PSA Annual Grower Assessment

SUSTAINABLE AGRICULTURAL PRACTICE	2017	2018	2019
Farms certified under a Good Agricultural Practices food safety audit	100%	100%	100%
Have a pesticide applicator that has passed an exam and/or has taken a pesticide safety course in the last three years	100%	100%	100%
Use non-chemical practices to manage pests, including pest-resistant varieties, mowing, cultivation, or beneficial organisms	97%	96%	100%
Can identify beneficial insects that help control pest insects	95%	93%	96%
Make pesticide application decisions based on pest-forecast models, thresholds, or decision-support software	96%	89%	99%
Make management decisions for soil-based pests and diseases based on results of monitoring or sampling	96%	89%	91%
Monitor or sample for pests systematically on a weekly basis during the growing season	73%	70%	72%
Sample potato plant foliage or soil during the growing season to adjust nutrient applications	100%	99%	100%
Use remote-sensing technology to monitor crop health	58%	46%	58%
Have a whole-farm soil and water conservation plan	5%	26%	30%
Have measures to protect sensitive sites, and monitor sensitive sites at least annually	85%	70%	71%
Have restored or encouraged existing habitat for pollinator forage	48%	46%	53%
Maintain >20-foot buffer around habitat areas for pesticide application	47%	55%	58%



Sustainable in Every Way

# PRODUCE

## Minimizing Resource Use

Between harvest time and mealtime, our potatoes go on quite a journey. Inventive technology for cutting, seasoning, and freezing turns whole tubers into kitchen-ready products in a matter of hours. After processing, products are bagged and packaged for shipment. All along the way, we strive to use technologies, ingredients, and materials that lessen our environmental impact. Our products aren't just good—they're made in ways people can feel good about.





# How We Approach Manufacturing

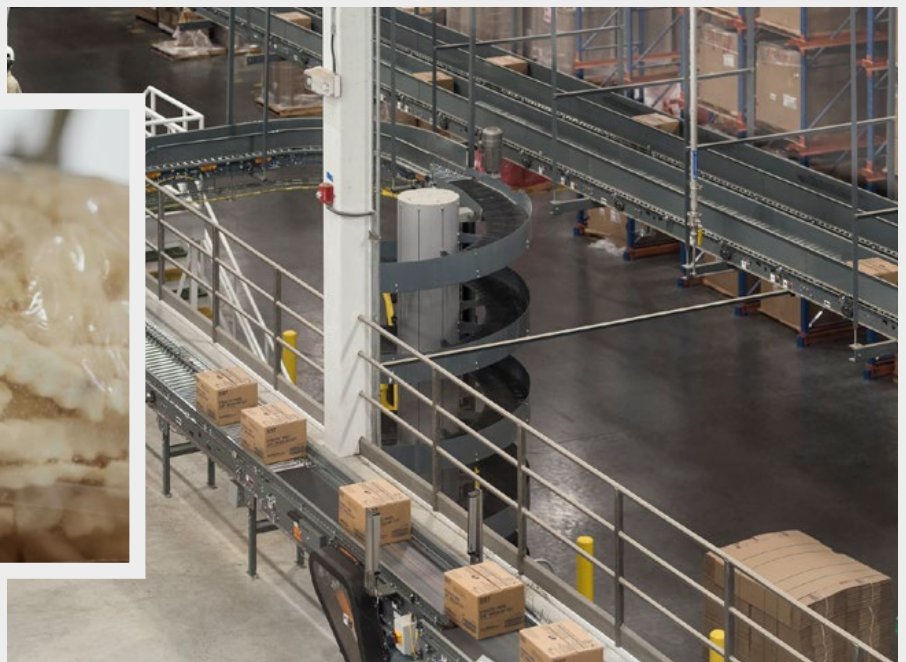
As we produce our signature fries— as well as chips, hash browns, diced potatoes, and other products— how can we do so in a way that minimizes our use of resources? A [Global Environment, Health, Safety, and Sustainability Policy](#) and Management System Framework guide all actions within our production operations. This approach allows us to proactively identify, evaluate, and address potential hazards before incidents occur. (Learn how

we apply this system to address safety hazards on p. 18.)

## OUR AREAS OF FOCUS

Lamb Weston’s core environmental programs include prevention and mitigation of spills, and management of air emissions and wastewater discharges. As part of the EHSS framework, we have developed a comprehensive risk evaluation tool to help us analyze EHSS risks at each of our manufacturing locations

and prioritize control efforts and expenditures. Beyond our risk-based approach to managing these issues, Lamb Weston is committed to meaningfully reducing energy and water use and the amount of waste sent to landfill throughout our operations. We set goals in 2016 to promote and define progress in each of these areas by 2020. Learn more on page 9.





# How a Potato Becomes a Fry

For 70 years, Lamb Weston has been making one of the world's favorite foods. We've innovated production technologies that are now standard across our industry. Today, potatoes can go from the field to frozen fries in just four hours. We'll never stop exploring new ways to make a better, tastier fry.

1

## Peeling & Trimming

High-pressure steam removes potato peels, and inspectors remove blemishes and inspect for foreign material.



2

## Preconditioning

Potatoes are conditioned using techniques to minimize the use of energy and water.



3

## Cutting

Our proprietary Lamb Guns cut potatoes into shapes by propelling them through a grid of knives at over 60 mph.



4

## Automatic Defect Control

Cameras inspect every fry for potential defects. If one is detected, a puff of air sends the fry to a defect removal line, where automated defect removal equipment cuts the defect out and sends the rest of the fry through the process. This technology increases fry quality and decreases food waste.



5

## Blanching & Drying

Hot water controls fries' internal texture and color and prevents natural browning. A hot air dryer removes moisture.



6

## Frying

Potato strips are quick-fried to the perfect color and texture.



7

## Freezing

Fries are quick-frozen in our freeze tunnel; cameras and lasers inspect once more for foreign material.



8

## Packaging

Frozen fries are weighed, bagged, and passed under a metal detector, then cased, coded, and palletized for shipment.





# Rethinking Energy Use

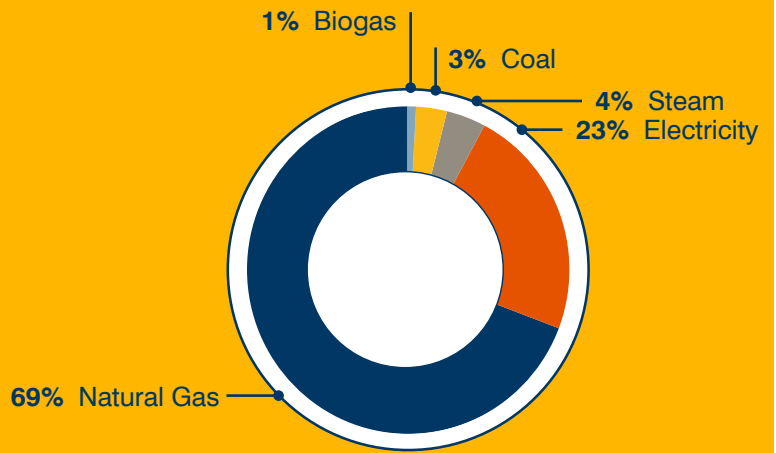
Lamb Weston has set a goal to reduce the amount of energy that goes into making a pound of potato products, which in turn reduces greenhouse gas emissions. The most impactful way we can do this is by operating our facilities more efficiently. In recent years, we have invested in lighting and refrigeration upgrades, fryer heat recovery projects, boiler condensing economizers, and other technologies that reduce energy usage.

Another opportunity to decrease emissions is changing the source of energy used to power our facilities. Since 2008, we have purchased Renewable Energy Certificates to offset the electricity used to power administrative offices in Idaho and Washington and to make *Alexia* products.

At our sweet potato production facility in Delhi, Louisiana, potato solids are converted to biogas in our anaerobic digester. We can use the resulting biogas as fuel to offset natural gas demand. This closed-loop system helped make Delhi the first frozen-food production facility to earn Leadership in Energy & Environmental Design (LEED®) Platinum certification. Our ENERGY STAR® certified Park Rapids, Minnesota, facility also uses energy supplied by biogas. Lamb Weston's second LEED-certified facility is Boardman East, in Oregon, which earned LEED® Silver status with fixtures that reduce energy use by 23.5% compared to the industry baseline. As a result of these and other changes, Lamb Weston has decreased energy use intensity by 4.4% since 2011.

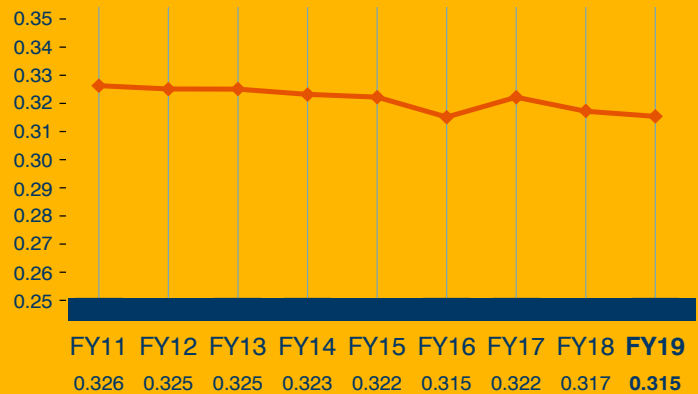
## Total Energy Consumed by Source

FY19



## GHG Scope 1 and 2 Emissions Intensity

Million metric tonnes





# Making Smart Use of an Essential Resource

Water is fundamental to the process of turning potatoes into fries. We apply water to wash, transport, heat, and blanch potatoes. We even use water for cutting, harnessing a high-velocity flow to propel potatoes through a grid of knives, which slices them into fries. Finally, we use water for a variety of cleanup and sanitation tasks, which keep our facilities and products safe.

Water is a resource all of us must share, which is why Lamb Weston strives to reduce the water required at each stage of production. For example, we have installed localized flow meters to improve monitoring and measurement capabilities and developed checklists to identify losses or inefficiencies. With this information, we have installed equipment such as flow restrictors, orifice plates, flow control valves, and automated water controls. Through these changes, Lamb Weston has decreased water use intensity by 4.7% since 2011.

## GETTING THE MOST OUT OF EVERY DROP

After reducing water use, our second priority is to reuse it. In fact, most water that enters our facilities is used multiple times. This is particularly important in parts of the world where water is scarce. A 2019 water risk assessment identified water stress in the regions of our Hermiston, Oregon; Park Rapids, Minnesota; and Shangdu, China facilities. We are mitigating this risk in Hermiston with an innovative water reuse system (see sidebar).

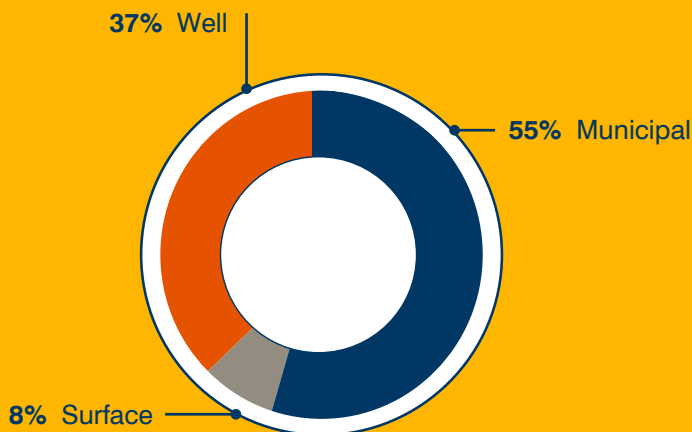
Many of our facilities use process water land application systems, where water is used to irrigate crops. Approximately 50% of our water discharge is reused in this way. Water used for potato processing contains nitrogen, phosphorus, and potassium, which are essential nutrients for plant growth.

## Demonstrating Leadership in Conservation

Lamb Weston is committed to water conservation and environmental stewardship. To demonstrate this commitment, we installed a state-of-the-art water reuse system at our production facility in Hermiston, Oregon. This system is the first of its kind for Lamb Weston, and we believe that it is the largest water reuse system in North America. Process water is treated through anaerobic and aerobic processes and then treated for reuse using ultrafiltration, reverse osmosis, and disinfection processes before being returned to the production process. Water quality from this system meets all local and state standards for process water. This reuse system supported the expansion of our Hermiston operation, allowing us to add an additional production line while using the same amount of water as before expansion.

### Water Withdrawal by Source

FY19



# Reducing Waste Where It Matters Most

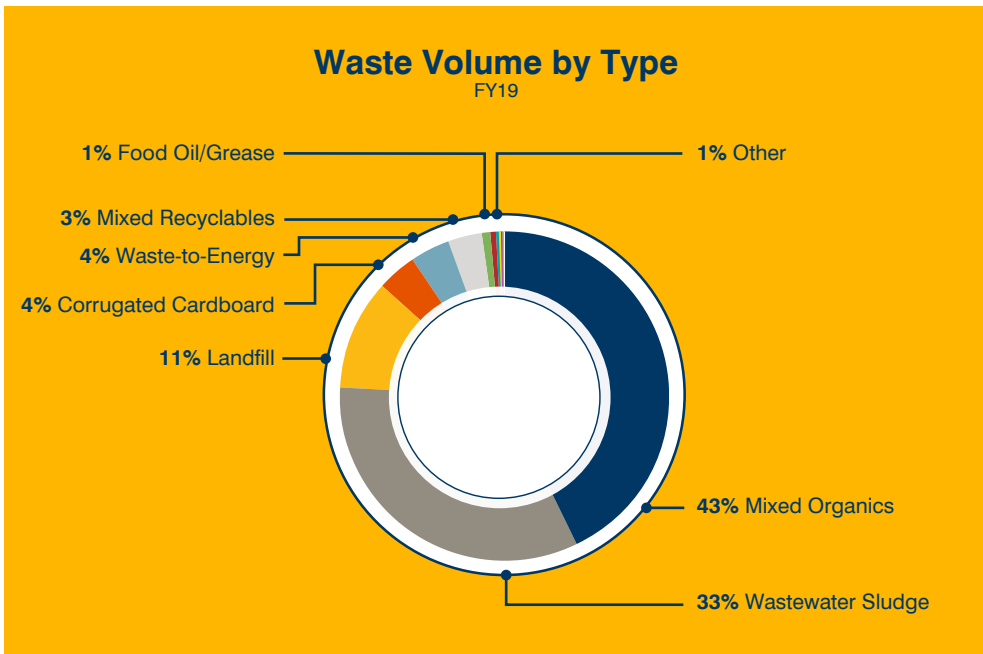
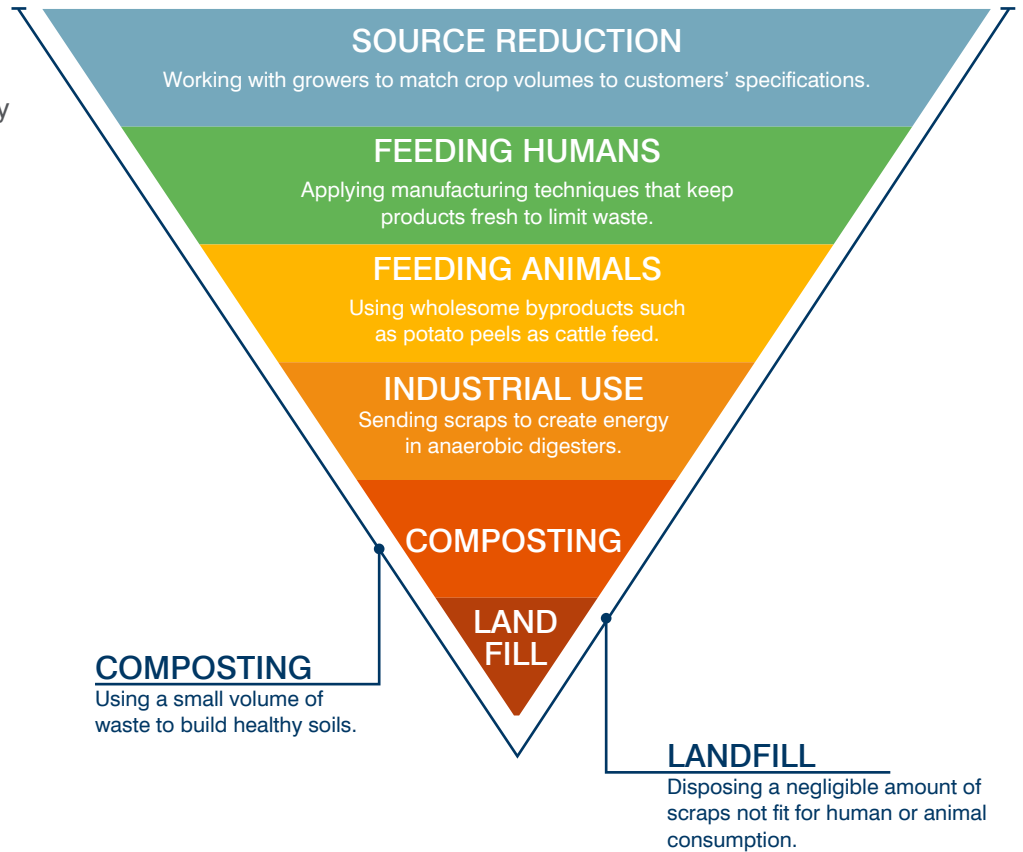
Thanks to state-of-the-art technologies for production and preservation, little of the potato's volume is sent to landfill in our normal operations. In diverting whole potatoes and scraps, we refer to the U.S. Environmental Protection Agency (EPA) Food Recovery Hierarchy, which outlines the most beneficial ways to use food products and limit waste. Automatic defect removal ensures a small imperfection can be removed with minimal potato going to waste. Pieces that are too small to be made into fries are used in chopped and formed products such as hash brown patties and Tater Puffs®. Starch is collected and used as an ingredient in battered products.

In recent years, we evolved the way we classify our waste streams and have raised our aspirations, setting a goal to send zero waste to landfill by 2020. In 2016 we reclassified cattle feed as a byproduct along with potato starch recovered from processing. Therefore, while byproducts are still being used in the same way, our percentage of waste diverted is lower than it would be if cattle feed were included.

**89%**  
of waste diverted from landfill

Each year, we recognize production facilities that divert 90% or more of their waste (excluding cattle feed). In FY19, our Hermiston, Oregon facility earned the Excellence award for diverting more than 98% of its waste from landfill. In addition, eight facilities were recognized for Leadership (95%–97% diversion), and three were recognized for Achievement (90%–94% diversion).

## Putting the Whole Potato to Use





# Harnessing Employee Ingenuity


Inventiveness is a core Lamb Weston value, and employees regularly apply this value to support sustainability. Our Advanced Potato Processing Training includes a module on environmental protection and sustainability, and some facilities have “green teams,” which seek out continuous improvement opportunities at their locations.

a charitable cause in their region. Winning projects in 2019 included one from our facility in Richland, Washington, which assembled a diverse team to search for waste-reduction best practices across the organization. By implementing initiatives from the warehouse to the front office for waste sorting and efficiency, they diverted or reduced more than 4 million pounds of waste. Our Twin Falls, Idaho, facility replaced 2,200 fluorescent light fixtures with LEDs—one of the largest LED conversion projects in the country. As a result, the building has reduced its electricity use by 3.1 million kWh per year.

## 2019 Sustainability Award Project Benefits

### RECOGNIZING GREAT WORK

We also organize an annual Sustainability Awards competition, which highlights Lamb Weston’s achievements in reducing environmental impacts across the business while benefitting the bottom line. Employees are encouraged to submit projects they have completed that demonstrate inventiveness and lead to reductions in energy, water, or waste to landfill. Submissions are reviewed by a committee of Lamb Weston leaders, and winning teams receive \$5,000 to donate to

<p><b>3.4 million kWh</b> electricity reduced</p> <hr style="width: 20%; margin: 5px auto;"/> <p><b>3,330 metric tonnes</b> GHG emissions reduced</p> <hr style="width: 20%; margin: 5px auto;"/> <p><b>104.5 million gallons</b> water reduced</p> <hr style="width: 20%; margin: 5px auto;"/> <p><b>\$5.6 million</b> cost savings and avoidance</p> <hr style="width: 20%; margin: 5px auto;"/> <p><b>21,496 tons</b> materials reduced, reused, or diverted</p>	
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# How We Approach Sourcing and Procurement



Lamb Weston can't make great-tasting fries and other products on our own. We depend on our network of over 4,000 suppliers worldwide to deliver ingredients, materials, and services that make our products possible. Our procurement approach is grounded in purchasing fundamentals like quality, service, risk mitigation, and cost efficiency—and goes beyond these basics to foster transparency and accountability regarding how inputs are sourced.

Our primary sourcing categories are potatoes, oil, and packaging. (Our potato supply chain—which includes a network of growers as well as a small percentage of potatoes from Lamb Weston's own farm—is covered in the

Plant chapter, p. 24.) Other categories include commodities such as flour and other ingredients including salt, starch, seasonings, and vegetables; and general contractors, capital equipment, and parts. Lamb Weston has strategic supplier relationships across critical categories, which help ensure supply, foster continuous improvement, and mitigate supply chain risk to the business.

## OUR EXPECTATIONS OF SUPPLIERS

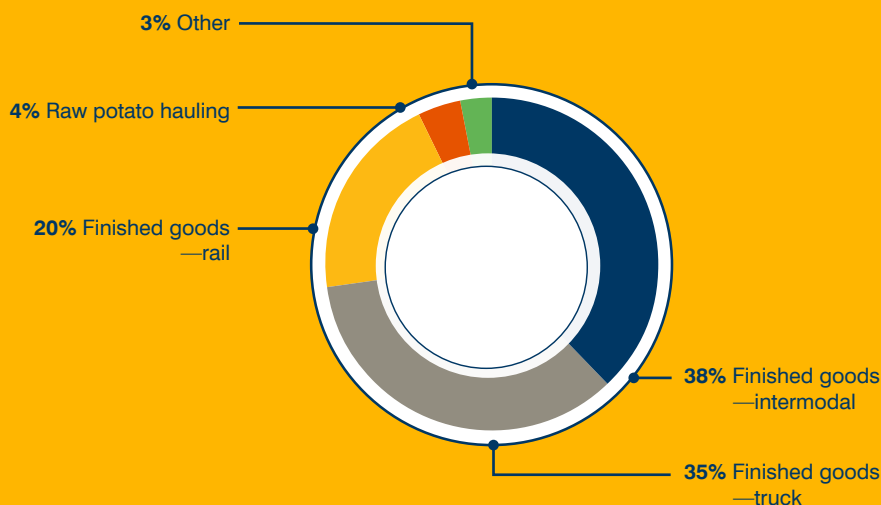
Lamb Weston's [Code of Conduct for Suppliers](#) outlines the basic provisions of our relationships with suppliers. We expect suppliers to conduct their businesses to the same standards of integrity and ethical behavior with

which we run our own company, and to set similar expectations for their own suppliers and contractors. The Code of Conduct contains guidance on workplace and human rights issues; animal welfare; health, safety, and the environment; ethics; and monitoring and record-keeping.

Beyond sharing the Code of Conduct, we engage with suppliers through quarterly business reviews for strategic suppliers and regular discussions related to R&D and sustainable product development. We regularly audit suppliers for conformance to Lamb Weston Supplier Compliance requirements. Read more about audit processes on page 15.

## Scope 3 Transportation Emissions by Source

FY19



## Transportation Efficiency

**Delivery of Lamb Weston products from facilities to customers is contracted through transportation suppliers. As part of our transportation sourcing process, we inquire into providers' sustainability programs and regularly review our deployment network to increase efficiencies in logistics.**

# Sourcing Palm Oil Responsibly



Lamb Weston uses palm oil as an ingredient in several of our branded and private brand items. While palm oil is an important ingredient in our products, we are aware that it has been linked with environmental and social concerns. To help ensure Lamb Weston's purchases do not contribute to deforestation of the world's rainforests or negatively impact communities that depend on those forests, we source 100% of our palm oil volume from responsible and sustainable sources. Lamb Weston's palm oil suppliers run integrated operations that cultivate, harvest, and process oil, and others purchase and distribute palm oil cultivated by other parties.

Lamb Weston is a member of the [Roundtable on Sustainable Palm Oil \(RSPO\)](#), an organization dedicated

to promoting the growth and use of sustainable palm oil products through global standards and stakeholder engagement. We purchase palm oil only from RSPO members, with a preference for purchasing RSPO-certified sustainable palm oil. In addition, we will strive to source palm oil only from suppliers whose landholdings and operations meet RSPO's defined criteria.

## FOCUSED ON CONTINUOUS IMPROVEMENT

Our approach to palm oil sourcing continues to evolve. Lamb Weston currently purchases a combination of PalmTrace RSPO Credits (Book & Claim), which RSPO-certified producers can sell to manufacturers using palm oil, and Mass Balance certified palm oil. We are transitioning

away from the Book & Claim model to Mass Balance certified palm oil. Mass Balance oil may contain a combination of certified and noncertified palm oil, but supports the development of a sustainable palm oil supply chain. Lamb Weston has achieved and maintains Mass Balance Supply Chain certification, and already supplies products made with RSPO-certified Mass Balance palm oil to customers who require it. We [plan to](#) fully shift our certification level to 100% Mass Balance in 2021.

Beyond membership in RSPO, Lamb Weston engages with peers on issues related to palm and other cooking oils as a member of the National Institute of Oilseed Products (NIOP) and American Fats and Oils Association (AFOA).





# Packaging That Does More

Packaging affects many aspects of our business and supply chain. Our top priority is to provide packaging solutions that maintain food safety and quality as products make their way to consumers. This is our baseline expectation, but there is much more we can achieve with packaging.

Lamb Weston's vision for sustainable packaging includes:

- Developing packaging specifications that make use of bio-based and recycled feedstocks;
- Using materials that are recyclable, repulpable, compostable, or biodegradable at end-of-life;
- Using less material and optimizing current packaging structures.

We partner with suppliers to tackle sustainable packaging initiatives to achieve these objectives. We also recognize setting sustainable packaging goals can help accelerate action and are currently working to define appropriate metrics to measure our progress. Our sub-goals related to packaging sustainability include:

- **Reducing fossil-derived resources** – Through right-sizing packaging and optimizing packaging structures while maintaining food quality and safety.
- **Sourcing sustainably** – By incorporating bioderived resources and linking sourcing to customers' sustainability goals.
- **Enhancing material innovation** – By leveraging industry coalitions to build synergies across our supply chain.
- **Designing for recycling** – Through identification of recyclable options and alignment with in-store dropoff programs.

Our Packaging Lab at Lamb Weston's Innovation Center ensures packaging meets our needs for quality, safety, and sustainability. At our on-site laboratory and pilot line, we simulate different transportation modes and conduct tests to qualify materials for use. After qualifying a material, we work with commercialization teams to simulate full-scale production and see how a material performs during all stages of processing, packaging, and transportation. Once a material has been thoroughly validated, we record its performance attributes in a packaging specification system. When future materials are produced outside these parameters, the production facility, quality teams, procurement, and packaging departments work together to investigate and bring packaging in line with current best practice. We also use third-party audits to help us validate materials and improve performance.

Documenting our preferred packaging specifications has enabled progress in multiple areas. For example, suppliers can right-size containers to better fit products and reduce materials used. We can also better respond to changing regulations and local sorting and recycling policies, and innovate to design packaging for multiple uses.

## A Closed-Loop Solution for Paper Packaging

The paper/poly bags (Tite-Pak®) for Lamb Weston's foodservice product packaging demonstrate how collaboration can lead to sustainable solutions. When Lamb Weston customers identified fry bags as a primary target for reducing waste to landfills, our packaging engineering team, along with supplier Graphic Packaging International (GPI) got to work. We applied our extensive knowledge of paper and polymer science to create a repulpable version of Tite-Pak® bags, which meet requirements for bond strength and temperature control while being fully recyclable in Old Corrugated Container (OCC) and mixed paper recycling streams.

Pilot recycle projects at Washington State University and Michigan State University, who serve our products in their cafeterias, confirmed the bags would be accepted for recycling, and processing at a local pulp mill proved that fibers could be recovered for future use. Lamb Weston and GPI have been working with OCC partners to ensure Tite-Pak bags can be successfully recycled nationwide.







Sustainable in Every Way

# PROVIDE

**More Than Just a Meal**

Food brings all of us together. It's what unites consumers around universal favorites like fries, and what helps us succeed and grow as a business. Our customers' satisfaction—and therefore, our success—allows us to take care of our employees and support the communities where we work. We're proud to be part of a company that touches the lives of our stakeholders in many beneficial ways.



# Customers and Products

## How We Approach Products

Our products are behind some of the best-known restaurant brands in the food industry. When you think of crispy, delicious fries, it's likely you're thinking of Lamb Weston fries. Our global customers and consumers put their trust in us each time they serve or eat our products. Building and maintaining that trust is an incredible responsibility, and it is one that all of us take seriously. Customer happiness drives every decision we make. And every flavorful bite we produce.

Tasty, comforting, and sharable, fries are a mainstay of casual

restaurant and home dining in the U.S. and increasingly around the world. We're proud to produce a food that brings people together and satisfies hungry appetites. We also know our products are best consumed in moderation. Including fries occasionally in one's diet is the best way to enjoy them guilt-free, balancing a little bit of indulgence with nutritional foods.

We closely monitor consumer trends so we can offer products to meet evolving consumer preferences and needs. For example, in recent years

consumers have shown a preference for foods with simple ingredients. We've responded by introducing a range of products that use only three ingredients: potatoes, oil, and salt. Among these options are our Lattice Chip and Natural Cut Fry. In addition, all of our Global and Foodservice products made in North America and China meet the following standards:

- No trans fats
- No hydrogenated oils
- No partially hydrogenated oils
- Responsible sourcing of palm oil
- Sodium reduction



The majority of Lamb Weston’s sales are to large customers like restaurant chains and other facilities that prepare our products on-site and serve them to consumers. We also have a growing retail business that includes more than 50 products that can be baked in a residential oven or air fryer. These products require no additional oil to cook, making them a healthier way to enjoy fries at home.

We also aim to ensure everyone can enjoy our products, so we offer frozen potato options with Halal and Kosher certifications. Our Halal products include CrispyCoat Fries and Lamb Weston Gourmet Breaded Onion Rings. Our Kosher products include Lamb’s Supreme Potato Pancakes and Mashed Potatoes, Lamb Weston Waffled Hash Browns, and Sweet Things Original Mashed Sweet Potatoes.

### RESPONSIBLE PALM OIL USE

Palm oil has become a popular ingredient in processed foods because it has excellent cooking properties, a smooth and creamy texture, and a natural preservative effect. It’s also odor-free and is the highest-yielding vegetable oil crop, which makes it very efficient to grow. For more information about our approach to managing palm oil use, see page 37.

### OUR COMMITMENT REGARDING BIOENGINEERING

Lamb Weston does not use any bioengineered, or GMO, potatoes. However, we agree with the U.S. Food and Drug Administration (FDA) and numerous other trusted scientific bodies and regulatory agencies that foods that contain bioengineered ingredients are safe and nutritious to eat. Given the potential for

biotechnology to improve the quality, sustainable availability, and nutritional value of food, we support its responsible use when based on sound science and regulatory and safety reviews. We closely monitor the science of potato growing and processing because it’s important to our customers, their consumers, and to us. We will continue to make great potato products that deliver on our customers’ expectations, including providing certified non-GMO options, always with an eye on the evolving science and changing food landscape.

### WORKING TO ADDRESS CHEMICALS OF CONCERN

According to the U.S. Food and Drug Administration (FDA), acrylamide is a “chemical that can form in some foods during high-temperature cooking processes, such as frying, roasting, and baking.” It forms naturally when sugars and amino acids interact in foods like potatoes, grain products, and coffee. The substance has caused concern in recent years because of its potentially carcinogenic properties. Lamb Weston is working to better understand the factors that influence acrylamide formation. We have three primary work streams:

- Partner with academia and other members of our industry to research factors that influence acrylamide formation.
- Develop near-term mitigation strategies related to color and temperature control, including adjusting our cooking instructions to ensure that we are mitigating acrylamide development in our products after manufacturing.
- Explore long-term strategies involving the use of new potato varieties that have lower acrylamide-forming potential.

## The Future of French Fries

At the Lamb Weston Innovation Center, we work to develop the next product before customers even know they want it. Home to an interactive kitchen space, advanced telecommunication systems, spacious conference rooms, and a continuous processing line, the Innovation Center is where we work with customers to develop the menu items of tomorrow—an approach we call Potatovation.

One of the challenges the team at the Innovation Center has recently tackled is ensuring a great french fry experience via delivery. Golden and delicious straight out of the fryer, fries typically stay hot and crispy for five to seven minutes. So how can we ensure they stay just as fresh during a 20- to 30-minute delivery window? Lamb Weston’s Potatovation team found the answer.

The secret to keeping a fry crispy for longer is slowing the movement of water from the middle of the fry to the outside, which is what causes them to get soggy. After two years of experimentation, our food scientists perfected a starch-based coating that keeps fries warm and crispy even after 30 minutes. We call these fries “Crispy on Delivery.”





# Product Labeling and Marketing

Given that most of our sales come from large commercial customers, Lamb Weston does not market heavily to consumers. Where we do market, we ensure that campaigns and communications are targeted to adults, not children. One of the most effective ways for us to deliver information about our products to

consumers is our labels. Food labels in the U.S. are regulated by the U.S. Food and Drug Administration (FDA). The Nutrition Labeling and Education Act (NLEA) requires most foods to bear nutrition labeling and requires food labels to comply with specific requirements. As a food manufacturer, Lamb Weston is responsible for

keeping current with the latest requirements for food labeling. In addition to delivering required information, food labels give us an opportunity to inform consumers of the measures we've taken beyond regulatory compliance to improve our ingredients and produce higher-quality frozen potato products.



Food and Nutrition labeling



## How We Approach Culture

Our workforce of approximately 7,600 people around the world is made up of talented professionals with experience in diverse industries. These include team members who know the industry from planting to plate; employees who have been with Lamb Weston for 40 years or more; and people who are newer to the company who bring fresh ideas to the team. Our people share a common passion: french fries. No matter their role at Lamb Weston, employees have a sincere desire to provide great fries and service to our customers and to help our company succeed.

When people choose to work at Lamb Weston, they join a culture where every day is “Fry Day.” We try not to take ourselves too

seriously—we make fries, after all—and employees describe our culture as collaborative, empowering, positive, people-focused, forward-thinking, results-driven, and engaged. Employees aren’t afraid to have conversations that balance conflict with respect, and they always maintain an openness to new ideas. Leaders listen to their teams and create space for people to speak up.

It’s as important for Lamb Weston to hear from employees as it is for us to provide transparent and consistent information to them. Employees

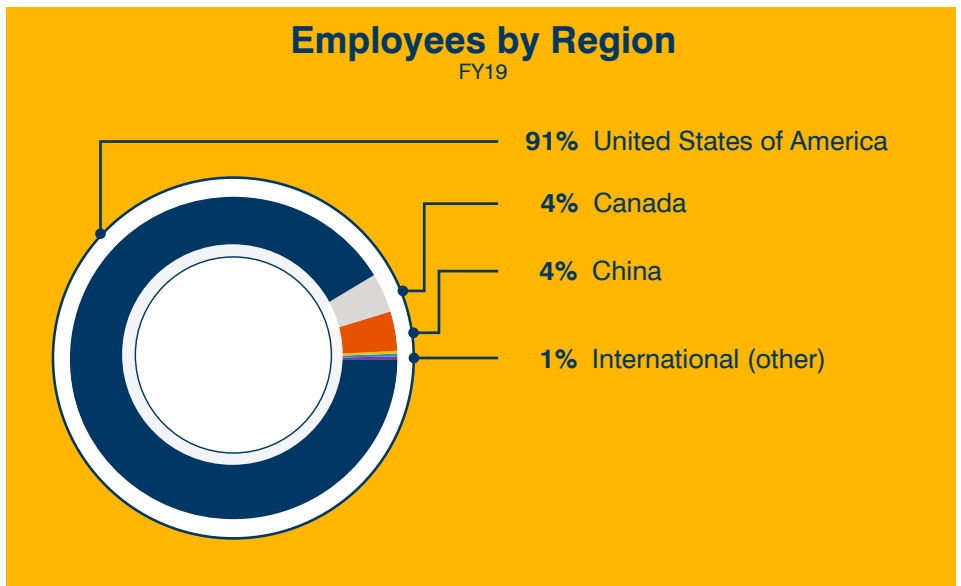
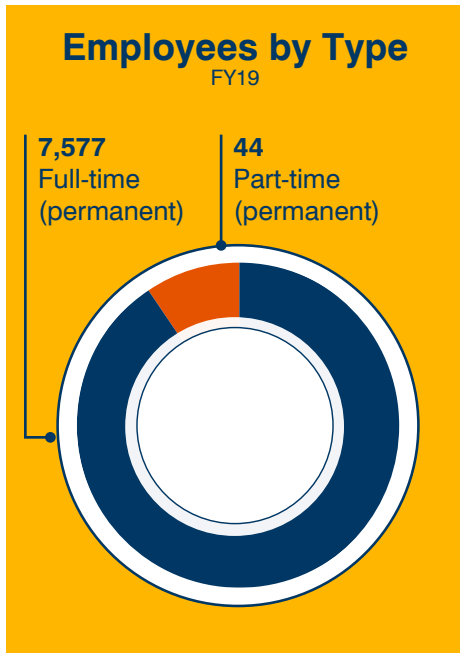
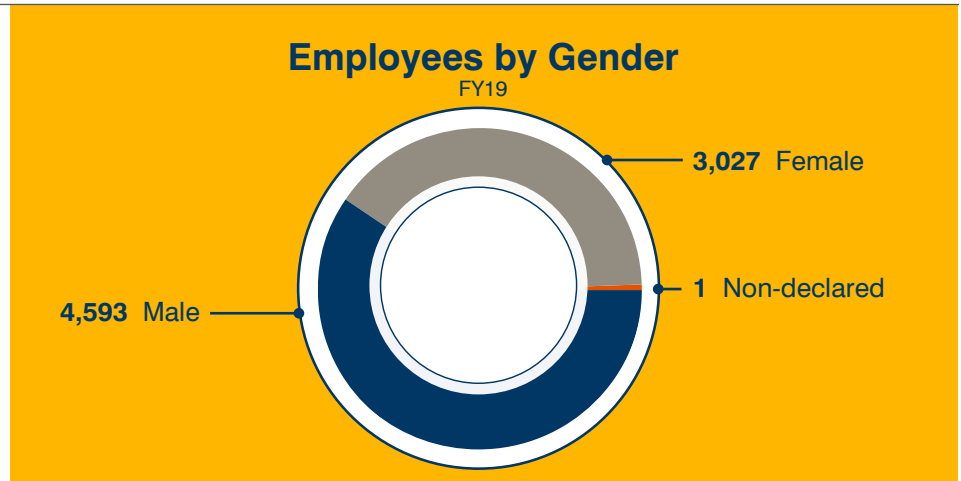
can share concerns anonymously through the EthicsPoint Helpline, and our biennial employee engagement survey allows us to hear directly from employees about our successes and challenges. The most recent survey, conducted in 2019, revealed that pride in the company is growing, and employees appreciate the career opportunities available to them.





## Workforce Profile

Our workforce consists of hourly employees, both full-time and part-time, most of whom work in our manufacturing facilities in a variety of roles, ranging from skilled labor to management; and salaried employees who work in technical and specialized roles in our corporate offices.



# A Respectful Workplace

Lamb Weston conducts business in a global and diverse environment. We understand and appreciate the value that diversity contributes to our company and to the communities in which we live and work. A respectful working environment is essential to our vision to be the number-one global potato company, and each of us has a responsibility to act accordingly.

Lamb Weston does not discriminate against any employee or applicant for employment because of sex, race, color, religion, ethnic or national



origin, gender, sexual orientation, gender identity or expression, age, pregnancy, leave status, disability,

veteran status, and/or any other characteristic or status protected by applicable law.



# Recruiting and Retaining Talent

Attracting great talent is a top priority for Lamb Weston. Like many companies, we face competition from peer companies both within our industry and in the labor market more broadly, particularly for more specialized and technical roles. An added challenge is that many of our corporate offices and production facilities are in remote areas, which tends to shrink the pool of potential candidates. To help counter these location challenges, we offer flexible work schedules for some salaried employees who work at our corporate offices. We recruit new talent through:

- University relations
- Community partnerships
- Career fairs
- Chambers of Commerce

## OPPORTUNITIES TO GROW WITH LAMB WESTON

Supporting individual opportunities for growth is a key employee retention strategy. Our professional development strategy includes structured, regular meetings and performance reviews, and both one-off and ongoing training programs. In addition to informal feedback throughout the year, each salaried employee has two reviews annually with their manager, which helps both parties identify strengths, opportunities, and areas for improvement. Other development opportunities and programs include:

- **LinkedIn Learning** – Third-party online training resource that offers over 15,000 courses on a variety of topics, including business and technical skills. We promote content with a Topic of

the Month and focused efforts tied to performance management.

- **Ethical Leadership training** – Custom training designed to promote our high-integrity culture by educating and encouraging ethical conduct and decision making. The overall goal of the Ethical Leadership Series is for employees to develop their leadership skills and learn how to conduct business effectively and ethically.
- **Tuition reimbursement** – Helping eligible employees enhance their current skills, develop future potential, and support and impact the organizational goals of Lamb Weston.

## INDUSTRY-COMPETITIVE BENEFITS

Our benefits are competitive within our industry, and in 2019 we expanded our annual incentive bonus program.

In addition to our standard healthcare plan, we offer an alternative medical plan option for eligible U.S.-based hourly employees that gives them access to a Health Savings Account seeded with funds from Lamb Weston. Through our annual wellness incentive program, we encourage awareness of personal health and well-being by providing access to tools and information online. We also provide annual on-site health screenings for our employees.

## A Journey to Lamb Weston Leadership

As an example of the individual opportunities for growth available at Lamb Weston, look no further than John Blair. John started his career in 1977 as an hourly employee at our American Falls, Idaho plant. He earned his B.S. in mechanical engineering while working at the American Falls plant. John advanced his career in various production and engineering positions, eventually moving to Washington to take the role of Operations Manager at our Richland facility. Since this move John has been involved in acquisitions and operations worldwide. Today, John is Lamb Weston's VP of Global Operations.



John Blair

"I started my career at Lamb Weston working on the plant floor. Today I have the pleasure of overseeing all of our global manufacturing operations. Lamb Weston is a company with many opportunities to gain experience and rewards employees with career advancements. My 43-year career with Lamb Weston is really something special to me."



# How We Approach Community Giving

We aim to be responsible neighbors in the communities where we operate, giving back through both financial and nonfinancial contributions. Our size and the location of our facilities means that we are often a major employer in many of these communities. We're proud to provide jobs that lead to economic development in these local communities, but we also look for opportunities to do even more. Annually, we make cash grants through the Lamb Weston Foundation, a separate 501(c)(3) organization. Through the Foundation, we donated

\$735,000 to nonprofits in 2019. In the U.S., we focus our grants and other donations on alleviating hunger through partnerships with a range of nonprofit organizations, including:

- Feeding America
- Food Bank of Northeast Louisiana
- Idaho Foodbank
- Meals on Wheels
- North Country Food Bank
- Oregon Foodbank
- Second Harvest Inland Valley
- Share Our Strength
- Taber Food Society
- WSU student food pantry

Our locations also manage their own community outreach programs through local giving committees, which enable employees to engage with local nonprofits financially and through volunteer opportunities. Causes supported by local offices include the Special Olympics, cancer awareness, schools and parks, and youth development and mentoring. As Lamb Weston grows internationally, our goal is to expand our corporate community strategy to include our new markets.





# Helping Out Where We're Needed

Twice per year, Lamb Weston's Supply Chain team chooses up to three local nonprofits to support with hands-on volunteer time. Over the course of two weeks, members of the 140-person team complete projects for selected organizations. Projects could include anything from building and painting sets for a children's theater group, to cleaning up trails and playgrounds, to landscaping at local community support of nonprofits. Since the program began in 2013, more than 20 organizations have benefited.



In response to the COVID-19 outbreak, Lamb Weston's Operations, Innovation and Field department teams worked together to bag approximately 180,000 pounds of raw potatoes for distribution to families and food pantries in Washington's Tri-Cities area. Employees maintained social distancing while bagging the potatoes, each working out of separate containers. We will continue to look for ways to give back to the community during this time of need.





# Our Focus: Hunger Relief

As a food company, Lamb Weston is committed to helping alleviate hunger among communities throughout the U.S. We target a significant proportion of our foundation and local community giving to organizations that provide food to vulnerable populations, as well as information and training about healthy eating. On a regional level, we primarily fund food bank partners in Washington, Oregon, Idaho, Minnesota, and Louisiana in the U.S.; and Alberta, Canada. Our employees often lead additional initiatives with these partners, such as our annual food drive that we held for the tenth year in 2019.

## SHARE OUR STRENGTH

Although we work with several national nonprofits, our primary partnership is with Share Our Strength, an organization dedicated to ending childhood hunger. Share Our Strength works in communities across the country to increase children's access to meals through enrollment in



federal nutrition programs, advocacy, research and public policy, and food skills education. The Lamb Weston Foundation and Share Our Strength have been partners on ending childhood hunger since 2018.

One of Share Our Strength's most important initiatives is the Cooking Matters program, which teaches low-income families how to cook healthy meals and shop on a budget. Families take the six-week course together, at no cost. In 2019, Lamb Weston began a two-year agreement with Cooking Matters to fund an

expansion of the courses offered in Oregon and Washington, with a focus on rural areas. Cooking Matters is also using Lamb Weston's funding to build digital tools for the program, which will increase the program's reach and provide ongoing assistance to program participants. We've also held focus groups with parents and caregivers of children at our facilities in Eastern Washington and Oregon to help Cooking Matters determine how to expand the programs further.

**247,290**  
individuals participated  
in the Cooking Matters  
program 2019



Lamb Weston leaders learn about Cooking Matters in the grocery pop-up.



We established the Lamb Weston Foundation in 2018, with a focus on signature grant-making programs and employee giving programs to support our communities. The Foundation's focus is how we can make our communities better, together.

# Employee Community Engagement

Our employees are one of our greatest assets in the deployment of community initiatives. Their passion for lending a hand is second to none, and we're proud to support them in doing so. Beyond making a difference for the causes we support, our employee giving programs provide an outlet for the growing number of people who want to pursue a deeper purpose through their work. In 2019, we launched a new Giving Portal on our intranet that facilitates many of our employee engagement programs.

## MATCHING GIFTS

Since 2018, we have offered a year-round matching gifts program to employees. Through the program, the Lamb Weston Foundation will match 100% of any donations made by U.S. employees to eligible 501(c)(3) charities, up to \$1,000 per year.

## PAY IT FORWARD

We created our Pay It Forward program to give employees a role in directing the Foundation's funds. Through the program, every eligible employee in the U.S. and Canada received \$50 in their giving account, which they can then direct to the eligible charity of their choice. This allows the Foundation to support programs that our employees care about, in addition to our core cause of hunger.

## VOLUNTEER TIME OFF

Lamb Weston offers all U.S.-based salaried employees eight hours of paid volunteer time off per year. Employees can choose to volunteer with any 501(c)(3) charity of their choice. Reporting volunteer hours is currently voluntary, so we believe that the number of hours reported is lower than the actual amount of time

our employees spend giving back. We hope that through our recently added formal volunteer time off program, our reporting will better reflect employees' involvement in future years.

In 2019, we hosted a Week of Service, during which we encouraged employees to go out and use their volunteer time off as a team or department. By focusing our communications around a specific period, we're able to create more excitement among employees and greater participation levels. We put the program on hold in 2020, due to the COVID-19 pandemic. We hope to find a safe way to continue this program in the coming year.

## BOARD SERVICE GRANTS

Many of our employees choose to serve on the boards of local nonprofits, providing their time and professional expertise to help improve strategy, management, and impact. We encourage this service by contributing \$2,500 to eligible 501(c)(3) organizations after an employee has served on their board for at least one year. These grants are limited to one organization per employee per year.

## EMPLOYEE DEPENDENT SCHOLARSHIP PROGRAM

Lamb Weston has also introduced a new scholarship program that offers \$1,500 to employee dependents who are attending college or technical school. Recipients can renew the scholarship for up to three years or until a degree is earned. We award 15 scholarships per year—provided we receive 60 applications—three of which are reserved for students pursuing a technical or vocational qualification. In 2019, we awarded the first round of 15 scholarships.

## 2019 Employee Community Engagement



**Matching Gifts**  
**\$54,197.23**  
 matched in FY2019  
**818**  
 total matches

**Pay It Forward**  
**61%**  
 of employees participated  
**6**  
 locations with 90%+ participation  
**\$216,000**  
 donated  
**900+**  
 local charities benefited

**Volunteer Time Off**  
**1,150**  
 paid volunteer hours logged  
**860**  
 paid volunteer hours logged during the April Week of Service

**Board Service Grants**  
**\$17,500**  
 provided

APPENDIX

# GRI Content Index

This report has been prepared in accordance with Global Reporting Initiative (GRI) Standards: Core Option. The GRI Standards are a global framework, providing a clear and transparent way for organizations to report their economic, environmental, and social impacts.

## General Disclosures

Disclosure	Description	Response
<b>GRI 102: General Disclosures</b>		
<b>Organizational Profile</b>		
102-1	Name of the organization	Lamb Weston Holdings, Inc.
102-2	Activities, brands, products, and services	About Lamb Weston; Corporate Profile; 2019 10-K pgs. 3-7
102-3	Location of headquarters	Eagle, Idaho
102-4	Location of operations	2019 Global Footprint; 2019 10-K pg. 23
102-5	Ownership and legal form	2019 10-K pg. 3; 2019 Proxy Statement pgs. 56-57
102-6	Markets served	2019 10-K pgs. 3-7
102-7	Scale of the organization	Corporate Profile
102-8	Information on employees and other workers	Provide—Employees—How We Approach Culture—Workforce Profile; 2019 10-K pg. 7
102-9	Supply chain	Produce—How We Approach Sourcing & Procurement; 2019 10-K pg. 6
102-10	Significant changes to the organization and its supply chain	2019 10-K pg. 66
102-11	Precautionary Principle or approach	Ethics & Integrity; 2019 Proxy Statement pgs. 18-19
102-12	External initiatives	Stakeholder Engagement
102-13	Membership of associations	Plant—Engaging with Others; Produce—How We Approach Sourcing & Procurement, Sourcing Palm Oil Responsibly; Protect—Collaborating Across Our Industry
<b>Strategy</b>		
102-14	Statement from senior decision-maker	A Message From Our CEO
<b>Ethics and Integrity</b>		
102-16	Values, principles, standards, and norms of behavior	About Lamb Weston; Ethics & Integrity; Code of Conduct
102-17	Mechanisms for advice and concerns about ethics	Ethics & Integrity—Reporting Concerns; Code of Conduct pg. 6
<b>Governance</b>		
102-31	Review of economic, environmental, and social topics	Governance—ESG Governance
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	Stakeholder Engagement
102-41	Collective bargaining agreements	2019 10-K pg. 92
102-42	Identifying and selecting stakeholders	Stakeholder Engagement
102-43	Approach to stakeholder engagement	Stakeholder Engagement
102-44	Key topics and concerns raised	Stakeholder Engagement; Material Topics



Disclosure	Description	Response
<b>GRI 102: General Disclosures (continued)</b>		
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	2019 10-K pg. 56
102-46	Defining report content and topic Boundaries	About Our Report; Material Topics
102-47	List of material topics	Material Topics
102-48	Restatements of information	N/A
102-49	Changes in reporting	N/A
102-50	Reporting period	About Our Report
102-51	Date of most recent report	About Our Report
102-52	Reporting cycle	Calendar year 2019, ended May 26, 2019
102-53	Contact point for questions regarding the report	Trudy Slagle, Director—Environmental, Social, Governance
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared according to GRI Standards: Core Option.
102-55	GRI content index	GRI content index
102-56	External assurance	<a href="#">Apex</a>
<b>GRI 200: Economic</b>		
<b>GRI 205: Anti-corruption</b>		
103-1	Explanation of the material topic and its Boundary	Ethics & Integrity; Code of Conduct
103-2	The management approach and its components	Ethics & Integrity; Code of Conduct
103-3	Evaluation of the management approach	Ethics & Integrity; Code of Conduct
205-1	Operations assessed for risks related to corruption	100%
205-2	Communication and training about anti-corruption policies and procedures	Ethics & Integrity; Code of Conduct
205-3	Confirmed incidents of corruption and actions taken	Zero
<b>GRI 300: Environmental</b>		
<b>GRI 301: Materials</b>		
103-1	Explanation of the material topic and its Boundary	Produce—Sustainable in Every Way, How We Approach Manufacturing, Reducing Waste Where It Matters Most
103-2	The management approach and its components	Produce—Sustainable in Every Way, How We Approach Manufacturing, Reducing Waste Where It Matters Most
103-3	Evaluation of the management approach	Produce—Sustainable in Every Way, Reducing Waste Where It Matters Most
301-2	Recycled input materials used	40.1% of secondary packaging is made from recyclable/renewable material
<b>GRI 302: Energy</b>		
103-1	Explanation of the material topic and its Boundary	Produce—Rethinking Energy Use
103-2	The management approach and its components	Goals & Progress
103-3	Evaluation of the management approach	Produce—Rethinking Energy Use
302-1	Energy consumption within the organization	
302-3	Energy intensity	Produce—Rethinking Energy Use

Disclosure	Description	Response
<b>GRI 300: Environmental (continued)</b>		
<b>GRI 303: Water and Effluents</b>		
103-1	Explanation of the material topic and its Boundary	Produce—Making Smart Use of an Essential Resource
103-2	The management approach and its components	Goals & Progress; Produce—Making Smart Use of an Essential Resource; Water Stewardship Policy
103-3	Evaluation of the management approach	Produce—Making Smart Use of an Essential Resource
303-1	Interactions with water as a shared resource	Goals & Progress; Produce—Making Smart Use of an Essential Resource
303-2	Management of water discharge-related impacts	Produce—Making Smart Use of an Essential Resource; Water Stewardship Policy
303-3	Water withdrawal	
303-4	Water discharge	
<b>GRI 305: Emissions</b>		
103-1	Explanation of the material topic and its Boundary	Produce—How We Approach Manufacturing, Rethinking Energy Use; Climate Change Policy
103-2	The management approach and its components	Produce—How We Approach Manufacturing, Rethinking Energy Use; Climate Change Policy
103-3	Evaluation of the management approach	See GRI 305-1 & 2
305-1	Direct (Scope 1) GHG emissions	Produce—Rethinking Energy Use
305-2	Energy indirect (Scope 2) GHG emissions	Produce—Rethinking Energy Use
305-4	GHG emissions intensity	Produce—Rethinking Energy Use
<b>GRI 306: Effluents and Waste</b>		
103-1	Explanation of the material topic and its Boundary	Produce—Reducing Waste Where It Matters Most
103-2	The management approach and its components	Goals & Progress; Produce—Reducing Waste Where It Matters Most; Materials Management & Zero Waste Policy
103-3	Evaluation of the management approach	Produce—Reducing Waste Where It Matters Most
306-2	Waste by type and disposal method	Produce—Reducing Waste Where It Matters Most
<b>GRI 307: Environmental Compliance</b>		
103-1	Explanation of the material topic and its Boundary	Produce—How We Approach Manufacturing
103-2	The management approach and its components	Produce—How We Approach Manufacturing; Environmental Policy
103-3	Evaluation of the management approach	Produce—How We Approach Manufacturing
307-1	Non-compliance with environmental laws and regulations	No significant fines
<b>GRI 400: Social</b>		
<b>GRI 401: Employment</b>		
103-1	Explanation of the material topic and its Boundary	Provide—Employees
103-2	The management approach and its components	Provide—Employees
103-3	Evaluation of the management approach	Provide—Employees
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Provide—Recruiting and Retaining Talent—Industry-Competitive Benefits

Disclosure	Description	Response
<b>GRI 400: Social (continued)</b>		
<b>GRI 403: Occupational Health and Safety</b>		
103-1	Explanation of the material topic and its Boundary	Protect—How We Approach Occupational Health & Safety, Safety in Action in Our Facilities, Safety Performance
103-2	The management approach and its components	Protect—How We Approach Occupational Health & Safety, Safety in Action in Our Facilities, Safety Performance
103-3	Evaluation of the management approach	Protect—How We Approach Occupational Health & Safety, Safety in Action in Our Facilities, Safety Performance
403-1	Occupational health and safety management system	Protect—How We Approach Occupational Health & Safety
403-2	Hazard identification, risk assessment, and incident investigation	Protect—How We Approach Occupational Health & Safety, Safety in Action in Our Facilities
403-3	Occupational health services	Protect—How We Approach Occupational Health & Safety, Safety in Action in Our Facilities
403-4	Worker participation, consultation, and communication on occupational health and safety	Protect—How We Approach Occupational Health & Safety, Safety in Action in Our Facilities
403-5	Worker training on occupational health and safety	Protect—How We Approach Occupational Health & Safety, Safety in Action in Our Facilities
403-6	Promotion of worker health	Protect—How We Approach Occupational Health & Safety, Safety in Action in Our Facilities
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Protect—How We Approach Occupational Health & Safety, Safety in Action in Our Facilities
403-9	Work-related injuries	Total Incident Rate 2017 1.51 2018 1.47 2019 1.49
<b>GRI 404: Training and Education</b>		
103-1	Explanation of the material topic and its Boundary	Employees—Recruiting and Retaining Talent—Opportunities to Grow with Lamb Weston
103-2	The management approach and its components	Employees—Recruiting and Retaining Talent—Opportunities to Grow with Lamb Weston
103-3	Evaluation of the management approach	Employees—Recruiting and Retaining Talent—Opportunities to Grow with Lamb Weston
404-1	Average hours of training per year per employee	Employees—Recruiting and Retaining Talent—Opportunities to Grow with Lamb Weston
404-2	Programs for upgrading employee skills and transition assistance programs	Employees—Recruiting and Retaining Talent—Opportunities to Grow with Lamb Weston
<b>GRI 413: Local Communities</b>		
103-1	Explanation of the material topic and its Boundary	Provide—Communities
103-2	The management approach and its components	Provide—Communities
103-3	Evaluation of the management approach	Provide—Communities
413-1	Operations with local community engagement, impact assessments, and development programs	Provide—Communities
<b>GRI 416: Customer Health and Safety</b>		
103-1	Explanation of the material topic and its Boundary	Protect—How We Approach Food Safety & Quality; Managing Safety and Quality Every Day
103-2	The management approach and its components	Protect—How We Approach Food Safety & Quality; Managing Safety and Quality Every Day
103-3	Evaluation of the management approach	Protect—How We Approach Food Safety & Quality; Managing Safety and Quality Every Day
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Protect—How We Approach Food Safety & Quality; Managing Safety and Quality Every Day



# APPENDIX

# SASB Index

Activity Metric	Category	Unit of Measure	Code	Answer
Weight of products sold	Quantitative	Metric tons (t)	FB-PF-000.A	Lamb Weston does not publicly disclose this data due to competitive considerations.
Number of production facilities	Quantitative	Number	FB-PF-000.B	As of the publication date of this report, Lamb Weston operated a total of 27 global production facilities, including those operated through joint ventures. The scope of this report includes 17 facilities in North America and China, 16 of which are wholly owned and operated facilities, and one of which is operated through the joint venture, Lamb Weston/RDO Frozen. Three facilities, two in Australia and one in Argentina, have been excluded from this report based on data availability. They will be included in future reporting. The other seven facilities are operated by our European joint venture, Lamb-Weston/Meijer v.o.f., which publishes a separate report available <a href="#">here</a> .
<b>Energy Management</b>				
(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-PF-130a.1	(1) 14,319,650.87 GJ energy consumed (3) 1.37% renewable energy from biogas
<b>Water Management</b>				
(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m <sup>3</sup> ), Percentage (%)	FB-PF-140a.1	(2) 5.20 m <sup>3</sup> water consumed, 1.23% of water withdrawn is from a region with Extremely High Water Risk
Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Quantitative	Number	FB-PF-140a.2	Lamb Weston had two incidents of unpermitted wastewater discharge in 2019 with fines totaling \$13,600. Each incident was remedied and assessed to determine preventive measures going forward.
Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	N/A	FB-PF-140a.3	Water management risks: 2019 10-K pg. 20; Plant – Growing Potatoes Sustainably in Every Way – Water  Strategies and practices to mitigate risks:  <a href="#">PLANT – How we Approach Sustainable Agriculture, Growing Potatoes Sustainably in Every Way – Water, Taking Farming to the Next Level With Technology</a> <a href="#">PRODUCE – How We Approach Manufacturing – Making Smart Use of an Essential Resource</a> <a href="#">Water Stewardship Policy</a>
<b>Food Safety</b>				
Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	FB-PF-250a.1	(1) GFSI audit non-conformance rates: Major: 0.0075 Minor: 0.9924 (2) 72% corrective action rate
Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	Quantitative	Percentage (%) by cost	FB-PF-250a.2	96% of Tier 1 Ingredients (non-potato) Supplier Locations are GFSI Certified

Activity Metric	Category	Unit of Measure	Code	Answer
<b>Food Safety (cont.)</b>				
(1) Total number of notices of food safety violation received, (2) percentage corrected	Quantitative	Number, Percentage (%)	FB-PF-250a.3	(1) 132 notices of food safety violations (1 major, 131 minor) (2) 100% corrected
(1) Number of recalls issued and (2) total amount of food product recalled	Quantitative	Number, Metric tons (t)	FB-PF-250a.4	(1) Lamb Weston had three product recalls in 2019, all for foreign material. (2) 354.95 shipped pounds
<b>Health and Nutrition</b>				
Revenue from products labeled and/or marketed to promote health and nutrition attributes	Quantitative	Reporting currency	FB-PF-260a.1	Less than 1% in revenue from Alexia Smart Classics product
Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	Discussion and Analysis	N/A	FB-PF-260a.2	<a href="#">PROVIDE – Customers and Products – How We Approach Products – Product Labeling and Marketing</a>
<b>Product Labeling and Marketing</b>				
Percentage of advertising impressions (1) made on children and (2) made on children promoting products that meet dietary guidelines	Quantitative	Percentage (%)	FB-PF-270a.1	Zero impressions  <a href="#">PROVIDE – Customers and Products – How We Approach Products – Product Labeling and Marketing</a>
Revenue from products labeled as (1) containing genetically modified organisms (GMOs) and (2) non-GMO	Quantitative	Reporting currency	FB-PF-270a.2	(1) N/A (2) Less than 1% of 2019 revenue was from products labeled as non-GMO
Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	Quantitative	Number	FB-PF-270a.3	Zero incidents
Total amount of monetary losses as a result of legal proceedings associated with labeling and/or marketing practices	Quantitative	Report Currency	FB-PF-270a.4	Zero monetary loss
<b>Packaging Lifecycle Management</b>				
(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	Quantitative	Metric tons (t) Percentage (%)	FB-PF-410a.1	250,568 tons of primary and secondary packaging (2) Primary: 0%; Secondary: 40.1% (3) Primary: 36%; Secondary: 100%
Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and Analysis	N/A	FB-PF-410a.2	<a href="#">PRODUCE – How We Approach Sourcing &amp; Procurement – Packaging That Does More</a>
<b>Environmental and Social Impacts of Ingredient Supply Chain</b>				
Percentage of food ingredients sourced that are certified to third-party environmental and/or social standards, and percentages by standard	Quantitative	Percentage (%) by cost	FB-PF-430a.1	100% of all Lamb Weston palm oil volume is from Roundtable on Sustainable Palm Oil Certified sources.
Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	FB-PF-430a.2	N/A
<b>Ingredient Sourcing</b>				
Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	Quantitative	Percentage (%) by cost	FB-PF-440a.2	High Baseline Water Stress: 11.4% Extremely High Baseline Water Stress: 0.6%
List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	Discussion and Analysis	N/A	FB-PF-440a.2	<a href="#">PRODUCE – How We Approach Sourcing &amp; Procurement – Sourcing Palm Oil Responsibly</a> 2019 10-K – pgs. 13-14



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