

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended December 31, 2023

or

Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

for the transition period from _____ to _____

Commission File No. 0-22818



THE HAIN CELESTIAL GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

221 River Street, Hoboken, NJ

(Address of principal executive offices)

22-3240619

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

07030

(Zip Code)

(516) 587-5000

(Registrant's telephone number, including area code)

N/A

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$.01 per share	HAIN	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

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

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

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

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

Yes No

As of February 1, 2024, there were 89,832,428 shares outstanding of the registrant’s Common Stock, par value \$.01 per share.

THE HAIN CELESTIAL GROUP, INC.

Index

	<u>Page</u>
Part I - Financial Information	
Item 1.	
Financial Statements	
Consolidated Balance Sheets - December 31, 2023 and June 30, 2023	3
Consolidated Statements of Operations - Three and six months ended December 31, 2023 and 2022	4
Consolidated Statements of Comprehensive Income (Loss) - Three and six months ended December 31, 2023 and 2022	5
Consolidated Statement of Stockholders' Equity - Three and six months ended December 31, 2023 and 2022	6
Consolidated Statements of Cash Flows - Six months ended December 31, 2023 and 2022	8
Notes to Consolidated Financial Statements	9
Item 2.	
Management's Discussion and Analysis of Financial Condition and Results of Operations	37
Item 3.	
Quantitative and Qualitative Disclosures About Market Risk	51
Item 4.	
Controls and Procedures	52
Part II - Other Information	
Items 3 and 4 are not applicable.	
Item 1.	
Legal Proceedings	53
Item 1A.	
Risk Factors	53
Item 2.	
Unregistered Sales of Equity Securities and Use of Proceeds	53
Item 5.	
Other Information	53
Item 6.	
Exhibits	54
Signatures	55

Forward-Looking Statements

This Quarterly Report on Form 10-Q for the quarter ended December 31, 2023 (the “Form 10-Q”) contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks, uncertainties and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the results of The Hain Celestial Group, Inc. (collectively with its subsidiaries, the “Company,” “Hain Celestial,” “we,” “us” or “our”) may differ materially from those expressed or implied by such forward-looking statements. The words “believe,” “expect,” “anticipate,” “may,” “should,” “plan,” “intend,” “potential,” “will” and similar expressions are intended to identify such forward-looking statements. Forward-looking statements include, among other things: our beliefs or expectations relating to our future performance, results of operations and financial condition; our strategic initiatives (including statements related to Hain Reimagined and our related investments in our business); our business strategy; our supply chain, including the availability and pricing of raw materials; our brand portfolio; pricing actions and product performance; inflation rates; and current or future macroeconomic trends.

Risks and uncertainties that may cause actual results to differ materially from forward-looking statements include: challenges and uncertainty resulting from the impact of competition; our ability to manage our supply chain effectively; input cost inflation, including with respect to freight and other distribution costs; disruption of operations at our manufacturing facilities; reliance on independent contract manufacturers; changes to consumer preferences; customer concentration; reliance on independent distributors; risks associated with operating internationally; pending and future litigation, including litigation relating to Earth’s Best® baby food products; the reputation of our Company and our brands; compliance with our credit agreement; foreign currency exchange risk; the availability of organic ingredients; risks associated with outsourcing arrangements; our ability to execute our cost reduction initiatives and related strategic initiatives; risks associated with conflicts in Eastern Europe and the Middle East and other geopolitical events; our ability to identify and complete acquisitions or divestitures and our level of success in integrating acquisitions; our reliance on independent certification for a number of our products; our ability to use and protect trademarks; general economic conditions; cybersecurity incidents; disruptions to information technology systems; changing rules, public disclosure regulations and stakeholder expectations on ESG-related matters; the impact of climate change; liabilities, claims or regulatory change with respect to environmental matters; potential liability if our products cause illness or physical harm; the highly regulated environment in which we operate; compliance with data privacy laws; our ability to issue preferred stock; the adequacy of our insurance coverage; impairments in the carrying value of goodwill or other intangible assets; and other risks and matters described in our most recent Annual Report on Form 10-K, this Form 10-Q and other reports that we file in the future.

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

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS
THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
DECEMBER 31, 2023 AND JUNE 30, 2023

(In thousands, except par values)

	December 31, 2023	June 30, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 53,672	\$ 53,364
Accounts receivable, less allowance for doubtful accounts of \$2,607 and \$2,750, respectively	192,538	160,948
Inventories	295,276	310,341
Prepaid expenses and other current assets	57,954	66,378
Total current assets	599,440	591,031
Property, plant and equipment, net	273,451	296,325
Goodwill	939,561	938,640
Trademarks and other intangible assets, net	295,011	298,105
Investments and joint ventures	11,411	12,798
Operating lease right-of-use assets, net	91,388	95,894
Other assets	23,372	25,846
Total assets	<u>\$ 2,233,634</u>	<u>\$ 2,258,639</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 169,054	\$ 134,780
Accrued expenses and other current liabilities	90,857	88,520
Current portion of long-term debt	7,569	7,567
Total current liabilities	267,480	230,867
Long-term debt, less current portion	801,675	821,181
Deferred income taxes	52,900	72,086
Operating lease liabilities, noncurrent portion	86,022	90,014
Other noncurrent liabilities	29,736	26,584
Total liabilities	1,237,813	1,240,732
Commitments and contingencies (Note 17)		
Stockholders' equity:		
Preferred stock - \$.01 par value, authorized 5,000 shares; issued and outstanding: none	—	—
Common stock - \$.01 par value, authorized 150,000 shares; issued: 111,818 and 111,339 shares, respectively; outstanding: 89,812 and 89,475 shares, respectively	1,118	1,113
Additional paid-in capital	1,224,667	1,217,549
Retained earnings	628,650	652,561
Accumulated other comprehensive loss	(130,025)	(126,216)
	1,724,410	1,745,007
Less: Treasury stock, at cost, 22,006 and 21,864 shares, respectively	(728,589)	(727,100)
Total stockholders' equity	995,821	1,017,907
Total liabilities and stockholders' equity	<u>\$ 2,233,634</u>	<u>\$ 2,258,639</u>

See notes to consolidated financial statements.

THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2023 AND 2022
(In thousands, except per share amounts)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2023	2022	2023	2022
Net sales	\$ 454,100	\$ 454,208	\$ 879,129	\$ 893,559
Cost of sales	351,885	350,351	692,971	695,367
Gross profit	102,215	103,857	186,158	198,192
Selling, general and administrative expenses	73,952	72,357	151,121	147,308
Long-lived asset impairment	20,666	340	21,360	340
Productivity and transformation costs	6,869	986	13,272	1,759
Amortization of acquired intangible assets	1,509	2,785	3,464	5,573
Operating (loss) income	(781)	27,389	(3,059)	43,212
Interest and other financing expense, net	16,138	10,812	29,382	18,489
Other income, net	(42)	(1,062)	(307)	(2,852)
(Loss) income before income taxes and equity in net loss of equity-method investees	(16,877)	17,639	(32,134)	27,575
(Benefit) provision for income taxes	(4,249)	6,357	(9,628)	8,988
Equity in net loss of equity-method investees	907	316	1,405	698
Net (loss) income	\$ (13,535)	\$ 10,966	\$ (23,911)	\$ 17,889
Net (loss) income per common share:				
Basic	\$ (0.15)	\$ 0.12	\$ (0.27)	\$ 0.20
Diluted	\$ (0.15)	\$ 0.12	\$ (0.27)	\$ 0.20
Shares used in the calculation of net (loss) income per common share:				
Basic	89,811	89,380	89,661	89,343
Diluted	89,811	89,578	89,661	89,535

See notes to consolidated financial statements.

THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2023 AND 2022
(In thousands)

	Three Months Ended					
	December 31, 2023			December 31, 2022		
	Pretax amount	Tax (expense) benefit	After tax amount	Pretax amount	Tax (expense) benefit	After tax amount
Net (loss) income			\$ (13,535)			\$ 10,966
Other comprehensive income:						
Foreign currency translation adjustments before reclassifications	\$ 36,536	\$ —	\$ 36,536	\$ 59,674	\$ —	\$ 59,674
Change in deferred losses on cash flow hedging instruments	(10,108)	2,501	(7,607)	(2,475)	610	(1,865)
Change in deferred gains on fair value hedging instruments	47	(11)	36	691	(170)	521
Change in deferred losses on net investment hedging instruments	(4,474)	1,107	(3,367)	(6,285)	1,553	(4,732)
Total other comprehensive income	\$ 22,001	\$ 3,597	\$ 25,598	\$ 51,605	\$ 1,993	\$ 53,598
Total comprehensive income			\$ 12,063			\$ 64,564

	Six Months Ended					
	December 31, 2023			December 31, 2022		
	Pretax amount	Tax (expense) benefit	After tax amount	Pretax amount	Tax (expense) benefit	After tax amount
Net (loss) income			\$ (23,911)			\$ 17,889
Other comprehensive income (loss):						
Foreign currency translation adjustments before reclassifications	\$ 3,603	\$ —	\$ 3,603	\$ (7,476)	\$ —	\$ (7,476)
Change in deferred (losses) gains on cash flow hedging instruments	(6,871)	1,708	(5,163)	11,755	(3,028)	8,727
Change in deferred (losses) gains on fair value hedging instruments	(334)	83	(251)	418	(100)	318
Change in deferred losses on net investment hedging instruments	(2,653)	655	(1,998)	(511)	78	(433)
Total other comprehensive (loss) income	\$ (6,255)	\$ 2,446	\$ (3,809)	\$ 4,186	\$ (3,050)	\$ 1,136
Total comprehensive (loss) income			\$ (27,720)			\$ 19,025

See notes to consolidated financial statements.

THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2023

(In thousands, except par values)

	Common Stock		Additional Paid-in Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Loss	Total
	Shares	Amount at \$.01			Shares	Amount		
Balance at June 30, 2023	111,339	\$ 1,113	\$ 1,217,549	\$ 652,561	21,864	\$ (727,100)	\$ (126,216)	\$ 1,017,907
Net loss				(10,376)				(10,376)
Other comprehensive loss							(29,407)	(29,407)
Issuance of common stock pursuant to stock-based compensation plans	239	3						3
Employee shares withheld for taxes					86	(875)		(875)
Stock-based compensation expense			3,742					3,742
Balance at September 30, 2023	111,578	\$ 1,116	\$ 1,221,291	\$ 642,185	21,950	\$ (727,975)	\$ (155,623)	\$ 980,994
Net loss				(13,535)				(13,535)
Other comprehensive income							25,598	25,598
Issuance of common stock pursuant to stock-based compensation plans	240	2						2
Employee shares withheld for taxes					56	(614)		(614)
Stock-based compensation expense			3,376					3,376
Balance at December 31, 2023	111,818	\$ 1,118	\$ 1,224,667	\$ 628,650	22,006	\$ (728,589)	\$ (130,025)	\$ 995,821

See notes to consolidated financial statements.

THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2022

(In thousands, except par values)

	Common Stock		Additional Paid-in Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Loss	Total
	Shares	Amount at \$.01			Shares	Amount		
Balance at June 30, 2022	111,090	\$ 1,111	\$ 1,203,126	\$ 769,098	21,788	\$ (725,685)	\$ (164,482)	\$ 1,083,168
Net income				6,923				6,923
Other comprehensive loss							(52,462)	(52,462)
Issuance of common stock pursuant to stock-based compensation plans	24	1						1
Employee shares withheld for taxes					10	(229)		(229)
Stock-based compensation expense			3,994					3,994
Balance at September 30, 2022	111,114	\$ 1,112	\$ 1,207,120	\$ 776,021	21,798	\$ (725,914)	\$ (216,944)	\$ 1,041,395
Net income				10,966				10,966
Other comprehensive income							53,598	53,598
Issuance of common stock pursuant to stock-based compensation plans	142	1						1
Employee shares withheld for taxes					39	(754)		(754)
Stock-based compensation expense			3,435					3,435
Balance at December 31, 2022	111,256	\$ 1,113	\$ 1,210,555	\$ 786,987	21,837	\$ (726,668)	\$ (163,346)	\$ 1,108,641

See notes to consolidated financial statements.

THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2023 AND 2022

(In thousands)

	Six Months Ended December 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) income	\$ (23,911)	\$ 17,889
Adjustments to reconcile net (loss) income to net cash provided by (used in) operating activities:		
Depreciation and amortization	23,502	24,125
Deferred income taxes	(16,791)	(1,983)
Equity in net loss of equity-method investees	1,405	698
Stock-based compensation, net	7,118	7,429
Long-lived asset impairment	21,360	340
Loss (gain) on sale of assets	62	(3,395)
Other non-cash items, net	965	(2,505)
(Decrease) increase in cash attributable to changes in operating assets and liabilities:		
Accounts receivable	(30,647)	(6,536)
Inventories	15,166	(18,629)
Other current assets	4,882	(331)
Other assets and liabilities	(2,576)	4,178
Accounts payable and accrued expenses	34,150	(23,932)
Net cash provided by (used in) operating activities	<u>34,685</u>	<u>(2,652)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(12,735)	(14,055)
Investments and joint ventures, net	—	433
Proceeds from sale of assets	1,332	7,608
Net cash used in investing activities	<u>(11,403)</u>	<u>(6,014)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings under bank revolving credit facility	122,000	185,000
Repayments under bank revolving credit facility	(137,000)	(191,000)
Repayments under term loan	(3,750)	(3,750)
Payments of other debt, net	(3,854)	(159)
Employee shares withheld for taxes	(1,489)	(983)
Net cash used in financing activities	<u>(24,093)</u>	<u>(10,892)</u>
Effect of exchange rate changes on cash	1,119	(2,517)
Net increase (decrease) in cash and cash equivalents	308	(22,075)
Cash and cash equivalents at beginning of period	53,364	65,512
Cash and cash equivalents at end of period	<u>\$ 53,672</u>	<u>\$ 43,437</u>

See notes to consolidated financial statements.

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

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

1. BUSINESS

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

2. BASIS OF PRESENTATION

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

The Company’s unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by U.S. GAAP and should be read in conjunction with the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2023 (the “Form 10-K”). The amounts as of and for the periods ended June 30, 2023 are derived from the Company’s audited annual financial statements. The unaudited consolidated financial statements reflect all normal recurring adjustments which, in management’s opinion, are necessary for a fair presentation for interim periods. Operating results for the three and six months ended December 31, 2023 are not necessarily indicative of the results that may be expected for the fiscal year ending June 30, 2024. Please refer to the Notes to the Consolidated Financial Statements as of June 30, 2023 and for the fiscal year then ended included in the Form 10-K for information not included in these condensed notes.

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

Reclassifications

Certain prior year amounts have been reclassified to conform with current year presentation.

Significant Accounting Policies

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

Transfer of Financial Assets

The Company accounts for transfers of financial assets, such as non-recourse accounts receivable financing arrangements, when the Company has surrendered control over the related assets. Determining whether control has transferred requires an evaluation of relevant legal considerations, an assessment of the nature and extent of the Company’s continuing involvement with the assets transferred and any other relevant considerations. The Company has non-recourse financing arrangements in which eligible receivables are sold to third-party buyers in exchange for cash. The Company transferred accounts receivable in their entirety to the buyers and satisfied all of the conditions to report the transfer of financial assets in their entirety as a sale. The principal amount of receivables sold under these arrangements was \$159,760 and \$189,794 during the six months ended December 31, 2023 and 2022, respectively. The incremental cost of financing receivables under these arrangements is included in selling, general and administrative expenses on the Company’s Consolidated Statements of Operations. The proceeds from the sale of receivables are included in cash provided by operating activities on the Consolidated Statements of Cash Flows.

Recently Issued and Adopted Accounting Pronouncements

In July 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-03, “*Presentation of Financial Statement (Topic 205), Income Statement - Reporting Comprehensive Income (Topic 220), Distinguishing Liabilities from Equity (Topic 480), Equity (Topic 505), and Compensation - Stock Compensation (Topic 718)*”, to amend various SEC paragraphs in the Accounting Standards Codification to reflect the issuance of SEC Staff Accounting Bulletin No. 120, among other things. The Company adopted this conforming guidance upon issuance, which had no material impact on its condensed consolidated financial statements and related disclosures.

Recently Issued Accounting Pronouncements Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, “*Income Taxes (Topic 740): Improvements to Income Tax Disclosures*”, which will require entities to disclose more detailed information in the reconciliation of their statutory tax rate to their effective tax rate. The ASU also requires entities to disclose more detailed information about income taxes paid, including by jurisdiction, pretax income (loss) from continuing operations, and income tax expense (benefit). The amendments are effective for fiscal years beginning after December 15, 2024 and for interim periods within fiscal years beginning after December 15, 2025. The amendments should be applied on a prospective basis. Retrospective application is permitted. The Company is currently evaluating the provisions of the amendments and the effect on its future consolidated financial statements.

In November 2023, the FASB issued ASU 2023-07, “*Segment Reporting (Topic 280), Improvements to Reportable Segment Disclosures*”, which updates reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses. The amendments are effective for fiscal years beginning after December 15, 2023 and for interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The amendments should be applied retrospectively to all prior periods presented in the financial statements. The Company is currently evaluating the provisions of the amendments and the effect on its future consolidated financial statements.

3. (LOSS) EARNINGS PER SHARE

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

	Three Months Ended December 31,		Six Months Ended December 31,	
	2023	2022	2023	2022
Numerator:				
Net (loss) income	\$ (13,535)	\$ 10,966	\$ (23,911)	\$ 17,889
Denominator:				
Basic weighted average shares outstanding	89,811	89,380	89,661	89,343
Effect of dilutive stock options, unvested restricted stock and unvested restricted share units	—	198	—	192
Diluted weighted average shares outstanding	89,811	89,578	89,661	89,535
Basic net (loss) income per common share	\$ (0.15)	\$ 0.12	\$ (0.27)	\$ 0.20
Diluted net (loss) income per common share	\$ (0.15)	\$ 0.12	\$ (0.27)	\$ 0.20

Due to the incurred net loss in the three and six months ended December 31, 2023, all common stock equivalents such as stock options and unvested restricted stock awards have been excluded from the computation of diluted net loss per share because the effect would have been anti-dilutive.

There were 372 restricted stock awards excluded from the calculation of diluted net income per share for the three months ended December 31, 2022, as such awards were anti-dilutive. There were 453 stock-based awards comprised of restricted stock awards and stock options excluded from the calculation of diluted net income per share for the six months ended December 31, 2022, as such awards were anti-dilutive.

Additionally, 903 and 401 stock-based awards outstanding at December 31, 2023 and 2022, respectively, were excluded from the calculation of diluted net (loss) income per share for the three months ended December 31, 2023 and 2022, respectively, as such awards were contingently issuable based on market or performance conditions, and such conditions had not been achieved during the respective periods. Furthermore, 515 and 286 stock-based awards outstanding at December 31, 2023 and 2022, respectively, were excluded from the calculation of diluted net (loss) income per share for the six months ended December 31, 2023 and 2022, respectively, as such awards were contingently issuable based on market or performance conditions, and such conditions had not been achieved during the respective periods.

4. DISPOSITION

Westbrae Natural[®]

On December 15, 2022, the Company completed the divestiture of its Westbrae Natural[®] brand (“Westbrae”) for total cash consideration of \$7,498. The sale of Westbrae is consistent with the Company’s portfolio simplification process. Westbrae operated in the United States and was part of the Company’s North America reportable segment. During the six months ended December 31, 2022, the Company deconsolidated the net assets of Westbrae, primarily consisting of \$3,054 of goodwill, and recognized a pretax gain on sale of \$3,359.

5. INVENTORIES

Inventories consisted of the following:

	December 31, 2023	June 30, 2023
Finished goods	\$ 185,160	\$ 192,007
Raw materials, work-in-progress and packaging	110,116	118,334
	\$ 295,276	\$ 310,341

6. PROPERTY, PLANT AND EQUIPMENT, NET

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

	December 31, 2023	June 30, 2023
Land	\$ 11,482	\$ 11,453
Buildings and improvements	56,364	55,354
Machinery and equipment	322,597	335,912
Computer hardware and software	53,303	54,192
Furniture and fixtures	20,144	20,722
Leasehold improvements	39,785	49,394
Construction in progress	16,919	10,816
	<u>520,594</u>	<u>537,843</u>
Less: Accumulated depreciation	247,143	241,518
	<u>\$ 273,451</u>	<u>\$ 296,325</u>

Depreciation expense for the three months ended December 31, 2023 and 2022 was \$8,352 and \$8,195, respectively. Depreciation expense for the six months ended December 31, 2023 and 2022 was \$18,178 and \$16,262, respectively.

As a result of a decline in actual and projected performance and cash flows related to an asset group primarily comprised of certain production assets in the North America reportable segment, the Company determined that an interim impairment test of the asset group was required to be performed. The fair value was determined using a discounted cash flow analysis. During the three and six months ended December 31, 2023, the Company recognized a non-cash impairment charge of \$20,666 to reduce the carrying value of such long-lived assets to their estimated fair value. Impairment charges were recorded within long-lived asset impairment on the Consolidated Statement of Operations.

During the six months ended December 31, 2022, the Company recognized a non-cash impairment charge of \$340 relating to a facility in the United States that was held for sale. During the six months ended December 31, 2023, the Company completed the sale of such facility for total cash proceeds of \$1,182, net of brokerage and other fees, resulting in a loss in the amount of \$68, which was included as a component of other income, net on the Consolidated Statement of Operations.

7. LEASES

The Company leases office space, warehouse and distribution facilities, manufacturing equipment and vehicles primarily in North America and Europe. The Company determines if an arrangement is or contains a lease at inception. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. The Company's lease agreements generally do not contain residual value guarantees or material restrictive covenants. Some of the Company's leases contain variable lease payments, which are expensed as incurred unless those payments are based on an index or rate. Variable lease payments based on an index or rate are initially measured using the index or rate in effect at lease commencement and included in the measurement of the lease liability; thereafter, changes to lease payments due to rate or index changes are recorded as variable lease expense in the period incurred. The Company does not have any related party leases, and sublease transactions are de minimis.

The components of lease expenses for the three and six months ended December 31, 2023 and 2022 were as follows:

	Three Months Ended		Six Months Ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Operating lease expenses	\$ 4,796	\$ 2,238	\$ 9,374	\$ 7,213
Finance lease expenses	37	71	74	140
Variable lease expenses	190	169	372	349
Short-term lease expenses	418	390	813	886
Total lease expenses	<u>\$ 5,441</u>	<u>\$ 2,868</u>	<u>\$ 10,633</u>	<u>\$ 8,588</u>

Supplemental balance sheet information related to leases was as follows:

Leases	Classification	December 31, 2023	June 30, 2023
Assets			
Operating lease ROU assets, net	Operating lease right-of-use assets, net	\$ 91,388	\$ 95,894
Finance lease ROU assets, net	Property, plant and equipment, net	247	289
Total leased assets		<u>\$ 91,635</u>	<u>\$ 96,183</u>
Liabilities			
Current			
Operating	Accrued expenses and other current liabilities	\$ 10,598	\$ 10,489
Finance	Current portion of long-term debt	85	83
Non-current			
Operating	Operating lease liabilities, noncurrent portion	86,022	90,014
Finance	Long-term debt, less current portion	179	222
Total lease liabilities		<u>\$ 96,884</u>	<u>\$ 100,808</u>

Additional information related to leases is as follows:

	Six Months Ended	
	December 31, 2023	December 31, 2022
Supplemental cash flow information		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 8,728	\$ 8,173
Operating cash flows from finance leases	\$ 6	\$ 9
Financing cash flows from finance leases	\$ 39	\$ 106
ROU assets obtained in exchange for lease obligations:		
Operating leases ⁽¹⁾⁽²⁾	\$ 2,140	\$ (4,764)
Finance leases	\$ —	\$ 60
Weighted average remaining lease term:		
Operating leases	9.3 years	10.7 years
Finance leases	3.4 years	4.1 years
Weighted average discount rate:		
Operating leases	4.9 %	4.7 %
Finance leases	4.5 %	4.6 %

⁽¹⁾ Includes adjustment for remeasurement of an operating lease during the three months ended December 31, 2023, which resulted in a net reduction of an ROU asset and a corresponding reduction in lease liability of \$9,375.

⁽²⁾ Includes adjustment for modification of an operating lease during the three months ended December 31, 2022, which resulted in a reduction of an ROU asset and lease liability of \$13,876 and \$17,244, respectively, and recognition of a gain of \$3,368 related to the modification.

Maturities of lease liabilities as of December 31, 2023 were as follows:

Fiscal Year	Operating leases	Finance leases	Total
2024 (remainder of year)	\$ 7,786	\$ 47	\$ 7,833
2025	14,486	93	14,579
2026	13,815	68	13,883
2027	13,483	53	13,536
2028	13,233	25	13,258
Thereafter	57,832	—	57,832
Total lease payments	120,635	286	120,921
Less: Imputed interest	24,015	22	24,037
Total lease liabilities	\$ 96,620	\$ 264	\$ 96,884

8. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill

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

	North America	International	Total
Balance as of June 30, 2023	\$ 697,053	\$ 241,587	\$ 938,640
Translation	(3)	924	921
Balance as of December 31, 2023	<u>\$ 697,050</u>	<u>\$ 242,511</u>	<u>\$ 939,561</u>

Other Intangible Assets

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

	December 31, 2023	June 30, 2023
Non-amortized intangible assets:		
Trademarks and tradenames ⁽¹⁾	\$ 251,199	\$ 250,860
Amortized intangible assets:		
Other intangibles	162,191	161,874
Less: Accumulated amortization	(118,379)	(114,629)
Net amortized intangible assets	43,812	47,245
Net other intangible assets	<u>\$ 295,011</u>	<u>\$ 298,105</u>

⁽¹⁾ The gross carrying value of trademarks and tradenames is reflected net of \$223,981 of accumulated impairment charges as of December 31, 2023 and June 30, 2023.

Amortized intangible assets, which are deemed to have a finite life, primarily consist of customer relationships, trademarks and tradenames and are amortized over their estimated useful lives of 7 to 25 years.

Amortization expense included in the Consolidated Statements of Operations was as follows:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2023	2022	2023	2022
Amortization of acquired intangibles	\$ 1,509	\$ 2,785	\$ 3,464	\$ 5,573

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

	Fiscal Year Ending June 30,					
	2024 (remainder of year)	2025	2026	2027	2028	2029
Estimated amortization expense	\$ 2,836	\$ 5,477	\$ 5,083	\$ 4,996	\$ 4,113	\$ 3,615

The weighted average remaining amortization period of amortized intangible assets is 10.9 years.

9. DEBT AND BORROWINGS

Debt and borrowings consisted of the following:

	December 31, 2023	June 30, 2023
Revolving credit facility	\$ 526,000	\$ 541,000
Term loans	285,000	288,750
Less: Unamortized issuance costs	(2,020)	(1,307)
Other borrowings ⁽¹⁾	264	305
	809,244	828,748
Short-term borrowings and current portion of long-term debt ⁽²⁾	7,569	7,567
Long-term debt, less current portion	\$ 801,675	\$ 821,181

⁽¹⁾ Includes \$264 (June 30, 2023: \$305) of finance lease obligations as discussed in Note 7, Leases.

⁽²⁾ Includes \$85 (June 30, 2023: \$83) of short-term finance lease obligations as discussed in Note 7, Leases.

On August 22, 2023, the Company entered into a Second Amendment (the “Second Amendment”) to the Credit Agreement (as amended by a First Amendment dated December 16, 2022, the “Credit Agreement”). The Credit Agreement provides for senior secured financing of \$1,100 million in the aggregate, consisting of (1) \$300 million in aggregate principal amount of term loans (the “Term Loans”) and (2) an \$800 million senior secured revolving credit facility (which includes borrowing capacity available for letters of credit, and is comprised of a \$440 million U.S. revolving credit facility and \$360 million global revolving credit facility) (the “Revolver”). Both the Revolver and the Term Loans mature on December 22, 2026. The Company’s obligations under the Credit Agreement are guaranteed by certain existing and future domestic subsidiaries of the Company and are secured by liens on assets of the Company and its material domestic subsidiaries, including the equity interest in each of their direct subsidiaries and intellectual property, subject to agreed-upon exceptions.

The Credit Agreement includes financial covenants that require compliance with a consolidated interest coverage ratio, a consolidated leverage ratio and a consolidated secured leverage ratio. Pursuant to the Second Amendment, the Company’s maximum consolidated secured leverage ratio was amended to be 5.00:1.00 until September 30, 2023, 5.25:1.00 until December 31, 2023 and 5.00:1.00 until December 31, 2024 (the period of time during which such maximum consolidated secured leverage ratios are in effect, the “Second Amendment Period,” which the Company may elect to end early). Following the Second Amendment Period, the maximum consolidated secured leverage ratio will be 4.25:1.00, subject to possible temporary increase following certain corporate acquisitions. Pursuant to the Second Amendment, the Company’s minimum interest coverage ratio was amended to be 2.50:1.00.

During the Second Amendment Period, loans under the Credit Agreement will bear interest at (a) Term SOFR plus 2.5% per annum or (b) the Base Rate plus 1.5% per annum. Following the Second Amendment Period, Loans will bear interest at rates based on (a) Term SOFR plus a rate ranging from 1.125% to 2.0% per annum or (b) the Base Rate plus a rate ranging from 0.125% to 1.0% per annum, the relevant rate in each case being the Applicable Rate. The Applicable Rate following the Second Amendment Period will be determined in accordance with a leverage-based pricing grid, as set forth in the Credit Agreement as amended by the Second Amendment. Excluding hedge impact, the weighted average interest rate on outstanding borrowings under the Credit Agreement at December 31, 2023 was 7.90%. During fiscal 2021, the Company used interest rate swaps to hedge a portion of the interest rate risk related its outstanding variable rate debt. As of December 31, 2023, the notional amount of the interest rate swaps was \$400,000 with fixed rate payments of 5.60%. Including hedge impact, the weighted average interest rate on outstanding borrowings under the Credit Agreement at December 31, 2023 was 6.81%. Additionally, the Credit Agreement contains a Commitment Fee (as defined in the Credit Agreement) on the amount unused under the Credit Agreement ranging from 0.15% to 0.25% per annum, and such Commitment Fee is determined in accordance with a leverage-based pricing grid.

As of December 31, 2023, there were \$526,000 of loans under the Revolver, \$285,000 of Term Loans, and \$3,188 of letters of credit outstanding under the Credit Agreement. As of December 31, 2023, \$270,812 was available under the Credit Agreement, subject to compliance with the financial covenants. As of December 31, 2023, the Company was in compliance with all associated covenants.

Credit Agreement Issuance Costs

In connection with the First Amendment to its Credit Agreement during the second quarter of fiscal year 2023, the Company incurred debt issuance costs of approximately \$1,987, of which \$1,916 was deferred. Of the total deferred costs, \$1,396 were associated with the Revolver and are being amortized on a straight-line basis within Other assets on the Consolidated Balance Sheets, and \$520 are being amortized on a straight-line basis, which approximates the effective interest method, as an adjustment to the carrying amount of the Term Loans as a component of Interest and other financing expense, net over the term of the Credit Agreement.

In connection with the Second Amendment to its Credit Agreement during the first quarter of fiscal year 2024, the Company incurred debt issuance costs of approximately \$3,854, of which \$3,813 was deferred. Of the total deferred costs, \$2,802 were associated with the Revolver and are being amortized on a straight-line basis within Other assets on the Consolidated Balance Sheets, and \$1,011 are being recorded as an adjustment to the carrying amount of the Term Loans as a component of Interest and other financing expense, net over the term of the Credit Agreement utilizing the effective interest rate method.

Interest paid during the three and six months ended December 31, 2023 was \$15,956 and \$27,388, respectively. Interest paid during the three and six months ended December 31, 2022 was \$9,378 and \$16,066, respectively.

10. INCOME TAXES

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

The effective income tax rate was a benefit of 25.2% and an expense of 36.0% for the three months ended December 31, 2023 and 2022, respectively. The effective income tax rate was a benefit of 30.0% and an expense of 32.6% for the six months ended December 31, 2023 and 2022, respectively. The effective income tax rate for the six months ended December 31, 2023 was impacted by tax expense related to stock-based compensation, global intangible low-taxed income, and limitations on the deductibility of executive compensation. The effective income tax rate for the six months ended December 31, 2022 was impacted by the gain on the sale of Westbrae, an operating lease modification during the second quarter, severance with respect to our former CEO (as part of the limitation on the deductibility of executive compensation), stock-based compensation and uncertain tax positions. The effective income tax rates in each period were also impacted by the geographical mix of earnings and state income taxes.

11. ACCUMULATED OTHER COMPREHENSIVE LOSS

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

	Foreign Currency Translation Adjustment, Net	Deferred Gains on Cash Flow Hedging Instruments, Net	Deferred Gains on Fair Value Hedging Instruments, Net	Deferred Gains (Losses) on Net Investment Hedging Instruments, Net	Total
Balance at June 30, 2022	\$ (168,225)	\$ 519	\$ 500	\$ 2,724	\$ (164,482)
Other comprehensive (loss) income before reclassifications	(67,149)	11,360	1,145	4,666	(49,978)
Amounts reclassified into income	—	(767)	(1,348)	(369)	(2,484)
Net change in accumulated other comprehensive (loss) income for the three months ended September 30, 2022 ⁽¹⁾	(67,149)	10,593	(203)	4,297	(52,462)
Balance at September 30, 2022	(235,374)	11,112	297	7,021	(216,944)
Other comprehensive income (loss) before reclassifications	59,674	(454)	(1,067)	(4,359)	53,794
Amounts reclassified into (income) expense	—	(1,411)	1,588	(373)	(196)
Net change in accumulated other comprehensive income (loss) for the three months ended December 31, 2022 ⁽¹⁾	59,674	(1,865)	521	(4,732)	53,598
Balance at December 31, 2022	<u>\$ (175,700)</u>	<u>\$ 9,247</u>	<u>\$ 818</u>	<u>\$ 2,289</u>	<u>\$ (163,346)</u>
Balance at June 30, 2023	\$ (138,028)	\$ 10,898	\$ 685	\$ 229	\$ (126,216)
Other comprehensive (loss) income before reclassifications	(32,933)	4,159	430	1,741	(26,603)
Amounts reclassified into income	—	(1,715)	(717)	(372)	(2,804)
Net change in accumulated other comprehensive (loss) income for the three months ended September 30, 2023 ⁽¹⁾	(32,933)	2,444	(287)	1,369	(29,407)
Balance at September 30, 2023	(170,961)	13,342	398	1,598	(155,623)
Other comprehensive income (loss) before reclassifications	36,536	(5,806)	(738)	(2,995)	26,997
Amounts reclassified into (income) expense	—	(1,801)	774	(372)	(1,399)
Net change in accumulated other comprehensive income (loss) for the three months ended December 31, 2023 ⁽¹⁾	36,536	(7,607)	36	(3,367)	25,598
Balance at December 31, 2023	<u>\$ (134,425)</u>	<u>\$ 5,735</u>	<u>\$ 434</u>	<u>\$ (1,769)</u>	<u>\$ (130,025)</u>

⁽¹⁾See Note 15, Derivatives and Hedging Activities, for the amounts reclassified into income for deferred gains on hedging instruments recorded in the Consolidated Statements of Operations during the three and six months ended December 31, 2023 and 2022.

12. STOCK-BASED COMPENSATION AND INCENTIVE PERFORMANCE PLANS

Under the Company's Amended and Restated 2002 Long-Term Incentive and Stock Award Plan (the "2002 Plan"), the Company historically granted equity-based awards to its officers, senior management, other key employees, consultants, and directors. The Company currently utilizes a stockholder-approved plan, The Hain Celestial Group, Inc. 2022 Long Term Incentive and Stock Award Plan (the "2022 Plan") which was approved at the Company's 2022 Annual Meeting of Stockholders held on November 17, 2022. The 2022 Plan permits the Company to continue making equity-based and other incentive awards in a manner intended to properly incentivize its employees, directors, consultants and other service providers by aligning their interests with the interests of the Company's stockholders. The Company also historically granted shares under its 2019 Equity Inducement Award Program (the "2019 Inducement Program") to induce selected individuals to become employees of the Company. The 2002 Plan, the 2022 Plan and the 2019 Inducement Program are collectively referred to as the "Stock Award Plans." In conjunction with the Stock Award Plans, the Company maintains a long-term incentive program (the "LTI Program" or "LTIP") that provides for equity awards, including performance and market-based equity awards that can be earned over defined performance periods. The Company's LTIP plans, with the exception of the 2023 - 2025 LTIP described below, are described in Note 13, *Stock-Based Compensation and Incentive Performance Plans*, in the Notes to the Consolidated Financial Statements in the Form 10-K.

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

	Three Months Ended December 31,		Six Months Ended December 31,	
	2023	2022	2023	2022
Selling, general and administrative expenses	\$ 3,376	\$ 3,435	\$ 7,118	\$ 7,429
Related income tax benefit	\$ 398	\$ 552	\$ 854	\$ 954

Restricted Stock

Awards of restricted stock are either restricted stock awards ("RSAs") or restricted stock units ("RSUs") that are issued at no cost to the recipient. Performance-based or market-based RSUs are issued in the form of performance share units ("PSUs"). A summary of the restricted stock activity (including all RSAs, RSUs and PSUs) for the six months ended December 31, 2023 is as follows:

	Number of Shares and Units	Weighted Average Grant Date Fair Value (per share)
Non-vested RSAs, RSUs and PSUs outstanding at June 30, 2023	1,288	\$ 26.37
Granted	1,562	\$ 12.34
Vested	(479)	\$ 28.67
Forfeited	(114)	\$ 25.85
Non-vested RSAs, RSUs and PSUs outstanding at December 31, 2023	2,257	\$ 15.79

Shares granted during the six months ended December 31, 2023 related to shares of RSUs and PSUs granted under the 2024 - 2026 LTIP. Vested shares during the six months ended December 31, 2023 include a total of 15 shares related to certain performance-based metrics being met and a total of 463 shares related to service-based RSUs. There are market-based PSU awards outstanding under 2024 - 2026 LTIP, 2023 - 2025 LTIP and the 2022 - 2024 LTIP. At December 31, 2023, 576 of such shares were outstanding under the 2024 - 2026 LTIP, 276 of such shares were outstanding under the 2023 - 2025 LTIP while 51 shares were outstanding under the 2022 - 2024 LTIP.

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

	Six Months Ended December 31,	
	2023	2022
Fair value of RSAs, RSUs and PSUs granted	\$ 19,286	\$ 21,457
Fair value of shares vested	\$ 5,081	\$ 3,317
Tax benefit recognized from restricted shares vesting	\$ 650	\$ 502

At December 31, 2023, there was \$27,305 of unrecognized stock-based compensation expense related to non-vested restricted stock awards which is expected to be recognized over a weighted average period of 2.3 years.

2024-2026 LTIP

During the six months ended December 31, 2023, the Company granted market-based PSU awards under the LTIP with a total target payout of 578 shares of common stock. At December 31, 2023, there were 576 such shares outstanding under the LTIP. Such PSU awards will vest, if at all, pursuant to a defined calculation of either relative TSR or absolute TSR (as defined) over the period from October 25, 2023 through the earlier of (i) October 25, 2026; (ii) the date the participant's employment is terminated due to death or Disability (as defined); or (iii) the effective date of a Change in Control (as defined) (the "2024 TSR Performance Period"). Vesting of 384 target shares of the outstanding PSU awards is pursuant to a defined calculation of relative TSR over the 2024 TSR Performance Period (the "2024 Relative TSR PSUs"). Vesting of 192 target shares of the outstanding PSU awards is pursuant to the achievement of pre-established three-year compound annual TSR targets over the 2024 TSR Performance Period (the "2024 Absolute TSR PSUs"). Total shares eligible to vest for both the 2024 Relative TSR PSUs and 2024 Absolute TSR PSUs range from zero to 200% of the target amount. Grant date fair values are calculated using a Monte Carlo simulation model with grant date fair values per target share and related valuation assumptions as follows:

	<u>Absolute TSR PSUs</u>	<u>Relative TSR PSUs</u>
Grant date fair value (per target share)	\$12.23	\$15.42
Risk-free interest rate	4.98 %	4.98 %
Expected dividend yield	—	—
Expected volatility	33.70 %	23.10 %
Expected term	3.00 years	3.00 years

CEO Succession

On November 22, 2022, the Board approved a succession plan pursuant to which Mark L. Schiller transitioned from his position as President and Chief Executive Officer of the Company effective as of December 31, 2022 (the "Transition Date"). As of the Transition Date, certain of Mr. Schiller's stock-based compensation awards were modified and others were forfeited. Additionally, Mr. Schiller will receive severance totaling \$4,725, paid in installments over a two-year period following the Transition Date. Severance, including payroll taxes and other costs, was recognized during the three and six months ended December 31, 2022.

13. INVESTMENTS

On October 27, 2015, the Company acquired a minority equity interest in Chop't Creative Salad Company LLC, predecessor to Founders Table Restaurant Group, LLC ("Founders Table"). Founders Table owns and operates the fast-casual restaurant chains Chop't Creative Salad Co. and Dos Toros Taqueria. The investment is being accounted for as an equity method investment due to the Company's representation on the Board of Directors of Founders Table. At December 31, 2023 and June 30, 2023, the carrying value of the Company's investment in Founders Table was \$6,878 and \$8,032, respectively, and is included in the Consolidated Balance Sheets as a component of Investments and joint ventures.

The Company also holds an investment in Hutchison Hain Organic Holdings Limited, a joint venture with HUTCHMED (China) Limited, accounted for under the equity method of accounting. The carrying value of the remaining investments were \$4,533 and \$4,766 as of December 31, 2023 and June 30, 2023, respectively, and is included in the Consolidated Balance Sheets as a component of Investments and joint ventures.

14. FAIR VALUE MEASUREMENTS

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

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

The following table presents assets and liabilities measured at fair value on a recurring basis as of December 31, 2023:

	Total	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Derivative financial instruments	\$ 10,127	\$ —	\$ 10,127	\$ —
Liabilities:				
Derivative financial instruments	\$ 6,487	\$ —	\$ 6,487	\$ —

The following table presents assets and liabilities measured at fair value on a recurring basis as of June 30, 2023:

	Total	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Derivative financial instruments	\$ 16,988	\$ —	\$ 16,988	\$ —
Liabilities:				
Derivative financial instruments	\$ 3,160	\$ —	\$ 3,160	\$ —

There were no transfers of financial instruments between the three levels of fair value hierarchy during the six months ended December 31, 2023 or 2022.

Derivative Instruments

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

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

Although the Company has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivatives utilize Level 3 inputs, such as estimates of

current credit spreads to evaluate the likelihood of default by the Company and its counterparties. The Company has determined that the significance of the impact of the credit valuation adjustments made to its derivative contracts, which determination was based on the fair value of each individual contract, was not significant to the overall valuation. As a result, all of the derivatives held as of December 31, 2023 and June 30, 2023 were classified as Level 2 of the fair value hierarchy.

Nonrecurring Fair Value Measurements

The Company measures certain non-financial assets at fair value on a nonrecurring basis including goodwill, intangible assets, property and equipment and right-of-use lease assets. These assets were initially measured and recognized at amounts equal to the fair value determined as of the date of acquisition or purchase subject to changes in value only for foreign currency translation. Periodically, these assets are tested for impairment by comparing their respective carrying values to the estimated fair value of the reporting unit or asset group in which they reside. In the event any of these assets were to become impaired, the Company would recognize an impairment expense equal to the amount by which the carrying value of the reporting unit, impaired asset or asset group exceeds its estimated fair value. For indefinite-lived intangible assets, the relief from royalty approach is dependent on a number of factors, including estimates of future growth and trends, royalty rates in the category of intellectual property, discount rates and other variables. Fair value measurements of reporting units are estimated using an income approach involving discounted cash flow models that contain certain Level 3 inputs requiring significant management judgment, including projections of economic conditions, customer demand and changes in competition, revenue growth rates, gross profit margins, operating margins, capital expenditures, working capital requirements, terminal growth rates and discount rates. Fair value measurements of the reporting units associated with the Company's goodwill balances and its indefinite-lived intangible assets are estimated at least annually in the fourth quarter of each fiscal year for purposes of impairment testing if a quantitative analysis is performed. The Company bases its fair value estimates on assumptions its management believes to be reasonable, but which are unpredictable and inherently uncertain.

During the three and six months ended December 31, 2023, the Company recognized a non-cash impairment charge of \$20,666 related to an asset group in the North America reportable segment, as discussed in *Note 6, Property, Plant and Equipment, net*. The asset group was primarily comprised of property, plant and equipment and fair value was determined using a discounted cash flow analysis. As of December 31, 2023, the asset group's property, plant and equipment were classified as Level 3 assets measured at fair value on a nonrecurring basis.

15. DERIVATIVES AND HEDGING ACTIVITIES

Risk Management Objective of Using Derivatives

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

Certain of the Company's foreign operations expose the Company to fluctuations of foreign exchange rates. These fluctuations may impact the value of the Company's cash receipts and payments in terms of the Company's functional currency. The Company enters into derivative financial instruments to protect the value or fix the amount of certain assets and liabilities in terms of its functional currency, the U.S. Dollar. Accordingly, the Company uses derivative financial instruments to manage and mitigate such risks. The Company does not use derivatives for speculative or trading purposes.

Cash Flow Hedges of Interest Rate Risk

The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. During the three and six months ended December 31, 2023, such derivatives were used to hedge the variable cash flows associated with existing variable rate debt.

For derivatives designated and that qualify as cash flow hedges of interest rate risk, the gain or loss on the derivative is recorded in AOCL and subsequently reclassified into interest expense in the same period during which the hedged transaction affects earnings. Amounts reported in AOCL related to derivatives will be reclassified to interest expense as interest payments are made on the Company's variable rate debt. During the remaining six months of fiscal 2024, the Company estimates that an additional \$4,080 will be reclassified as a decrease to interest expense.

As of December 31, 2023, the Company had the following outstanding interest rate derivatives that were designated as cash flow hedges of interest rate risk:

Interest Rate Derivative	Number of Instruments	Notional Amount
Interest Rate Swap	4	\$400,000

Cash Flow Hedges of Foreign Exchange Risk

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

For derivatives designated and that qualify as cash flow hedges of foreign exchange risk, the gain or loss on the derivative is recorded in AOCL and subsequently reclassified in the period(s) during which the hedged transaction affects earnings within the same income statement line item as the earnings effect of the hedged transaction. During the remaining six months of fiscal 2024, the Company estimates that no amount relating to cross-currency swaps will be reclassified to interest expense.

As of December 31, 2023, the Company had the following outstanding foreign currency derivatives that were used to hedge its foreign exchange risk.

Foreign Currency Derivative	Number of Instruments	Notional Sold	Notional Purchased
Foreign currency forward contract	1	£867	€1,000

Net Investment Hedges

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

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

As of December 31, 2023, the Company had the following outstanding foreign currency derivatives that were used to hedge its net investments in foreign operations:

Foreign Currency Derivative	Number of Instruments	Notional Sold	Notional Purchased
Cross-currency swap	4	€100,300	\$105,804

Fair Value Hedges

The Company is exposed to changes in the fair value of certain of its foreign denominated intercompany loans due to changes in foreign exchange spot rates. The Company uses fixed-to-fixed cross-currency swaps to hedge its exposure to changes in foreign exchange rates affecting gains and losses on intercompany loan principal and interest. Cross-currency swaps involve the receipt of functional-currency-fixed-rate amounts from a counterparty in exchange for the Company making foreign-currency-fixed-rate payments over the life of the agreement.

For derivatives designated and that qualify as fair value hedges, the gain or loss on the derivative as well as the offsetting loss or gain on the hedged item attributable to the hedged risk are recognized in interest and other financing expense, net.

Gains and losses on the derivative representing hedge components excluded from the assessment of effectiveness are recognized over the life of the hedge on a systematic and rational basis, as documented at hedge inception in accordance with the Company's accounting policy election. The earnings recognition of excluded components is presented in the same income statement line item as the earnings effect of the hedged transaction. During the remaining six months of fiscal 2024, the Company estimates that an additional \$240 relating to cross currency swaps will be reclassified as a decrease to interest expense.

As of December 31, 2023, the Company had the following outstanding foreign currency derivatives that were used to hedge changes in fair value attributable to foreign exchange risk:

Foreign Currency Derivative	Number of Instruments	Notional Sold	Notional Purchased
Cross-currency swap	1	€24,700	\$26,021

As of December 31, 2023 and June 30, 2023, the following amounts were recorded on the balance sheet related to cumulative basis adjustment for fair value hedges:

	Carrying Amount of the Hedged Asset		Cumulative Amount of Fair Value Hedge Adjustment Included in the Carrying Amount of the Hedged Asset	
	December 31, 2023	June 30, 2023	December 31, 2023	June 30, 2023
Intercompany loan receivable	\$ 27,266	\$ 26,945	\$ 321	\$ 924

Designated Hedges

The following table presents the fair value of the Company's derivative financial instruments as well as their classification on the Consolidated Balance Sheet as of December 31, 2023:

	Asset Derivatives		Liability Derivatives	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
<u>Derivatives designated as hedging instruments:</u>				
Interest rate swaps	Prepaid expenses and other current assets	\$ 6,442	Accrued expenses and other current liabilities	\$ —
Interest rate swaps	Other noncurrent assets	1,292	Other noncurrent liabilities	—
Cross-currency swaps	Prepaid expenses and other current assets	2,383	Accrued expenses and other current liabilities	—
Cross-currency swaps	Other noncurrent assets	—	Other noncurrent liabilities	6,487
Foreign currency forward contracts	Prepaid expenses and other current assets	10	Other noncurrent liabilities	—
Total derivatives designated as hedging instruments		\$ 10,127		\$ 6,487

The following table presents the fair value of the Company's derivative financial instruments as well as their classification on the Consolidated Balance Sheet as of June 30, 2023:

	Asset Derivatives		Liability Derivatives	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivatives designated as hedging instruments:				
Interest rate swaps	Prepaid expenses and other current assets	\$ 8,649	Accrued expenses and other current liabilities	\$ —
Interest rate swaps	Other noncurrent assets	5,974	Other noncurrent liabilities	—
Cross-currency swaps	Prepaid expenses and other current assets	2,365	Accrued expenses and other current liabilities	—
Cross-currency swaps	Other noncurrent assets	—	Other noncurrent liabilities	3,160
Total derivatives designated as hedging instruments		<u>\$ 16,988</u>		<u>\$ 3,160</u>

The following table presents the pretax effect of cash flow hedge accounting on AOCL and Consolidated Statements of Operations for the three months ended December 31, 2023 and 2022:

Derivatives in Cash Flow Hedging Relationships	Amount of Gain (Loss) Recognized in AOCL on Derivatives		Location of Gain (Loss) Reclassified from AOCL into Income (Expense)	Amount of Gain (Loss) Reclassified from AOCL into Income (Expense)	
	Three Months Ended December 31,			Three Months Ended December 31,	
	2023	2022		2023	2022
Interest rate swaps	\$ (7,725)	\$ (682)	Interest and other financing expense, net	\$ 2,393	\$ 1,988
Cross-currency swaps	—	—	Interest and other financing expense, net / Other expense (income), net	—	(115)
Foreign currency forward contracts	10	80	Cost of sales	—	—
Total	<u>\$ (7,715)</u>	<u>\$ (602)</u>		<u>\$ 2,393</u>	<u>\$ 1,873</u>

The following table presents the pretax effect of cash flow hedge accounting on AOCL and Consolidated Statements of Operations for the six months ended December 31, 2023 and 2022:

Derivatives in Cash Flow Hedging Relationships	Amount of Gain (Loss) Recognized in AOCL on Derivatives		Location of Gain (Loss) Reclassified from AOCL into Income (Expense)	Amount of Gain (Loss) Reclassified from AOCL into Income (Expense)	
	Six Months Ended December 31,			Six Months Ended December 31,	
	2023	2022		2023	2022
Interest rate swaps	\$ (2,247)	\$ 14,580	Interest and other financing expense, net	\$ 4,675	\$ 3,135
Cross-currency swaps	—	—	Interest and other financing expense, net / Other expense (income), net	—	(230)
Foreign currency forward contracts	51	80	Cost of sales	—	—
Total	<u>\$ (2,196)</u>	<u>\$ 14,660</u>		<u>\$ 4,675</u>	<u>\$ 2,905</u>

The following table presents the pretax effect of the Company's derivative financial instruments electing cash flow hedge accounting on the Consolidated Statements of Operations for the three months ended December 31, 2023 and 2022:

	Location and Amount of Gain (Loss) Recognized in the Consolidated Statement of Operations on Cash Flow Hedging Relationships	
	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022
	Interest and other financing expense, net	Interest and other financing expense, net
The effects of cash flow hedging:		
Gain (loss) on cash flow hedging relationships		
Interest rate swaps		
Amount of gain reclassified from AOCL into income	\$ 2,393	\$ 1,988
Cross-currency swaps		
Amount of loss reclassified from AOCL into income	\$ —	\$ (115)

The following table presents the pretax effect of the Company's derivative financial instruments electing cash flow hedge accounting on the Consolidated Statements of Operations for the six months ended December 31, 2023 and 2022:

	Location and Amount of Gain (Loss) Recognized in the Consolidated Statement of Operations on Cash Flow Hedging Relationships	
	Six Months Ended December 31, 2023	Six Months Ended December 31, 2022
	Interest and other financing expense, net	Interest and other financing expense, net
The effects of cash flow hedging:		
Gain (loss) on cash flow hedging relationships		
Interest rate swaps		
Amount of gain reclassified from AOCL into income	\$ 4,675	\$ 3,135
Cross-currency swaps		
Amount of loss reclassified from AOCL into income	\$ —	\$ (230)

The following table presents the pretax effect of fair value hedge accounting on AOCL and Consolidated Statements of Operations as of the three months ended December 31, 2023 and 2022:

Derivatives in Fair Value Hedging Relationships	Amount of Loss Recognized in AOCL on Derivatives		Location of Gain Reclassified from AOCL into Income on Derivatives (Amount Excluded from Effectiveness Testing)	Amount of Gain Reclassified from AOCL into Income on Derivatives (Amount Excluded from Effectiveness Testing)	
	Three Months Ended December 31,			Three Months Ended December 31,	
	2023	2022		2023	2022
Cross-currency swaps	\$ (981)	\$ (1,416)	Interest and other financing expense, net / Other expense (income), net	\$ 123	\$ 123

The following table presents the pretax effect of fair value hedge accounting on AOCL and Consolidated Statements of Operations as of the six months ended December 31, 2023 and 2022:

Derivatives in Fair Value Hedging Relationships	Amount of (Loss) Gain Recognized in AOCL on Derivatives		Location of Gain Reclassified from AOCL into Income on Derivatives (Amount Excluded from Effectiveness Testing)	Amount of Gain Reclassified from AOCL into Income on Derivatives (Amount Excluded from Effectiveness Testing)	
	Six Months Ended December 31,			Six Months Ended December 31,	
	2023	2022		2023	2022
Cross-currency swaps	\$ (409)	\$ 122	Interest and other financing expense, net / Other expense (income), net	\$ 247	\$ 246

The following table presents the pretax effect of the Company's derivative financial instruments electing fair value hedge accounting on the Consolidated Statements of Operations for the three months ended December 31, 2023 and 2022:

	Location and Amount of Loss Recognized in the Consolidated Statement of Operations on Fair Value Hedging Relationships	
	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022
	Interest and other financing expense, net	Interest and other financing expense, net
<u>The effects of fair value hedging:</u>		
Loss on fair value hedging relationships		
Cross-currency swaps		
Amount of loss reclassified from AOCL into income	\$ (1,028)	\$ (2,107)

The following table presents the pretax effect of the Company's derivative financial instruments electing fair value hedge accounting on the Consolidated Statements of Operations for the six months ended December 31, 2023 and 2022:

	Location and Amount of Loss Recognized in the Consolidated Statement of Operations on Fair Value Hedging Relationships	
	Six Months Ended December 31, 2023	Six Months Ended December 31, 2022
	Interest and other financing expense, net	Interest and other financing expense, net
<u>The effects of fair value hedging:</u>		
Loss on fair value hedging relationships		
Cross-currency swaps		
Amount of loss reclassified from AOCL into income	\$ (75)	\$ (296)

The following table presents the pretax effect of the Company's net investment hedges on AOCL and the Consolidated Statements of Operations for the three months ended December 31, 2023 and 2022:

Derivatives in Net Investment Hedging Relationships	Amount of Loss Recognized in AOCL on Derivatives		Location of Gain Recognized in Income on Derivatives	Amount of Gain Recognized in Income on Derivatives	
	Three Months Ended December 31,			Three Months Ended December 31,	
	2023	2022		2023	2022
Cross-currency swaps	\$ (3,979)	\$ (5,790)	Interest and other financing expense, net	\$ 495	\$ 495

The following table presents the pretax effect of the Company's net investment hedges on AOCL and the Consolidated Statements of Operations for the six months ended December 31, 2023 and 2022:

Derivatives in Net Investment Hedging Relationships	Amount of (Loss) Gain Recognized in AOCL on Derivatives		Location of Gain Recognized in Income on Derivatives	Amount of Gain Recognized in Income on Derivatives	
	Six Months Ended December 31,			Six Months Ended December 31,	
	2023	2022		2023	2022
Cross-currency swaps	\$ (1,663)	\$ 479	Interest and other financing expense, net	\$ 990	\$ 990

Credit-Risk-Related Contingent Features

The Company has agreements with each of its derivative counterparties that contain a cross-default provision upon certain defaults by the Company on any of its indebtedness.

16. TRANSFORMATION PROGRAM

During the first quarter of fiscal year 2024, we initiated a multi-year growth and transformation program (the “Hain Reimagined Program”). The program is intended to optimize the Company’s portfolio, improve underlying profitability and increase its flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth. The savings initiatives are expected to impact the Company’s reportable segments and Corporate and Other.

Implementation of the Hain Reimagined Program is expected to be completed by the end of the 2027 fiscal year and is primarily comprised of: contract termination costs, asset write-downs, employee-related costs and other transformation-related expenses.

For the three months ended December 31, 2023, expenses associated with the Company’s restructuring program in the amount of \$20,666, \$6,869, and \$3,113, respectively, were recorded in Impairment of long-lived assets, Productivity and transformation costs, and Cost of sales, respectively, on the Consolidated Statements of Operations.

For the six months ended December 31, 2023, expenses associated with the Company’s restructuring program in the amount of \$20,666, \$13,272, and \$6,433, respectively, were recorded in Impairment of long-lived assets, Productivity and transformation costs, and Cost of sales, respectively, on the Consolidated Statements of Operations.

The table below sets forth expenses associated with the Company’s restructuring program for the three and six months ended December 31, 2023 by reportable segment and Corporate and Other.

	Three Months Ended December 31, 2023	Six Months Ended December 31, 2023
North America	\$ 25,093	\$ 28,451
Corporate and Other	5,067	10,837
International	488	1,083
	<u>\$ 30,648</u>	<u>\$ 40,371</u>

The Company expects to pay the remaining accrued restructuring costs during the next 12 months. The following table displays the activities and liability balances relating to the restructuring program for the period ended as of December 31, 2023:

	Charges	Amounts Paid	Non-cash settlements/ Adjustments ²	Balance at December 31, 2023
Employee-related costs ¹	\$ 3,357	\$ (723)	\$ —	\$ 2,634
Contract termination costs	4,168	(4,168)	—	—
Asset write-downs ²	22,806	—	(22,806)	—
Other transformation-related expenses ³	10,040	(8,147)	—	1,893
	<u>\$ 40,371</u>	<u>\$ (13,038)</u>	<u>\$ (22,806)</u>	<u>\$ 4,527</u>

¹Employee-related costs include \$1,130 severance related to executive officer succession.

²Represents non-cash asset write-downs including asset impairment and accelerated depreciation.

³Other transformation-related expenses primarily include consultancy charges.

17. COMMITMENTS AND CONTINGENCIES

Securities Class Actions Filed in Federal Court

On August 17, 2016, three securities class action complaints were filed in the Eastern District of New York (the “District Court”) against the Company alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934: (1) Flora v. The Hain Celestial Group, Inc., et al.; (2) Lynn v. The Hain Celestial Group, Inc., et al.; and (3) Spadola v. The Hain Celestial Group, Inc., et al. (collectively, the “Securities Complaints”). The Securities Complaints were ultimately consolidated under the caption In re The Hain Celestial Group, Inc. Securities Litigation (the “Consolidated Securities Action”), and Rosewood Funeral Home and Salomon Gimpel were appointed as Co-Lead Plaintiffs. During the summer of 2017, a Corrected Consolidated Amended Complaint was filed, which named as defendants the Company and certain of its former officers (collectively, “Defendants”) and asserted violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 based on allegedly materially false or misleading statements and omissions in public statements, press releases and SEC filings regarding the Company’s business, prospects, financial results and internal controls.

After Defendants’ initial motion to dismiss was granted without prejudice to replead in October 2017, the Co-Lead Plaintiffs filed a Second Amended Consolidated Class Action Complaint on May 6, 2019 (the “Second Amended Complaint”). The Second Amended Complaint again named as defendants the Company and certain of its former officers and asserted violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 based on allegations similar to those in the Correct Consolidated Amended Complaint. Defendants filed a motion to dismiss the Second Amended Complaint on June 20, 2019. On April 6, 2020, the District Court granted Defendants’ motion to dismiss the Second Amended Complaint in its entirety, with prejudice. Co-Lead Plaintiffs appealed the District Court’s decision dismissing the Second Amended Complaint to the United States Court of Appeals for the Second Circuit (the “Second Circuit”). By decision dated December 17, 2021, the Second Circuit vacated the District Court’s judgment and remanded the case for further proceedings. The parties ultimately submitted supplemental briefing between May 12, 2022 and June 23, 2022, and in June 2022, the District Court referred Defendants’ Motion to Dismiss the Second Amended Complaint to a United States Magistrate Judge (the “Magistrate Judge”) for a Report and Recommendation. On November 4, 2022, the Magistrate Judge issued a Report and Recommendation recommending that the District Court grant Defendants’ Motion to Dismiss the Second Amended Complaint with prejudice. On September 29, 2023, the District Court granted Defendants’ Motion to Dismiss the Second Amended Complaint. Co-Lead Plaintiffs filed notice of appeal on October 26, 2023, appealing the District Court’s decision dismissing the Second Amended Complaint to the Second Circuit. Co-Lead Plaintiffs’ opening brief is due February 12, 2024.

Additional Stockholder Class Action and Derivative Complaints Filed in Federal Court

The former Board of Directors and certain former officers of the Company are defendants in a consolidated action originally filed in 2017 in the Eastern District of New York under the captions Silva v. Simon, et al., Barnes v. Simon, et al., Merenstein v. Heyer, et al., and Oliver v. Berke, et al. Plaintiffs in the consolidated action, In re The Hain Celestial Group, Inc. Stockholder Class and Derivative Litigation (the “Consolidated Stockholder Class and Derivative Action”), allege the violation of securities law, breach of fiduciary duty, waste of corporate assets and unjust enrichment. The plaintiffs alleged in their Amended Complaint that the Company’s former directors and certain former officers made materially false and misleading statements in press releases and SEC filings regarding the Company’s business, prospects and financial results and that the Company violated

its by-laws and Delaware law by failing to hold its 2016 Annual Stockholders Meeting and includes claims for breach of fiduciary duty, unjust enrichment and corporate waste.

On December 20, 2017, the parties agreed to stay Defendants' time to answer, move, or otherwise respond to the consolidated amended complaint through and including 30 days after a decision was rendered on the motion to dismiss the Amended Complaint in the Consolidated Securities Action, described above. After the District Court granted Defendants' motion to dismiss the Consolidated Securities Action, the Co-Lead Plaintiffs in that action filed a Second Amended Complaint on May 6, 2019. The parties to the Consolidated Stockholder Class and Derivative Action thereby agreed to continue the stay of Defendants' time to answer, move, or otherwise respond to the consolidated amended complaint through 30 days after a decision on Defendants' motion to dismiss the Second Amended Complaint in the Consolidated Securities Action.

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

On July 24, 2020, Plaintiffs made a stockholder litigation demand on the current Board containing overlapping factual allegations to those set forth in the Consolidated Stockholder Class and Derivative Action. On November 3, 2020, Plaintiffs were informed that the Board of Directors had finished investigating and resolved, among other things, that the demand should be rejected. In light of the Second Circuit vacating the District Court's judgment in the Consolidated Securities Action referenced above and remanding the case for further proceedings, the Parties submitted a joint status report on December 29, 2021 requesting that the District Court continue the temporary stay pending the District Court's reconsideration of the Defendants' motion to dismiss the Second Amended Complaint in the Consolidated Securities Action. The parties have agreed to extend the stay through the earlier of November 8, 2024 or 30 days after the Second Circuit issues a decision on Plaintiffs' appeal.

Baby Food Litigation

Since February 2021, the Company has been named in numerous consumer class actions alleging that the Company's Earth's Best[®] baby food products (the "Products") contain unsafe and undisclosed levels of various naturally occurring heavy metals, namely lead, arsenic, cadmium and mercury. Those actions have now been transferred and consolidated as a single lawsuit in the U.S. District Court for the Eastern District of New York captioned *In re Hain Celestial Heavy Metals Baby Food Litigation*, Case No. 2:21-cv-678 (the "Consolidated Proceeding"), which generally alleges that the Company violated various state consumer protection laws and asserts other state and common law warranty and unjust enrichment claims related to the alleged failure to disclose the presence of these metals, arguing that consumers would have either not purchased the Products or would have paid less for them had the Company made adequate disclosures. The Company filed a motion to dismiss the Consolidated Class Action Complaint on November 7, 2022, which was opposed by the plaintiffs. On May 9, 2023, upon consent of the parties, the Court stayed this action pending the Second Circuit's decision on appeal in *In re Beech-Nut Nutrition Co. Baby Food Litigation*, 21 Civ. 133 (N.D.N.Y.) (the "Beech-Nut Case"). Accordingly, the Court denied the Company's motion to dismiss without prejudice to renew. By summary order dated January 18, 2024, the Second Circuit vacated the judgment dismissing the Beech-Nut Case and remanded for further proceedings. The District Court in the Consolidated Proceeding has now ordered the Company to serve its motion to dismiss by February 15, 2024. One consumer class action is pending in New York Supreme Court, Nassau County, which the court has stayed in deference to the Consolidated Proceeding. The Company denies the allegations in these lawsuits and contends that its baby foods are safe and properly labeled.

The claims raised in these lawsuits were brought in the wake of a highly publicized report issued by the U.S. House of Representatives Subcommittee on Economic and Consumer Policy on Oversight and Reform, dated February 4, 2021 (the "House Report"), addressing the presence of heavy metals in baby foods made by certain manufacturers, including the Company. Since the publishing of the House Report, the Company has also received information requests with respect to the advertising and quality of its baby foods from certain governmental authorities, as such authorities investigate the claims made in the House Report. The Company is fully cooperating with these requests and is providing documents and other requested information.

The Company has been named in one civil government enforcement action, *State of New Mexico ex rel. Balderas v. Nurture, Inc., et al.*, which was filed by the New Mexico Attorney General against the Company and several other manufacturers based on the alleged presence of heavy metals in their baby food products. The Company and several other manufacturers moved to dismiss the New Mexico Attorney General's lawsuit, which motion the Court denied. The Company filed its answer to the New

Mexico Attorney General's amended complaint on April 23, 2022. The Company denies the New Mexico Attorney General's allegations and maintains that its baby foods are safe, properly labeled, and compliant with New Mexico law.

In addition to the consumer class actions discussed above, the Company is currently named in several lawsuits in state and federal courts alleging some form of personal injury from the ingestion of the Company's Products, purportedly due to unsafe and undisclosed levels of various naturally occurring heavy metals. These lawsuits generally allege injuries related to neurological development disorders such as autism and attention deficit hyperactivity disorder.

- In the matter *Palmquist v. The Hain Celestial Group, Inc.*, a jury trial commenced on February 6, 2023 in the United States District Court for the Southern District of Texas. The Company moved for Directed Verdict at the close of Plaintiffs' case. The Court granted the Company's motion, finding no liability for the Company. The Court entered Final Judgment in the Company's favor on March 3, 2023. On April 3, 2023, Plaintiffs filed their Notice of Appeal in the Fifth Circuit. Plaintiffs' appeal is fully briefed and oral argument took place before the Fifth Circuit on February 6, 2024.
- In *NC v. The Hain Celestial Group, et al.*, in the Superior Court for the State of California, County of Los Angeles, judgment was entered on October 26, 2023 in favor of the defendants as a result of successful defense pretrial motions, including the Company's motion for summary judgment. The time for appeal has passed.
- In *Watkins v. Plum, PBC, et al.*, currently pending in the United States District Court for the Eastern District of Louisiana, the Court has set the case for trial beginning no earlier than October 7, 2024. The parties are currently engaging in discovery.
- On January 9, 2023, Plaintiffs in *P.A. v. Hain Celestial Group, Inc., et al.* filed their First Amended Complaint in the Circuit Court of the First Circuit, State of Hawai'i. On March 8, 2023, the Company filed its Answer to Plaintiff's First Amended Complaint. Defendants removed the case to the United States District Court for the District of Hawaii on January 5, 2024. The Court has set the case for trial beginning on October 21, 2025.
- On February 3, 2023, Plaintiff in *Pourdanesh v. Hain Celestial Group, Inc. et al.* filed his Complaint in the Superior Court for the State of California, County of Los Angeles. Plaintiff filed an Amended Complaint on June 16, 2023. Defendants filed a Demurrer to the Amended Complaint on July 17, 2023, which was denied on October 5, 2023. The parties have begun to engage in discovery.
- On July 25, 2023, Plaintiffs in *DMP v. Beech-Nut Nutrition Company, Inc. et al.*, currently pending in the United States District Court for the District of Nevada, filed a Motion for Leave to Amend the Complaint. On October 24, 2023, the Court granted Plaintiffs' Motion and Hain was added as a defendant to the case.

Beginning in late November, an additional eleven cases have been filed in federal courts and in California state court including:

- *Paul L. v. Hain Celestial Group, Inc. et al.* (filed October 10, 2023); *Landon R. v. Hain Celestial Group, Inc. et al.* (filed October 11, 2023); *Josue G. v. Hain Celestial Group, Inc. et al.* (filed November 28, 2023); *Princeton N.C. v. Hain Celestial Group, Inc. et al.* (filed November 28, 2023); and *Kaleb R. v. Hain Celestial Group, Inc. et al.* (filed December 13, 2023), each pending in the Superior Court for the State of California, County of Los Angeles against Hain and several other baby food manufacturers alleging bodily injury as to one child in each action. These cases are in their earliest stages and a joint status conference was held on February 6, 2024.
- *M.H. v. Hain Celestial Group, Inc. et al.* (filed November 22, 2023) and *D.S. v. Hain Celestial Group, Inc. et al.* (filed December 4, 2023), each pending in the United States District Court for the Central District of California against Hain and several other baby food manufacturers alleging bodily injury as to one child in each action.
- *Samuel R. v. Hain Celestial Group, Inc. et al.* (filed November 28, 2023) in the Superior Court for the State of California, County of Alameda; *Clark v. Hain Celestial Group, Inc. et al.* (filed December 13, 2023) in the United States District Court for the District of Arizona; and *Mosley v. Hain Celestial Group, Inc. et al.* (filed December 21, 2023) in the United States District Court for the Western District of Washington are pending against Hain and several other baby food manufacturers alleging bodily injury as to one child in each action.
- *A.A. and M.A. v. Hain Celestial Group, Inc. et al.* (filed November 22, 2023), in the United States District Court for the Northern District of California, is pending against Hain and several other baby food manufacturers alleging bodily injury as to two children.

On January 4, 2024, Plaintiffs filed a Motion to Transfer Actions Pursuant to 28 U.S.C. § 1407 for Coordinated or Consolidated Pretrial Proceedings in respect of each of the above referenced eleven matters. Defendants' response is currently due on February 13, 2024.

The Company denies that its Products led to any of the alleged injuries and will defend these cases vigorously. That said, as is common in circumstances of this nature, additional lawsuits may be filed against the Company in the future, asserting similar or different legal theories and seeking similar or different types of damages and relief. Such lawsuits may be resolved in a manner adverse to us, and we may incur substantial costs or damages not covered by insurance, which could have a material adverse effect on our financial condition and business.

SEC Investigation

In November 2023, the staff of the SEC informed the Company it was conducting an investigation relating to Hain Celestial and requested documents primarily concerning (i) the Company's acquisition of one business and disposition of another business and certain related accounting matters and (ii) trading activity and other matters related to the Company's earnings guidance in certain previous fiscal years. The Company is cooperating with the SEC in this investigation.

Other

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

With respect to all litigation and related matters, the Company records a liability when the Company believes it is probable that a liability has been incurred and the amount can be reasonably estimated. As of the end of the period covered by this report, the Company has not recorded a liability for any of the matters disclosed in this note. It is possible that some matters could require the Company to pay damages, incur other costs or establish accruals in amounts that could not be reasonably estimated as of the end of the period covered by this report.

18. SEGMENT INFORMATION

The Company's organizational structure consists of two geographic based reportable segments: North America and International, which are also the operating segments. This structure is in line with how the Company's Chief Operating Decision Maker ("CODM") assesses the Company's performance and allocates resources. The Company uses segment net sales and segment Adjusted EBITDA in order to analyze segment results and trends.

Segment Adjusted EBITDA excludes: net interest expense, (benefit) provision for income taxes, depreciation and amortization, equity in net loss of equity-method investees, stock-based compensation, net, unrealized currency (gains) losses, certain litigation and related costs, plant closure related costs-net, productivity and transformation costs, warehouse and manufacturing consolidation and other costs, costs associated with acquisitions, divestitures and other transactions, (gain) loss on sale of assets, certain inventory write-downs related to exited categories, long-lived asset impairments and other adjustments. In addition, Segment Adjusted EBITDA does not include Corporate and Other expenses related to the Company's centralized administrative functions, which do not specifically relate to a reportable segment. Such Corporate and Other expenses are comprised mainly of compensation and related expenses of certain of the Company's senior executive officers and other employees who perform duties related to the entire enterprise, litigation expense and expenses for certain professional fees, facilities, and other items which benefit the Company as a whole.

The following tables set forth financial information about each of the Company's reportable segments. Information about total assets by segment is not disclosed because such information is not reported to or used by the Company's CODM for purposes of assessing segment performance or allocating resources. Transactions between reportable segments were insignificant for all periods presented.

	Three Months Ended December 31,		Six Months Ended December 31,	
	2023	2022	2023	2022
Net Sales:				
North America	\$ 267,671	\$ 282,361	\$ 527,725	\$ 570,757
International	186,429	171,847	351,404	322,802
	<u>\$ 454,100</u>	<u>\$ 454,208</u>	<u>\$ 879,129</u>	<u>\$ 893,559</u>
Adjusted EBITDA:				
North America	\$ 31,218	\$ 38,510	\$ 49,945	\$ 69,291
International	25,969	19,242	43,407	34,189
Total Reportable Segments Adjusted EBITDA	57,187	57,752	93,352	103,480
Corporate and Other	(10,061)	(7,935)	(22,136)	(17,634)
	47,126	49,817	71,216	85,846
Depreciation and amortization	(11,197)	(12,155)	(23,502)	(24,125)
Equity in net loss of equity-method investees	(907)	(316)	(1,405)	(698)
Interest expense, net	(15,333)	(10,379)	(27,956)	(17,658)
Benefit (provision) for income taxes	4,249	(6,357)	9,628	(8,988)
Stock-based compensation, net	(3,376)	(3,435)	(7,118)	(7,429)
Unrealized currency gains (losses)	194	(2,160)	159	(449)
Certain litigation expenses, net ^(a)	(2,091)	(2,482)	(3,615)	(4,945)
Restructuring activities				
Productivity and transformation costs	(6,869)	(986)	(13,272)	(1,759)
Plant closure related costs, net	(2,302)	(53)	(4,143)	(51)
Warehouse/manufacturing consolidation and other costs, net	(811)	1,972	(811)	1,972
CEO succession	—	(5,113)	—	(5,113)
Acquisitions, divestitures and other				
Transaction and integration costs, net	(109)	(402)	(227)	(1,769)
Gain (loss) on sale of assets	—	3,355	(62)	3,395
Impairment charges				
Long-lived asset impairment	(20,666)	(340)	(21,360)	(340)
Inventory write-downs related to exited categories	(1,443)	—	(1,443)	—
Net (loss) income	<u>\$ (13,535)</u>	<u>\$ 10,966</u>	<u>\$ (23,911)</u>	<u>\$ 17,889</u>

^(a) Expenses and items relating to securities class action and baby food litigation.

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

	Three Months Ended December 31,		Six Months Ended December 31,	
	2023	2022	2023	2022
United States	\$ 239,324	\$ 255,056	\$ 469,983	\$ 514,564
United Kingdom	138,628	123,578	259,679	232,738
Europe	47,801	48,268	91,725	90,063
Canada	28,347	27,306	57,742	56,194
	<u>\$ 454,100</u>	<u>\$ 454,208</u>	<u>\$ 879,129</u>	<u>\$ 893,559</u>

There has been no material change to Company's total assets by segment from the amount disclosed in the Form 10-K for the fiscal year ended June 30, 2023.

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

This Management’s Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Consolidated Financial Statements and the related Notes thereto for the period ended December 31, 2023 contained in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the fiscal year ended June 30, 2023. Forward-looking statements in this Form 10-Q are qualified by the cautionary statement included in this Form 10-Q under the sub-heading “Forward-Looking Statements” in the introduction of this Form 10-Q.

Overview

The Hain Celestial Group, Inc., a Delaware corporation (collectively, along with its subsidiaries, the “Company,” and herein referred to as “Hain Celestial,” “we,” “us” and “our”), was founded in 1993. The Company is a leading manufacturer, marketer, and seller of better-for-you brands that inspire healthier living. The Company is committed to growing sustainably while continuing to implement environmentally sound business practices and manufacturing processes. Hain Celestial sells its products through specialty and natural food distributors, supermarkets, natural food stores, mass-market and e-commerce retailers, food service channels and club, drug and convenience stores worldwide.

The Company’s food and beverage brands include Celestial Seasonings[®], Clarks[™], Cully & Sully[®], Earth’s Best[®], Ella’s Kitchen[®], Frank Cooper’s[®], Garden of Eatin’[®], Garden Veggie[™], Hartley’s[®], Health Valley[®], Imagine[®], Joya[®], Lima[®], Linda McCartney’s[®] (under license), MaraNatha[®], Natumi[®], New Covent Garden Soup Co.[®], ParmCrisps[®], Robertson’s[®], Rose’s[®] (under license), Sensible Portions[®], Spectrum[®], Sun-Pat[®], Terra[®], The Greek Gods[®], Thinsters[®], Yorkshire Provender[®] and Yves Veggie Cuisine[®]. The Company’s personal care brands include Alba Botanica[®], Avalon Organics[®], JASON[®], Live Clean[®] and Queen Helene[®].

Hain Reimagined Program

During the first quarter of fiscal year 2024, we initiated a multi-year growth and transformation program (the “Hain Reimagined Program”) to drive shareholder returns. The savings initiatives are expected to impact our reportable segments and Corporate and Other. The program is intended to optimize our portfolio, improve underlying profitability and increase our flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth. Hain Reimagined is grounded on four strategic pillars:

- Focus
 - Concentrate our portfolio in five consumer-centric Better-For-You (“BFY”) platforms: Snacks, Baby & Kids, Beverages, Meal Preparation, and Personal Care.
 - Simplify our footprint, maintaining direct presence in five key markets – United States, Canada, UK, Ireland, and Europe – and align our global operating model and footprint, leveraging scale and realizing synergies across the business.
- Grow
 - Deliver share gain in key platforms where we have the most compelling right to win, through expanded channel reach and acceleration in its innovation pipeline.
- Build
 - Enhance critical capabilities in brand building and effectiveness of marketing spend; expand reach across under-penetrated margin-accretive channels such as away-from-home and omni-channel e-commerce; and enhance our innovation capability to be more leading edge in BFY.
- Fuel
 - Drive revenue growth management, working capital management and operational efficiency to fund growth and enhance margins.

Cumulative pretax charges are expected to be \$115 million - \$125 million inclusive of potential inventory reductions of approximately \$25 million related to brand/category exits. The balance of cumulative pretax restructuring charges is expected to be \$90 million - \$100 million comprised of contract termination costs, asset write-downs, employee-related costs and other transformation-related expenses. For the three and six months ended December 31, 2023, we incurred approximately \$31 million and \$40 million, respectively, of expenses associated with the Company’s restructuring program. Annualized pretax savings are expected to be \$130 million - \$150 million.

Global Economic Environment

The duration and intensity of inflation fluctuations, the possibility of an impending recession, alterations in consumer shopping and consumption patterns, and shifts in geopolitical events, such as the ongoing Russia-Ukraine conflict and the recent Gaza Strip conflict, may lead to increased supply chain expenses, higher inflation, and other business impacts. We continually assess the nature and extent of these potential and evolving impacts on our business, consolidated operational results, liquidity, and capital resources.

Comparison of Three Months Ended December 31, 2023 to Three Months Ended December 31, 2022

Consolidated Results

The following table compares our results of operations, including as a percentage of net sales, on a consolidated basis, for the three months ended December 31, 2023 and 2022 (amounts in thousands, other than per share data and percentages, which may not add due to rounding):

	Three Months Ended				Change in	
	December 31, 2023		December 31, 2022		Dollars	Percentage
Net sales	\$ 454,100	100.0%	\$ 454,208	100.0%	\$ (108)	—%
Cost of sales	351,885	77.5%	350,351	77.1%	1,534	0.4%
Gross profit	102,215	22.5%	103,857	22.9%	(1,642)	(1.6)%
Selling, general and administrative expenses	73,952	16.3%	72,357	15.9%	1,595	2.2%
Long-lived asset impairment	20,666	4.6%	340	0.1%	20,326	**
Productivity and transformation costs	6,869	1.5%	986	0.2%	5,883	596.7%
Amortization of acquired intangible assets	1,509	0.3%	2,785	0.6%	(1,276)	(45.8)%
Operating (loss) income	(781)	(0.2)%	27,389	6.0%	(28,170)	(102.9)%
Interest and other financing expense, net	16,138	3.6%	10,812	2.4%	5,326	49.3%
Other income, net	(42)	—%	(1,062)	(0.2)%	1,020	(96.0)%
(Loss) income before income taxes and equity in net loss of equity-method investees	(16,877)	(3.7)%	17,639	3.9%	(34,516)	*
(Benefit) provision for income taxes	(4,249)	(0.9)%	6,357	1.4%	(10,606)	*
Equity in net loss of equity-method investees	907	0.2%	316	0.1%	591	187.0%
Net (loss) income	\$ (13,535)	(3.0)%	\$ 10,966	2.4%	\$ (24,501)	*
Adjusted EBITDA	\$ 47,126	10.4%	\$ 49,817	11.0%	\$ (2,691)	(5.4)%
Diluted net (loss) income per common share	\$ (0.15)		\$ 0.12		\$ (0.27)	*

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

** Percentage is not meaningful due to significantly lower number in the comparative period.

Net Sales

Net sales for the three months ended December 31, 2023 were \$454.1 million, a decrease of \$0.1 million, or flat, as compared to \$454.2 million for the three months ended December 31, 2022. Net sales, adjusted for the impact of divestitures and discontinued brands, increased approximately \$1.0 million, or 0.2%, from the prior year quarter due to growth in the International reportable segment, mostly offset by a decline in the North America reportable segment. The effect of fluctuations in foreign currency exchange rates increased net sales by \$10.0 million. Further details of changes in net sales by segment are provided below in the *Segment Results* section.

Gross Profit

Gross profit for the three months ended December 31, 2023 was \$102.2 million, a decrease of \$1.6 million, or 1.6%, as compared to the prior year quarter. Additionally, gross profit margin of 22.5% was slightly lower when compared with 22.9% in the prior year quarter. The decrease in gross profit was driven primarily by the North America reportable segment, mainly due to lower sales volume, as well as by inflation and recognition of charges in the three months ended December 31, 2023 associated with the consolidation of facilities, partially offset by improvements in pricing and productivity. The International reportable segment had an increase in gross profit mainly driven by higher net sales due to pricing.

Selling, General and Administrative Expenses

Selling, general and administrative expenses were \$74.0 million for the three months ended December 31, 2023, an increase of \$1.6 million, or 2.2%, from \$72.4 million for the prior year quarter. The increase was primarily due to higher marketing expenses and an increase in employee compensation-related expenses.

Long-lived asset impairment

During the three months ended December 31, 2023, the Company recognized a non-cash impairment charge of \$20.7 million due to a decline in actual and projected performance and cash flows related to an asset group primarily comprised of certain production assets in the North America reportable segment. See Note 6, *Property, Plant and Equipment, Net*, and Note 14, *Fair Value Measurements*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Productivity and Transformation Costs

Productivity and transformation costs were \$6.9 million for the three months ended December 31, 2023, an increase of \$5.9 million from \$1.0 million in the prior year quarter. The increase was primarily due to the recognition of restructuring costs incurred in connection with the Hain Reimagined Program.

Amortization of Acquired Intangible Assets

Amortization of acquired intangibles was \$1.5 million for the three months ended December 31, 2023, a decrease of \$1.3 million from \$2.8 million in the prior year quarter, primarily reflecting reduced amortization expenses due to impairment of the ParmCrisps customer relationships recognized in the third quarter of fiscal 2023. See Note 8, *Goodwill and Other Intangible Assets*, in the Notes to the Consolidated Financial Statements included in Item 8 of the Form 10-K.

Operating (Loss) Income

Operating loss for the three months ended December 31, 2023 was \$0.8 million compared to operating income of \$27.4 million in the prior year quarter as a result of the items described above.

Interest and Other Financing Expense, Net

Interest and other financing expense, net totaled \$16.1 million for the three months ended December 31, 2023, an increase of \$5.3 million, or 49.3%, from \$10.8 million in the prior year quarter. The increase resulted primarily from higher borrowing rates, partially offset by a lower outstanding debt balance compared to the prior year quarter. See Note 9, *Debt and Borrowings*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Other Income, Net

Other income, net was not significant for the three months ended December 31, 2023, compared to income of \$1.1 million in the prior year quarter. The decrease in other income, net was primarily attributable to lower unrealized foreign currency gains.

(Loss) Income Before Income Taxes and Equity in Net Loss of Equity-Method Investees

Loss before income taxes and equity in net loss of our equity-method investees for the three months ended December 31, 2023 was \$16.9 million compared to income of \$17.6 million in the prior year quarter. The change was due to the items discussed above.

(Benefit) Provision for Income Taxes

The (benefit) provision for income taxes includes federal, foreign, state and local income taxes. Our income tax benefit was \$4.2 million for the three months ended December 31, 2023 compared to income tax expense of \$6.4 million in the prior year quarter.

The effective income tax rate was a benefit of 25.2% and an expense of 36.0% for the three months ended December 31, 2023 and 2022, respectively. The effective income tax rate for the three months ended December 31, 2023 was impacted by tax expense related to stock-based compensation, global intangible low-taxed income (“GILTI”), and limitations on the deductibility of executive compensation. The effective income tax rate for the three months ended December 31, 2022 was impacted by the gain on the sale of Westbrae Natural® brand (“Westbrae”), an operating lease modification during the second quarter, severance with respect to our former CEO (as part of the limitation on the deductibility of executive compensation), stock-based compensation and uncertain tax positions. The effective income tax rates in each period were also impacted by the geographical mix of earnings and state income taxes.

Equity in Net Loss of Equity-Method Investees

Our equity in net loss from our equity-method investments for the three months ended December 31, 2023 was \$0.9 million and \$0.3 million in the prior year quarter. See Note 13, *Investments*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Net (Loss) Income

Net loss for the three months ended December 31, 2023 was \$13.5 million, or \$0.15 per diluted share, compared to net income of \$11.0 million, or \$0.12 per diluted share, in the prior year quarter. The change was attributable to the factors noted above.

Adjusted EBITDA

Our Adjusted EBITDA was \$47.1 million and \$49.8 million for the three months ended December 31, 2023 and 2022, respectively, as a result of the factors discussed above and the adjustments described in the *Reconciliation of Non-U.S. GAAP Financial Measures to U.S. GAAP Measures* presented following the discussion of our results of operations.

Segment Results

Our organizational structure consists of two geographic based reportable segments: North America and International, which are also the operating segments. This structure is in line with how the Company's Chief Operating Decision Maker ("CODM") assesses the Company's performance and allocates resources. The Company uses segment net sales and segment Adjusted EBITDA in order to analyze segment results and trends.

Segment Adjusted EBITDA excludes: net interest expense, (benefit) provision for income taxes, depreciation and amortization, equity in net loss of equity-method investees, stock-based compensation, net, unrealized currency (gains) losses, certain litigation and related costs, plant closure related costs-net, productivity and transformation costs, warehouse and manufacturing consolidation and other costs, costs associated with acquisitions, divestitures and other transactions, (gain) loss on sale of assets, certain inventory write-downs related to exited categories, long-lived asset impairments and other adjustments. In addition, Segment Adjusted EBITDA does not include Corporate and Other expenses related to the Company's centralized administrative functions, which do not specifically relate to a reportable segment. Such Corporate and Other expenses are comprised mainly of compensation and related expenses of certain of the Company's senior executive officers and other employees who perform duties related to our entire enterprise, litigation expense and expenses for certain professional fees, facilities, and other items which benefit the Company as a whole. We do not allocate amounts below operating (loss) income to our reportable segments.

The following table provides a summary of net sales and Adjusted EBITDA by reportable segment for the three months ended December 31, 2023 and 2022:

<i>(dollars in thousands)</i>	North America	International	Corporate and Other	Consolidated
Net sales				
Three months ended 12/31/23	\$ 267,671	\$ 186,429	\$ —	\$ 454,100
Three months ended 12/31/22	282,361	171,847	—	454,208
\$ change	\$ (14,690)	\$ 14,582	n/a	\$ (108)
% change	(5.2)%	8.5 %	n/a	— %
Adjusted EBITDA				
Three months ended 12/31/23	\$ 31,218	\$ 25,969	\$ (10,061)	\$ 47,126
Three months ended 12/31/22	38,510	19,242	(7,935)	49,817
\$ change	\$ (7,292)	\$ 6,727	\$ (2,126)	\$ (2,691)
% change	(18.9)%	35.0 %	(26.8)%	(5.4)%
Adjusted EBITDA margin				
Three months ended 12/31/23	11.7 %	13.9 %	n/a	10.4 %
Three months ended 12/31/22	13.6 %	11.2 %	n/a	11.0 %

See the *Reconciliation of Non-U.S. GAAP Financial Measures to U.S. GAAP Measures* following the discussion of our results of operations and Note 18, *Segment Information*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q for a reconciliation of segment Adjusted EBITDA.

North America

Our net sales in the North America reportable segment for the three months ended December 31, 2023 were \$267.7 million, a decrease of \$14.7 million, or 5.2%, from net sales of \$282.4 million in the prior year quarter. The decrease in net sales was primarily due to lower sales in the baby/kids category on account of continued industry-wide challenges in organic formula supply, as well as by a decline in the snacks category as we shifted our promotional strategy and optimized our channel mix for improved trade efficiency and profitability, partially offset by growth in the beverages category.

Adjusted EBITDA for the three months ended December 31, 2023 was \$31.2 million, a decrease of \$7.3 million, or 18.9%, from Adjusted EBITDA of \$38.5 million in the prior year quarter. The decrease was primarily driven by reduced gross profit reflecting lower sales volume and the impact of inflation, partially offset by improvements in productivity. The decline in Adjusted EBITDA also reflected higher selling, general and administrative expenses primarily associated with increased marketing investments. Adjusted EBITDA margin was 11.7%, a 190-basis point decrease from the prior year period.

International

Net sales in the International reportable segment for the three months ended December 31, 2023 were \$186.4 million, an increase of \$14.6 million, or 8.5%, from net sales of \$171.8 million in the prior year quarter. The net sales increase was mainly driven by growth in the meal preparation and beverages categories due to pricing and strong private label performance. The increase also reflected 5.8% of growth from the favorable impact of foreign exchange.

Adjusted EBITDA for the three months ended December 31, 2023 was \$26.0 million, an increase of \$6.7 million, or 35.0%, from Adjusted EBITDA of \$19.2 million in the prior year quarter. The increase was primarily driven by an increase in gross profit reflecting higher net sales due to pricing, partially offset by lower volumes and inflation. Adjusted EBITDA margin was 13.9%, a 270-basis point increase from the prior year period.

Corporate and Other

The increase in Corporate and Other expenses primarily reflected an increase in consulting charges. Refer to Note 18, *Segment Information*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Comparison of Six Months Ended December 31, 2023 to Six Months Ended December 31, 2022
Consolidated Results

The following table compares our results of operations, including as a percentage of net sales, on a consolidated basis, for the six months ended December 31, 2023 and 2022 (amounts in thousands, other than per share data and percentages, which may not add due to rounding):

	Six Months Ended				Change in	
	December 31, 2023		December 31, 2022		Dollars	Percentage
Net sales	\$ 879,129	100.0%	\$ 893,559	100.0%	\$ (14,430)	(1.6)%
Cost of sales	692,971	78.8%	695,367	77.8%	(2,396)	(0.3)%
Gross profit	186,158	21.2%	198,192	22.2%	(12,034)	(6.1)%
Selling, general and administrative expenses	151,121	17.2%	147,308	16.5%	3,813	2.6%
Long-lived asset impairment	21,360	2.4%	340	—%	21,020	**
Productivity and transformation costs	13,272	1.5%	1,759	0.2%	11,513	654.5%
Amortization of acquired intangible assets	3,464	0.4%	5,573	0.6%	(2,109)	(37.8)%
Operating (loss) income	(3,059)	(0.3)%	43,212	4.8%	(46,271)	*
Interest and other financing expense, net	29,382	3.3%	18,489	2.1%	10,893	58.9%
Other income, net	(307)	—%	(2,852)	(0.3)%	2,545	(89.2)%
(Loss) income before income taxes and equity in net loss of equity-method investees	(32,134)	(3.7)%	27,575	3.1%	(59,709)	*
(Benefit) provision for income taxes	(9,628)	(1.1)%	8,988	1.0%	(18,616)	*
Equity in net loss of equity-method investees	1,405	0.2%	698	0.1%	707	101.3%
Net (loss) income	\$ (23,911)	(2.7)%	\$ 17,889	2.0%	\$ (41,800)	*
Adjusted EBITDA	\$ 71,216	8.1%	\$ 85,846	9.6%	\$ (14,630)	(17.0)%
Diluted net (loss) income per common share	\$ (0.27)		\$ 0.20		\$ (0.47)	*

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

** Percentage is not meaningful due to significantly lower number in the comparative period.

Net Sales

Net sales for the six months ended December 31, 2023 were \$879.1 million, a decrease of \$14.4 million, or 1.6%, as compared to \$893.6 million for the six months ended December 31, 2022. Net sales, adjusted for the impact of divestitures and discontinued brands, decreased approximately \$11.5 million, or 1.3%, from the prior comparable period due to a decline in the North America reportable segment, partially offset by growth in the International reportable segment. The effect of fluctuations in foreign currency exchange rates increased net sales by \$20.8 million. Further details of changes in net sales by segment are provided below in the Segment Results section.

Gross Profit

Gross profit for the six months ended December 31, 2023 was \$186.2 million, a decrease of \$12.0 million, or 6.1%, as compared to the prior year comparable period. Gross profit margin was 21.2% of net sales, compared to 22.2% in the prior year comparable period.

The decrease in gross profit was driven primarily by the North America reportable segment, mainly due to lower sales volume as well as by inflation, partially offset by pricing and productivity. The International reportable segment had an increase in gross profit mainly driven by higher net sales due to pricing.

Selling, General and Administrative Expenses

Selling, general and administrative expenses were \$151.1 million for the six months ended December 31, 2023, an increase of \$3.8 million, or 2.6%, from \$147.3 million for the prior year comparable period. The increase was due to higher selling and marketing expenses and higher employee compensation-related expenses.

Long-lived asset impairment

During the six months ended December 31, 2023, the Company recognized aggregate impairment charges of \$21.4 million, an increase of \$21.0 million from \$0.3 million in the prior year comparable period. Results for the six months ended December 31, 2023 included the recognition of a \$20.7 million charge related to a decline in actual and projected performance and cash flows related to an asset group primarily comprised of certain production assets in the North America reportable segment. See Note 6, *Property, Plant and Equipment, Net*, and Note 14, *Fair Value Measurements*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Productivity and Transformation Costs

Productivity and transformation costs were \$13.3 million for the six months ended December 31, 2023, an increase of \$11.5 million from \$1.8 million in the prior year comparable period. The increase was primarily due to the recognition of restructuring costs incurred in connection with the Hain Reimagined Program.

Amortization of Acquired Intangible Assets

Amortization of acquired intangibles was \$3.5 million for the six months ended December 31, 2023, a decrease of \$2.1 million from \$5.6 million in the prior year comparable period, primarily reflecting reduced amortization expenses due to impairment of the ParmCrisps customer relationships recognized in the third quarter of fiscal 2023. See Note 8, *Goodwill and Other Intangible Assets*, in the Notes to the Consolidated Financial Statements included in Item 8 of the Form 10-K.

Operating (Loss) Income

Operating loss for the six months ended December 31, 2023 was \$3.1 million compared to operating income of \$43.2 million in the prior year comparable period as a result of the items described above.

Interest and Other Financing Expense, Net

Interest and other financing expense, net totaled \$29.4 million for the six months ended December 31, 2023, an increase of \$10.9 million, or 58.9%, from \$18.5 million in the prior year comparable period. The increase resulted primarily from higher borrowing rates, partially offset by a lower outstanding debt balance compared to the prior year comparable period. See Note 9, *Debt and Borrowings*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Other Income, Net

Other income, net totaled \$0.3 million for the six months ended December 31, 2023, compared to \$2.9 million in the prior year comparable period. The decrease in other income, net was primarily attributable to lower unrealized foreign currency gains.

(Loss) Income Before Income Taxes and Equity in Net Loss of Equity-Method Investees

Loss before income taxes and equity in net loss of our equity-method investees for the six months ended December 31, 2023 was \$32.1 million compared to income of \$27.6 million in the prior year comparable period. The decrease was due to the items discussed above.

(Benefit) Provision for Income Taxes

The (benefit) provision for income taxes includes federal, foreign, state and local income taxes. Our income tax benefit was \$9.6 million for the six months ended December 31, 2023 compared to income tax expense of \$9.0 million in the prior year comparable period.

The effective income tax rate was a benefit of 30.0% and an expense of 32.6% for the six months ended December 31, 2023 and 2022, respectively. The effective income tax rate for the six months ended December 31, 2023 was impacted by tax expense related to stock-based compensation, GILTI, and limitations on the deductibility of executive compensation. The effective income tax rate for the six months ended December 31, 2022 was impacted by the gain on sale of Westbrae, an operating lease modification during the second quarter, severance with respect to our former CEO (as part of the limitation on the deductibility of executive compensation), stock-based compensation and uncertain tax positions. The effective income tax rates in each period were also impacted by the geographical mix of earnings and state income taxes.

Equity in Net Loss of Equity-Method Investees

Our equity in net loss from our equity-method investments for the six months ended December 31, 2023 was \$1.4 million compared to \$0.7 million in the prior year comparable period. See Note 13, *Investments*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Net (Loss) Income

Net loss for the six months ended December 31, 2023 was \$23.9 million, or \$0.27 per diluted share, compared to income of \$17.9 million, or \$0.20 per diluted share, in the prior year comparable period. The change was attributable to the factors noted above.

Adjusted EBITDA

Our Adjusted EBITDA was \$71.2 million and \$85.8 million for the six months ended December 31, 2023 and 2022, respectively, as a result of the factors discussed above, and the adjustments described in the *Reconciliation of Non-U.S. GAAP Financial Measures to U.S. GAAP Measures* presented following the discussion of our results of operations.

Segment Results

The following table provides a summary of net sales and Adjusted EBITDA by reportable segment for the six months ended December 31, 2023 and 2022:

<i>(dollars in thousands)</i>	North America	International	Corporate and Other	Consolidated
Net sales				
Six months ended 12/31/23	\$ 527,725	\$ 351,404	\$ —	\$ 879,129
Six months ended 12/31/22	570,757	322,802	—	893,559
\$ change	\$ (43,032)	\$ 28,602	n/a	\$ (14,430)
% change	(7.5)%	8.9 %	n/a	(1.6)%
Adjusted EBITDA				
Six months ended 12/31/23	\$ 49,945	\$ 43,407	\$ (22,136)	\$ 71,216
Six months ended 12/31/22	69,291	34,189	(17,634)	85,846
\$ change	\$ (19,346)	\$ 9,218	\$ (4,502)	\$ (14,630)
% change	(27.9)%	27.0 %	(25.5)%	(17.0)%
Adjusted EBITDA margin				
Six months ended 12/31/23	9.5 %	12.4 %	n/a	8.1 %
Six months ended 12/31/22	12.1 %	10.6 %	n/a	9.6 %

See the *Reconciliation of Non-U.S. GAAP Financial Measures to U.S. GAAP Measures* following the discussion of our results of operations and Note 18, *Segment Information*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q for a reconciliation of segment Adjusted EBITDA.

North America

Our net sales in the North America reportable segment for the six months ended December 31, 2023 were \$527.7 million, a decrease of \$43.0 million, or 7.5%, from net sales of \$570.8 million in the prior year comparable period. The decrease in net sales was primarily due to lower sales in the baby/kids category on account of continued industry-wide challenges in organic formula supply, a decline in the snacks category associated with more focused promotional activities and an optimized channel strategy as well as lower sales in the meal preparation and personal care categories.

Adjusted EBITDA for the six months ended December 31, 2023 was \$49.9 million, a decrease of \$19.3 million, or 27.9%, from Adjusted EBITDA of \$69.3 million in the prior year comparable period. The decrease was primarily driven by reduced gross profit reflecting the reduction in net sales discussed above, inflation and an increase in certain inventory obsolescence reserves, partially offset by improvements in productivity. The decline in Adjusted EBITDA also reflected higher selling, general and administrative expenses primarily associated with increased marketing investments. Adjusted EBITDA margin was 9.5%, a 260-basis point decrease from the prior year period.

International

Net sales in the International reportable segment for the six months ended December 31, 2023 were \$351.4 million, an increase of \$28.6 million, or 8.9%, from net sales of \$322.8 million in the prior year comparable period. The increase reflected 6.7% of growth from the favorable impact of foreign currency exchange rates. The remainder of the net sales increase was mainly driven by growth in the meal preparation and beverages categories due to pricing and strong private label performance.

Adjusted EBITDA for the six months ended December 31, 2023 was \$43.4 million, an increase of \$9.2 million, or 27.0%, from Adjusted EBITDA of \$34.2 million in the prior year comparable period. The increase was primarily driven by an increase in gross profit reflecting higher net sales due to pricing, partially offset by inflation and an increase in selling, general and administrative expenses primarily due to increase in employee compensation-related expenses. Adjusted EBITDA margin was 12.4%, a 180-basis point increase from the prior year period.

Corporate and Other

The increase in Corporate and Other expenses primarily reflected an increase in consulting charges. Refer to Note 18, *Segment Information*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Liquidity and Capital Resources

We finance our operations and growth primarily with the cash flows we generate from our operations and from borrowings available to us under our Credit Agreement (as defined below). We believe that our cash flows from operations and borrowing capacity under our Credit Agreement will be adequate to meet anticipated operating and other expenditures for the foreseeable future. See Note 9, *Debt and Borrowings*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

In addition to obligations under the Credit Agreement, we are party to other contractual obligations involving commitments to make payments to third parties, including purchase commitments and lease obligations, which impact our short-term and long-term liquidity and capital resource needs. See Note 7, *Leases*.

Amended and Restated Credit Agreement

On August 22, 2023, the Company entered into a Second Amendment (the “Second Amendment”) to the Credit Agreement (as amended by a First Amendment dated December 16, 2022, the “Credit Agreement”). The Credit Agreement provides for senior secured financing of \$1,100 million in the aggregate, consisting of (1) \$300 million in aggregate principal amount of term loans (the “Term Loans”) and (2) an \$800 million senior secured revolving credit facility (which includes borrowing capacity available for letters of credit, and is comprised of a \$440 million U.S. revolving credit facility and \$360 million global revolving credit facility) (the “Revolver”). Both the Revolver and the Term Loans mature on December 22, 2026.

During the Second Amendment Period, loans under the Credit Agreement will bear interest at (a) Term SOFR plus 2.5% per annum or (b) the Base Rate plus 1.5% per annum. Following the Second Amendment Period, Loans will bear interest at rates based on (a) Term SOFR plus a rate ranging from 1.125% to 2.0% per annum or (b) the Base Rate plus a rate ranging from 0.125% to 1.0% per annum, the relevant rate in each case being the Applicable Rate. The Applicable Rate following the Second Amendment Period will be determined in accordance with a leverage-based pricing grid, as set forth in the Credit Agreement as amended by the Second Amendment. The weighted average interest rate on outstanding borrowings under the Credit Agreement at December 31, 2023 was 7.90%. Additionally, the Credit Agreement contains a Commitment Fee (as defined in the Credit Agreement) on the amount unused under the Credit Agreement ranging from 0.15% to 0.25% per annum, and such Commitment Fee is determined in accordance with a leverage-based pricing grid.

The Credit Agreement includes financial covenants that require compliance with a consolidated interest coverage ratio, a consolidated leverage ratio and a consolidated secured leverage ratio. Pursuant to the Second Amendment, the Company’s maximum consolidated secured leverage ratio was amended to be 5.00:1.00 until September 30, 2023, 5.25:1.00 until December 31, 2023 and 5.00:1.00 until December 31, 2024 (the period of time during which such maximum consolidated secured leverage ratios are in effect, the “Second Amendment Period,” which the Company may elect to end early). Following the Second Amendment Period, the maximum consolidated secured leverage ratio will be 4.25:1.00, subject to possible temporary increase following certain corporate acquisitions. Pursuant to the Second Amendment, the Company’s minimum interest coverage ratio was amended to be 2.50:1.00.

As of December 31, 2023, there were \$526,000 of loans under the Revolver, \$285,000 of Term Loans, and \$3,188 letters of credit outstanding under the Credit Agreement. As of December 31, 2023, \$270,812 was available under the Credit Agreement, subject to compliance with the financial covenants. As of December 31, 2023, the Company was in compliance with all associated covenants.

In addition to obligations under the Credit Agreement, we are party to other contractual obligations involving commitments to make payments to third parties, including purchase commitments and lease obligations, which impact our short-term and long-term liquidity and capital resource needs. See Note 7, *Leases*, in the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

Our cash and cash equivalents balance increased \$0.3 million at December 31, 2023 to \$53.7 million as compared to \$53.4 million at June 30, 2023. Our working capital was \$332.0 million at December 31, 2023, a decrease of \$27.0 million from \$358.9 million at the end of fiscal 2023. Additionally, our total debt decreased by \$19.5 million at December 31, 2023 to \$809.2 million as compared to \$828.7 million at June 30, 2023 as a result of \$18.8 million of net repayments carried out during the period.

Our cash balances are held in the United States, United Kingdom, Canada, Europe, the Middle East and India. As of December 31, 2023, substantially all cash was held outside of the United States.

We maintain our cash and cash equivalents primarily in money market funds or their equivalent. Accordingly, we do not believe that our investments have significant exposure to interest rate risk. Cash (used in) provided by operating, investing and financing activities is summarized below.

<i>(amounts in thousands)</i>	Six Months Ended December 31,		Change in Dollars
	2023	2022	
Cash flows provided by (used in):			
Operating activities	\$ 34,685	\$ (2,652)	\$ 37,337
Investing activities	(11,403)	(6,014)	(5,389)
Financing activities	(24,093)	(10,892)	(13,201)
Effect of exchange rate changes on cash	1,119	(2,517)	3,636
Net increase (decrease) in cash and cash equivalents	\$ 308	\$ (22,075)	\$ 22,383

Cash provided by operating activities was \$34.7 million for the six months ended December 31, 2023, an increase of \$37.3 million from cash used in operating activities of \$2.7 million in the prior year period. This increase versus the prior period resulted primarily from higher cash generation of \$66.2 million from our working capital accounts which was mainly due to our accounts payable optimization initiatives and focused inventory management, partially offset by a reduction in accounts receivable recovery. The increase was also partially offset by a reduction of \$28.9 million in net income adjusted for non-cash charges in the current period.

Cash used in investing activities was \$11.4 million for the six months ended December 31, 2023, an increase of \$5.4 million from \$6.0 million in the prior year period primarily due to the receipt of \$7.5 million of proceeds from the divestiture of Westbrae during the six months ended December 31, 2022.

Cash used in financing activities was \$24.1 million for the six months ended December 31, 2023, an increase of \$13.2 million compared to \$10.9 million in the prior year period. The increase in cash used in financing activities was primarily due to higher debt repayment during the six months ended December 31, 2023.

Free Cash Flow

Our free cash flow was \$22.0 million for the six months ended December 31, 2023, an increase of \$38.7 million from negative free cash flow of \$16.7 million in the six months ended December 31, 2022. This increase versus the prior year period resulted primarily from an increase in cash flows from operations of \$37.3 million driven by the reasons explained above. See Reconciliation of Non-U.S. GAAP Financial Measures to U.S. GAAP Measures following the discussion of our results of operations for definitions and a reconciliation from our net cash provided by operating activities to free cash flow.

Share Repurchase Program

In January 2022, the Company's Board of Directors authorized the repurchase of up to \$200.0 million of the Company's issued and outstanding common stock. Repurchases may be made from time to time in the open market, pursuant to pre-set trading plans, in private transactions or otherwise. The current 2022 authorization does not have a stated expiration date. The extent to which the Company repurchases its shares and the timing of such repurchases will depend upon market conditions and other corporate considerations. During the six months ended December 31, 2023, the Company repurchased no shares under the repurchase program. As of December 31, 2023, the Company had \$173.5 million of remaining authorization under the share repurchase program.

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

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

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

Net Sales - Adjusted for the Impact of Divestitures and Discontinued Brands

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

To present net sales adjusted for the impact of divestitures and discontinued brands, the net sales of a divested business or discontinued brand are excluded from all periods. A reconciliation between reported net sales and net sales adjusted for the impact of divestitures and discontinued brands is as follows:

<i>(amounts in thousands)</i>	North America	International	Hain Consolidated
Net sales - Three months ended December 31, 2023	\$ 267,671	\$ 186,429	\$ 454,100
Net sales adjusted for divestitures and discontinued brands - Three months ended December 31, 2023	\$ 267,671	\$ 186,429	\$ 454,100
Net sales - Three months ended December 31, 2022	\$ 282,361	\$ 171,847	\$ 454,208
Divestitures and discontinued brands	(1,148)	—	(1,148)
Net sales adjusted for divestitures and discontinued brands - Three months ended December 31, 2022	\$ 281,213	\$ 171,847	\$ 453,060
Net sales (decline) growth	(5.2)%	8.5 %	— %
Impact of divestitures and discontinued brands	0.4 %	— %	0.2 %
Net sales (decline) growth adjusted for divestitures and discontinued brands	(4.8)%	8.5 %	0.2 %
Net sales - Six months ended December 31, 2023	\$ 527,725	\$ 351,404	\$ 879,129
Divestitures and discontinued brands	8	—	8
Net sales adjusted for divestitures and discontinued brands - Six months ended December 31, 2023	\$ 527,733	\$ 351,404	\$ 879,137
Net sales - Six months ended December 31, 2022	\$ 570,757	\$ 322,802	\$ 893,559
Divestitures and discontinued brands	(2,910)	—	(2,910)
Net sales adjusted for divestitures and discontinued brands - Six months ended December 31, 2022	\$ 567,847	\$ 322,802	\$ 890,649
Net sales (decline) growth	(7.5)%	8.9 %	(1.6)%
Impact of divestitures and discontinued brands	0.4 %	— %	0.3 %
Net sales (decline) growth adjusted for divestitures and discontinued brands	(7.1)%	8.9 %	(1.3)%

Adjusted EBITDA

The Company defines Adjusted EBITDA as net income before net interest expense, income taxes, depreciation and amortization, equity in net loss of equity-method investees, stock-based compensation, net, unrealized currency losses (gains), certain litigation and related costs, CEO succession costs, plant closure related costs-net, productivity and transformation costs, warehouse and manufacturing consolidation and other costs, costs associated with acquisitions, divestitures and other transactions, gains on sales of assets, certain inventory write-downs related to exited categories, intangibles and long-lived asset impairment and other adjustments. The Company's management believes that this presentation provides useful information to management, analysts and investors regarding certain additional financial and business trends relating to its results of operations and financial condition. In addition, management uses this measure for reviewing the financial results of the Company and as a component of performance-based executive compensation. Adjusted EBITDA is a non-U.S. GAAP measure and may not be comparable to similarly titled measures reported by other companies.

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

<i>(amounts in thousands)</i>	Three Months Ended December 31,		Six Months Ended December 31,	
	2023	2022	2023	2022
Net (loss) income	\$ (13,535)	\$ 10,966	\$ (23,911)	\$ 17,889
Depreciation and amortization	11,197	12,155	23,502	24,125
Equity in net loss of equity-method investees	907	316	1,405	698
Interest expense, net	15,333	10,379	27,956	17,658
(Benefit) provision for income taxes	(4,249)	6,357	(9,628)	8,988
Stock-based compensation, net	3,376	3,435	7,118	7,429
Unrealized currency (gains) losses	(194)	2,160	(159)	449
Certain litigation expenses, net ^(a)	2,091	2,482	3,615	4,945
Restructuring activities				
Productivity and transformation costs	6,869	986	13,272	1,759
Plant closure related costs, net	2,302	53	4,143	51
Warehouse/manufacturing consolidation and other costs, net	811	(1,972)	811	(1,972)
CEO succession	—	5,113	—	5,113
Acquisitions, divestitures and other				
Transaction and integration costs, net	109	402	227	1,769
(Gain) loss on sale of assets	—	(3,355)	62	(3,395)
Impairment charges				
Long-lived asset impairment	20,666	340	21,360	340
Inventory write-downs related to exited categories	1,443	—	1,443	—
Adjusted EBITDA	\$ 47,126	\$ 49,817	\$ 71,216	\$ 85,846

^(a) Expenses and items relating to securities class action and baby food litigation.

Free Cash Flow

In our internal evaluations, we use the non-GAAP financial measure “Free Cash Flow.” The difference between Free Cash Flow and cash flows provided by or used in operating activities, which is the most comparable U.S. GAAP financial measure, is that Free Cash Flow reflects the impact of purchases of property, plant and equipment (capital spending). Since capital spending is essential to maintaining our operational capabilities, we believe that it is a recurring and necessary use of cash. As such, we believe investors should also consider capital spending when evaluating our cash flows provided by or used in operating activities. We view Free Cash Flow as an important measure because it is one factor in evaluating the amount of cash available for discretionary investments. We do not consider Free Cash Flow in isolation or as an alternative to financial measures determined in accordance with U.S. GAAP. A reconciliation from cash flows provided by (used in) operating activities to Free Cash Flow is as follows:

<i>(amounts in thousands)</i>	Six Months Ended December 31,	
	2023	2022
Net cash provided by (used in) operating activities	\$ 34,685	\$ (2,652)
Purchases of property, plant and equipment	(12,735)	(14,055)
Free cash flow	<u>\$ 21,950</u>	<u>\$ (16,707)</u>

Critical Accounting Estimates

Our financial statements are prepared in accordance with accounting principles generally accepted in the United States. The accounting principles we use require us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and amounts of income and expenses during the reporting periods presented. We believe in the quality and reasonableness of our critical accounting policies; however, materially different amounts may be reported under different conditions or using assumptions different from those that we have applied. The accounting policies that have been identified as critical to our business operations and to understanding the results of our operations pertain to variable consideration, valuation of long-lived assets, goodwill and intangible assets, stock-based compensation and valuation allowances for deferred tax assets. The application of each of these critical accounting policies and estimates is discussed in Part II, Item 7, *Management’s Discussion and Analysis of Financial Condition and Results of Operations*, of our Annual Report on Form 10-K for the fiscal year ended June 30, 2023, from which there have been no material changes.

Recent Accounting Pronouncements

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

Seasonality

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

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no significant changes in market risk from those addressed in the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2023 during the six months ended December 31, 2023. See the information set forth in Part II, Item 7A, *Quantitative and Qualitative Disclosures About Market Risk*, of the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2023.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), with the assistance of other members of management, have reviewed the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Our disclosure controls and procedures are intended to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is (1) recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission’s rules and forms and (2) accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. Based on this review, our CEO and CFO have concluded that the disclosure controls and procedures for the Company were effective as of December 31, 2023.

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

Changes in Internal Control Over Financial Reporting

There were no changes in our internal controls over financial reporting that occurred during the quarter ended December 31, 2023 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

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

Item 1A. Risk Factors

There have been no material changes from the discussion of the material factors contained in the section entitled “Risk Factors” in the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2023, filed with the SEC on August 24, 2023.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

During the three months ended December 31, 2023, there were no shares repurchased under share repurchase programs approved by the Board of Directors.

During the three months ended December 31, 2023, there were 55,923 shares withheld by the Company to satisfy tax withholding obligations in connection with shares issued under stock-based compensation plans, at an average price of \$11.00 per share. These shares withheld to satisfy tax withholding obligations do not constitute repurchases by the Company.

Item 5. Other Information

Rule 10b5-1 Trading Arrangements and Non-Rule 10b5-1 Trading Arrangements

During the three months ended December 31, 2023, none of the Company’s directors or officers (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended), adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act of 1933, as amended).

Item 6. Exhibits**Exhibit
Number****Description**

Exhibit Number	Description
3.1	Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2021, filed with the SEC on August 26, 2021).
3.2	The Hain Celestial Group, Inc. Amended and Restated By-Laws (incorporated by reference to Exhibit 3.2 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2023, filed with the SEC on May 9, 2023).
4.1	Specimen of common stock certificate (incorporated by reference to Exhibit 4.1 of Amendment No. 1 to the Company's Registration Statement on Form S-4 filed with the SEC on April 24, 2000).
10.1*	Form of Restricted Share Unit Agreement under The Hain Celestial Group, Inc. 2022 Long Term Incentive and Stock Award Plan – 2024-2026 LTIP.
10.2*	Form of Performance Share Unit Agreement under The Hain Celestial Group, Inc. 2022 Long Term Incentive and Stock Award Plan – 2024-2026 LTIP (Absolute Total Shareholder Return).
10.3*	Form of Performance Share Unit Agreement under The Hain Celestial Group, Inc. 2022 Long Term Incentive and Stock Award Plan – 2024-2026 LTIP (Relative Total Shareholder Return).
10.4*	Form of Restricted Share Unit Agreement under The Hain Celestial Group, Inc. 2022 Long Term Incentive and Stock Award Plan – Non-Employee Director Awards.
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended.
32.1	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

*Indicates management contract or compensatory plan or arrangement.

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

SIGNATURES

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

THE HAIN CELESTIAL GROUP, INC.
(Registrant)

Date: February 7, 2024

/s/ Wendy P. Davidson

**Wendy P. Davidson,
President and
Chief Executive Officer
(Principal Executive Officer)**

Date: February 7, 2024

/s/ Lee A. Boyce

**Lee A. Boyce,
Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)**

Date: February 7, 2024

/s/ Michael J. Ragusa

**Michael J. Ragusa,
Senior Vice President and
Chief Accounting Officer
(Principal Accounting Officer)**

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

The Participant has been granted an award (the “*Award*”) pursuant to The Hain Celestial Group, Inc. 2022 Long Term Incentive and Stock Award Plan (the “*Plan*”) consisting of one or more rights (each such right being hereafter referred to as a “*Restricted Share Unit*” or “*RSU*”) to receive in settlement of each such right one (1) share of common stock of The Hain Celestial Group, Inc. By accepting below, the Participant acknowledges and agrees that the Award and the Restricted Share Units shall be subject in all respects to the terms and conditions set forth in the Plan and the Restricted Share Unit Agreement attached hereto.

Participant:

Grant Date:

Total Number of RSUs:

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

Vest Schedule – Share Units (RSU)

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

The Hain Celestial Group, Inc.

Restricted Share Unit Agreement

The Hain Celestial Group, Inc. has granted to the Participant named in the *Notice of Grant of Restricted Share Units* (the “**Notice**”) to which this Restricted Share Unit Agreement (this “**Agreement**”) is attached an Award consisting of Restricted Share Units (“**Restricted Share Units**” or “**RSUs**”) subject to the terms and conditions set forth in the Notice and this Agreement. This Award shall constitute a Restricted Share Units award under the Company’s 2022 Long Term Incentive and Stock Award Plan (the “**Plan**”), the provisions of which are incorporated herein by reference. By accepting the Notice, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with the Notice, this Agreement, and the Plan, (b) accepts the Award subject to all of the terms and conditions of the Notice, this Agreement and the Plan and (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Compensation Committee of the Board of Directors of the Company (the “**Compensation Committee**”) upon any questions arising under the Notice, this Agreement or the Plan.

1. **DEFINITIONS AND CONSTRUCTION.**

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

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

2. **ADMINISTRATION.**

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

3. **THE AWARD.**

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

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

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

4. **VESTING OF RSUs.**

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

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

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

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

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

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

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

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

6.2 **Mechanics of Issuance of Shares.** The Participant hereby authorizes the Company, in its sole discretion, to deposit for the benefit of the Participant with any broker that administers the Company's equity award plans any or all Shares acquired by the Participant pursuant to the settlement of the Award.

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

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

7. **AUTOMATIC WITHHOLDING OF SHARES.**

The Company shall automatically satisfy all federal, state, local and foreign tax (including any social insurance) withholding obligations of the Company (or its Affiliate or Subsidiary) that arise in connection with the vesting and settlement of RSUs on a relevant date (the "***Tax Withholding Obligations***") by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award on such date a number of whole Shares having a fair market value, as determined by the Company as of such date, equal to the amount of such Tax Withholding Obligations. Notwithstanding the preceding sentence, this Section 7 shall not be construed as creating any irrevocable right for the Participant to enforce such automatic net settlement, and the Compensation Committee retains the right, and the right of the Board, to revoke such automatic net settlement at any time and without consent of the Participant until the time the applicable Tax Withholding Liabilities arise in connection with the vesting and settlement of the Award. In the event the Compensation Committee or the Board revokes the automatic net settlement in accordance with the preceding sentence, the Participant hereby authorizes withholding from payroll and any other amounts payable to the Participant, and otherwise agrees to make adequate provision for, any sums required to satisfy the Tax Withholding Obligations that arise in connection with the vesting and settlement of RSUs.

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

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

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

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

10. **MISCELLANEOUS PROVISIONS.**

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

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

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

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

10.5 **Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, if to the Company at 221 River Street, 12th Floor, Hoboken, New Jersey 07030, Attention: Chief Legal Officer, and if to the Participant at the home address of the Participant on file with the Company.

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

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

annexes shall have the same binding effect as a written or hard copy signature and accordingly, shall bind the Participant to all of the terms and conditions set forth in the Plan, the Notice, this Agreement and any annexes.

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

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

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

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

10.10 Acceptance. By accepting this Agreement, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with this

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

Annex A

Certain Definitions

“**Cause**” shall mean the occurrence of any of the following events: (i) any material violation by the Participant of any law or regulation applicable to the Company or its Affiliates; (ii) the Participant’s commission of, plea of guilty or nolo contendere to, or indictment for, a felony or any other crime involving moral turpitude; (iii) the Participant’s commission of an act of personal dishonesty in connection with the Company or any other entity having a business relationship with the Company; (iv) any breach by the Participant of any written agreement between the Company and the Participant, or the terms of the Participant’s service as an employee of the Company, including, without limitation, the breach of any written non-competition, non-solicitation, invention assignment, confidentiality or similar written restrictive covenants; (v) the Participant’s violation of the written policies of the Company, commission of sexual harassment, or any other conduct causing the Company or any of its Affiliates public disgrace or disrepute or economic harm; (vi) reporting to work under the influence of alcohol or illegal drugs or the use of illegal drugs (whether or not at the workplace); or (vii) a willful failure to substantially perform the Participant’s duties and obligations to the Company and its Subsidiaries, other than failure resulting from complete or partial incapacity due to physical or mental illness or impairment; provided, that clause (vii) shall constitute “Cause” only if the Participant fails to cure such event (if curable) within ten (10) business days after receipt from the Company of written notice specifying the Participant’s actions that constitute Cause.

“**Change in Control**” shall have the meaning set forth in the Plan.

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

Annex B

CONFIDENTIALITY, NON-INTERFERENCE, AND INVENTION ASSIGNMENT AGREEMENT

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

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

Section 1. Confidential Information.

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

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

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

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

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

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

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

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

Section 2. Developments.

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

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

Section 3. Returning Company Documents and Equipment.

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

Section 4. Restrictions on Interfering.

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

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

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

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

(d) Definitions. For purposes of this Agreement:

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

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

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

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

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

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

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

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

Section 5. Reasonableness of Restrictions.

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

Section 6. Independence; Severability; Blue Pencil.

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

Section 7. Remedies.

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

Section 8. Cooperation.

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

Section 9. General Provisions.

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

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

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

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

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

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

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

The Hain Celestial Group, Inc.
Performance Share Unit Agreement

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

WHEREAS, the Company has adopted The Hain Celestial Group, Inc. 2022 Long Term Incentive and Stock Award Plan (the “**Plan**”), the provisions of which are incorporated herein by reference; and

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

1. **DEFINITIONS AND CONSTRUCTION.**

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

- “**Cause**” shall mean the occurrence of any of the following events: (i) any material violation by the Participant of any law or regulation applicable to the Company or its Affiliates; (ii) the Participant’s commission of, plea of guilty or nolo contendere to, or indictment for, a felony or any other crime involving moral turpitude; (iii) the Participant’s commission of an act of personal dishonesty in connection with the Company or any other entity having a business relationship with the Company; (iv) any breach by the Participant of any written agreement between the Company and the Participant, or the terms of the Participant’s service as an employee of the Company, including, without limitation, the breach of any written non-competition, non-solicitation, invention assignment, confidentiality or similar written restrictive covenants; (v) the Participant’s violation of the written policies of the Company, commission of sexual harassment, or any other conduct causing the Company or any of its Subsidiaries public disgrace or disrepute or economic harm; (vi) reporting to work under the influence of alcohol or illegal drugs or the use of illegal drugs (whether or not at the workplace); or (vii) a willful failure to substantially perform the Participant’s duties and obligations to the Company and its Subsidiaries, other than failure resulting from complete or partial incapacity due to physical or mental illness or impairment; provided, that clause (vii) shall constitute “Cause” only if the Participant fails to cure such event (if curable) within ten (10) business days after receipt from the Company of written notice specifying the Participant’s actions that constitute Cause.
- “**Change in Control**” shall have the meaning set forth in the Plan.
- “**Disability**” shall mean the permanent and total disability of the Participant within the meaning of Section 22(e)(3) of the Code.
- “**Good Reason**” shall mean the occurrence of any of the following events, without the express written consent of the Participant: (i) a material diminution in the Participant’s duties or responsibilities, excluding for this purpose any diminution

during any period of the Participant's incapacity or Disability, so long as such diminution ceases upon the cessation of the Participant's incapacity or Disability; or (ii) a reduction in the Participant's annual base salary; provided, that the Participant may not terminate the Participant's employment for Good Reason unless: (a) the Participant provides the Board with written notice of the event constituting Good Reason within thirty (30) days following the Participant's initial knowledge of such event, which notice shall specify the facts and circumstances constituting Good Reason, (b) the Company fails to cure such event within thirty (30) days following receipt by the Board of such written notice, and (c) the Participant actually resigns for Good Reason no later than thirty (30) days following the expiration of such thirty (30) day cure period.

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

2. ADMINISTRATION.

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

3. THE AWARD.

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

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

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

4. VESTING OF PERFORMANCE SHARE UNITS.

4.1 **Performance Based Vesting.** The target number of PSUs that may be earned by the Participant is [_____] PSUs (the "**Target Number of PSUs**"). Subject to the time-based vesting requirements set forth in Section 4.3, the number of PSUs that will be

conditionally earned based on Company performance shall be based upon the Compound Annual Total Shareholder Return over the Performance Period (each as defined below), as follows:

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

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

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

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

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

- “***Date of Determination***” means the earlier of (A) the three-year anniversary of the Grant Date; (B) the date the Participant’s employment is terminated by reason of death or Disability; or (C) the effective date of a Change in Control.
- “***Ending Average Share Price***” means the average of the daily closing prices per Share of the Company’s common stock, as reported on the stock exchange or market on which such stock is listed, for the 20 trading days ending on and including the applicable Date of Determination, except that in the event of a Change in Control, the Ending Average Share Price will be equal to the value of the consideration paid or exchanged for a Share pursuant to the terms of the Change in Control. For avoidance of doubt, in the event of a Change in Control, the Ending Average Share Price will not be based on the average of the daily closing prices on the 20 trading days ending on the Date of Determination as described above.
- “***Initial Share Price***” means the closing price per Share of the Company’s common stock, as reported on The Nasdaq Global Select Market on the Grant Date.
- “***Performance Period***” means the period beginning on the day following the Grant Date and ending on the Date of Determination.

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

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

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

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

(a) Continuous Employment Through the Three-Year Anniversary of the Grant Date. If the Participant remains in the continuous employment of the Company through the three-year anniversary of the Grant Date (including on or after a Change in Control), then 100% of the PSUs conditionally earned based on Company performance under Section 4.1 shall become vested and earned on the three-year anniversary of the Grant Date.

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

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

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

5. DIVIDENDS CREDITED ON THE PERFORMANCE SHARE UNITS.

5.1 The PSUs will earn dividend equivalents in the form of additional PSUs. Specifically, as of each dividend payment date for Company common stock during the period beginning on the Grant Date and ending on the Vesting Date, the Participant's account will be credited with additional PSUs ("*Dividend Equivalent PSUs*") equal in number, at 100% of target, to the number of Shares that could be bought with the cash dividends that would be paid

on the PSUs if each of the Target Number of PSUs was a Share, rounded to a whole number of Dividend Equivalent PSUs using normal rounding.

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

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

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

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

6.2 **Mechanics of Issuance of Shares.** The Participant hereby authorizes the Company, in its sole discretion, to deposit for the benefit of the Participant with any broker that administers the Company's equity award plans any or all Shares acquired by the Participant pursuant to the settlement of the Award.

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

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

7. **AUTOMATIC WITHHOLDING OF SHARES.**

The Company shall automatically satisfy all federal, state, local and foreign tax (including any social insurance) withholding obligations of the Company (or its Affiliate or Subsidiary) that arise in connection with the vesting and settlement of PSUs on a relevant date (the "**Tax Withholding Obligations**") by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award on such date a number of whole Shares having a fair market value, as determined by the Company as of such date, equal to the amount of such Tax Withholding Obligations. Notwithstanding the preceding sentence, this Section 7 shall not be construed as creating any irrevocable right for the Participant to enforce such automatic net settlement, and the Compensation Committee retains the right, and the right of the Board, to

revoke such automatic net settlement at any time and without consent of the Participant until the time the applicable Tax Withholding Liabilities arise in connection with the vesting and settlement of the Award. In the event the Compensation Committee or the Board revokes the automatic net settlement in accordance with the preceding sentence, the Participant hereby authorizes withholding from payroll and any other amounts payable to the Participant, and otherwise agrees to make adequate provision for, any sums required to satisfy the Tax Withholding Obligations that arise in connection with the vesting and settlement of PSUs.

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

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

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

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

10. **MISCELLANEOUS PROVISIONS.**

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

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

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

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

10.5 **Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for

effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, if to the Company at 221 River Street, 12th Floor, Hoboken, New Jersey 07030, Attention: Chief Legal Officer, and if to the Participant at the home address of the Participant on file with the Company.

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

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

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

10.7 **Section 409A.** This Agreement and the PSUs granted hereunder are intended to fit within the "short-term deferral" exemption from Section 409A of the Code as set forth in Treasury Regulation Section 1.409A-1(b)(4). In administering this Agreement, the Company shall interpret this Agreement in a manner consistent with such exemption. Notwithstanding the foregoing, if it is determined that the PSUs fail to satisfy the requirements of the short-term deferral rule and are otherwise deferred compensation subject to Section 409A, and if the Participant is a "Specified Employee" (within the meaning set forth Section 409A(a)(2)(B)(i) of the Code) as of the date of the Participant's separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), then the issuance of any

Shares that would otherwise be made upon the date of the separation from service or within the first six (6) months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six (6) months and one day after the date of the separation from service, but if and only if such delay in the issuance of the Shares is necessary to avoid the imposition of additional taxation on the Participant in respect of the Shares under Section 409A of the Code. Each installment of Shares that vests is intended to constitute a “separate payment” for purposes of Section 409A of the Code and Treasury Regulation Section 1.409A-2(b)(2).

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

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

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

Annex A

CONFIDENTIALITY, NON-INTERFERENCE, AND INVENTION ASSIGNMENT AGREEMENT

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

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

Section 1. Confidential Information.

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

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

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

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

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

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

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

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

Section 2. Developments.

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

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

Section 3. Returning Company Documents and Equipment.

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

Section 4. Restrictions on Interfering.

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

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

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

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

(d) Definitions. For purposes of this Agreement:

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

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

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

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

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

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

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

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

Section 5. Reasonableness of Restrictions.

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

Section 6. Independence; Severability; Blue Pencil.

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

Section 7. Remedies.

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

Section 8. Cooperation.

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

Section 9. General Provisions.

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

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

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

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

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

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

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

The Hain Celestial Group, Inc.
Performance Share Unit Agreement

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

WHEREAS, the Company has adopted The Hain Celestial Group, Inc. 2022 Long Term Incentive and Stock Award Plan (the “**Plan**”), the provisions of which are incorporated herein by reference; and

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

1. **DEFINITIONS AND CONSTRUCTION.**

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

- “**Cause**” shall mean the occurrence of any of the following events: (i) any material violation by the Participant of any law or regulation applicable to the Company or its Affiliates; (ii) the Participant’s commission of, plea of guilty or nolo contendere to, or indictment for, a felony or any other crime involving moral turpitude; (iii) the Participant’s commission of an act of personal dishonesty in connection with the Company or any other entity having a business relationship with the Company; (iv) any breach by the Participant of any written agreement between the Company and the Participant, or the terms of the Participant’s service as an employee of the Company, including, without limitation, the breach of any written non-competition, non-solicitation, invention assignment, confidentiality or similar written restrictive covenants; (v) the Participant’s violation of the written policies of the Company, commission of sexual harassment, or any other conduct causing the Company or any of its Subsidiaries public disgrace or disrepute or economic harm; (vi) reporting to work under the influence of alcohol or illegal drugs or the use of illegal drugs (whether or not at the workplace); or (vii) a willful failure to substantially perform the Participant’s duties and obligations to the Company and its Subsidiaries, other than failure resulting from complete or partial incapacity due to physical or mental illness or impairment; provided, that clause (vii) shall constitute “Cause” only if the Participant fails to cure such event (if curable) within ten (10) business days after receipt from the Company of written notice specifying the Participant’s actions that constitute Cause.
- “**Change in Control**” shall have the meaning set forth in the Plan.
- “**Disability**” shall mean the permanent and total disability of the Participant within the meaning of Section 22(e)(3) of the Code.
- “**Good Reason**” shall mean the occurrence of any of the following events, without the express written consent of the Participant: (i) a material diminution in the Participant’s duties or responsibilities, excluding for this purpose any diminution

during any period of the Participant's incapacity or Disability, so long as such diminution ceases upon the cessation of the Participant's incapacity or Disability; or (ii) a reduction in the Participant's annual base salary; provided, that the Participant may not terminate the Participant's employment for Good Reason unless: (a) the Participant provides the Board with written notice of the event constituting Good Reason within thirty (30) days following the Participant's initial knowledge of such event, which notice shall specify the facts and circumstances constituting Good Reason, (b) the Company fails to cure such event within thirty (30) days following receipt by the Board of such written notice, and (c) the Participant actually resigns for Good Reason no later than thirty (30) days following the expiration of such thirty (30) day cure period.

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

2. ADMINISTRATION.

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

3. THE AWARD.

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

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

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

4. VESTING OF PERFORMANCE SHARE UNITS.

4.1 **Performance Based Vesting.** The target number of PSUs that may be earned by the Participant is [_____] PSUs (the "**Target Number of PSUs**"). Subject to the time-based vesting requirements set forth in Section 4.3, the number of PSUs that will be

conditionally earned based on Company performance shall be based upon the Company's Total Shareholder Return percentile rank versus the S&P Food & Beverage Select Industry Index over the Performance Period (each as defined below), as follows:

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

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

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

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

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

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

- "***Date of Determination***" means the earlier of (A) the three-year anniversary of the Grant Date; (B) the date the Participant's employment is terminated by reason of death or Disability; or (C) the effective date of a Change in Control.
- "***Ending Average Share Price***" means the average of the daily closing prices per share of a company's stock for the 20 trading days ending on and including the applicable Date of Determination, except that in the event of a Change in Control, the Company's Ending Average Share Price will be equal to the value of the consideration paid or exchanged for a Share pursuant to the terms of the Change in Control. For avoidance of doubt, in the event of a Change in Control, the Company's Ending Average Share Price will not be based on the average of the daily closing prices on the 20 trading days ending on the Date of Determination as described above.
- "***Initial Share Price***" means the closing price of a share of a company's stock on the Grant Date.

- “**Performance Period**” means the period beginning on the day following the Grant Date and ending on the Date of Determination.
- “**S&P Food & Beverage Select Industry Index**” means the companies constituting the S&P Food & Beverage Select Industry Index as of the Grant Date, which companies are listed in Annex B. Any component company of the S&P Food & Beverage Select Industry Index that is acquired or taken private at any time during the Performance Period will be eliminated from the S&P Food & Beverage Select Industry Index for the entire Performance Period. Any component company of the S&P Food & Beverage Select Industry Index that is liquidated or no longer publicly traded due to filing for bankruptcy protection at any time during the Performance Period will be ranked at the bottom for purposes of determining percentile rank. There will be no adjustments to account for any other changes to the S&P Food & Beverage Select Industry Index during the Performance Period.
- “**Total Shareholder Return**” means a company’s total shareholder return during the Performance Period, which will be calculated as (i) the Ending Average Share Price minus the Initial Share Price plus reinvested dividends, *divided by* (ii) the Initial Share Price. No adjustments to Total Shareholder Return shall be made for stock issuances or stock buybacks during the Performance Period.

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

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

(a) Continuous Employment Through the Three-Year Anniversary of the Grant Date. If the Participant remains in the continuous employment of the Company through the three-year anniversary of the Grant Date (including on or after a Change in Control), then 100% of the PSUs conditionally earned based on Company performance under Section 4.1 shall become vested and earned on the three-year anniversary of the Grant Date.

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

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

(d) For the avoidance of doubt, if the Participant’s employment is terminated prior to the three-year anniversary of the Grant Date for any reason other than the

Participant's death or Disability or a Change in Control Qualifying Termination, then the PSUs shall be immediately forfeited and cancelled without consideration.

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

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

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

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

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

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

6.2 **Mechanics of Issuance of Shares.** The Participant hereby authorizes the Company, in its sole discretion, to deposit for the benefit of the Participant with any broker that administers the Company's equity award plans any or all Shares acquired by the Participant pursuant to the settlement of the Award.

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

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

7. **AUTOMATIC WITHHOLDING OF SHARES.**

The Company shall automatically satisfy all federal, state, local and foreign tax (including any social insurance) withholding obligations of the Company (or its Affiliate or Subsidiary) that arise in connection with the vesting and settlement of PSUs on a relevant date (the “*Tax Withholding Obligations*”) by deducting from the Shares otherwise deliverable to the Participant in settlement of the Award on such date a number of whole Shares having a fair market value, as determined by the Company as of such date, equal to the amount of such Tax Withholding Obligations. Notwithstanding the preceding sentence, this Section 7 shall not be construed as creating any irrevocable right for the Participant to enforce such automatic net settlement, and the Compensation Committee retains the right, and the right of the Board, to revoke such automatic net settlement at any time and without consent of the Participant until the time the applicable Tax Withholding Liabilities arise in connection with the vesting and settlement of the Award. In the event the Compensation Committee or the Board revokes the automatic net settlement in accordance with the preceding sentence, the Participant hereby authorizes withholding from payroll and any other amounts payable to the Participant, and otherwise agrees to make adequate provision for, any sums required to satisfy the Tax Withholding Obligations that arise in connection with the vesting and settlement of PSUs.

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

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

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

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

10. **MISCELLANEOUS PROVISIONS.**

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

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

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

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

10.5 **Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by the Company, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, if to the Company at 221 River Street, 12th Floor, Hoboken, New Jersey 07030, Attention: Chief Legal Officer, and if to the Participant at the home address of the Participant on file with the Company.

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

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

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

contemplated herein or therein, the provisions of the Agreement shall survive any settlement of the Award and shall remain in full force and effect.

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

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

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

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

Annex A

CONFIDENTIALITY, NON-INTERFERENCE, AND INVENTION ASSIGNMENT AGREEMENT

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

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

Section 1. Confidential Information.

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

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

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

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

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

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

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

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

Section 2. Developments.

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

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

Section 3. Returning Company Documents and Equipment.

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

Section 4. Restrictions on Interfering.

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

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

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

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

(d) Definitions. For purposes of this Agreement:

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

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

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

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

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

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

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

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

Section 5. Reasonableness of Restrictions.

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

Section 6. Independence; Severability; Blue Pencil.

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

Section 7. Remedies.

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

Section 8. Cooperation.

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

Section 9. General Provisions.

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

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

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

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

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

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

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

Annex B

**Companies Constituting the S&P Food & Beverage Select Industry Index
as of the Grant Date**

B-1

Company Name	Exchange:Ticker
Albertsons Companies, Inc.	NYSE:ACI
Archer-Daniels-Midland Company	NYSE:ADM
B&G Foods, Inc.	NYSE:BGS
Beyond Meat, Inc.	NasdaqGS:BYND
BJ's Wholesale Club Holdings, Inc.	NYSE:BJ
Brown-Forman Corporation	NYSE:BF.B
Bunge Limited	NYSE:BG
Calavo Growers, Inc.	NasdaqGS:CVGW
Cal-Maine Foods, Inc.	NasdaqGS:CALM
Campbell Soup Company	NYSE:CPB
Casey's General Stores, Inc.	NasdaqGS:CASY
Celsius Holdings, Inc.	NasdaqCM:CELH
Coca-Cola Consolidated, Inc.	NasdaqGS:COKE
Conagra Brands, Inc.	NYSE:CAG
Constellation Brands, Inc.	NYSE:STZ
Costco Wholesale Corporation	NasdaqGS:COST
Darling Ingredients Inc.	NYSE:DAR
Dollar General Corporation	NYSE:DG
Dollar Tree, Inc.	NasdaqGS:DLTR
Flowers Foods, Inc.	NYSE:FLO
Fresh Del Monte Produce Inc.	NYSE:FDP
Freshpet, Inc.	NasdaqGM:FRPT
General Mills, Inc.	NYSE:GIS
Grocery Outlet Holding Corp.	NasdaqGS:GO
Hormel Foods Corporation	NYSE:HRL
Hostess Brands, Inc.	NasdaqCM:TWNK
Ingles Markets, Incorporated	NasdaqGS:IMKT.A
Ingredion Incorporated	NYSE:INGR
J&J Snack Foods Corp.	NasdaqGS:JJSF
John B. Sanfilippo & Son, Inc.	NasdaqGS:JBSS
Kellanova	NYSE:K
Keurig Dr Pepper Inc.	NasdaqGS:KDP
Lamb Weston Holdings, Inc.	NYSE:LW
Lancaster Colony Corporation	NasdaqGS:LANC
McCormick & Company, Incorporated	NYSE:MKC
MGP Ingredients, Inc.	NasdaqGS:MGPI
Mission Produce, Inc.	NasdaqGS:AVO
Molson Coors Beverage Company	NYSE:TAP

Mondelez International, Inc.	NasdaqGS:MDLZ
Monster Beverage Corporation	NasdaqGS:MNST
National Beverage Corp.	NasdaqGS:FIZZ
PepsiCo, Inc.	NasdaqGS:PEP
Performance Food Group Company	NYSE:PFGC
Pilgrim's Pride Corporation	NasdaqGS:PPC
Post Holdings, Inc.	NYSE:POST
PriceSmart, Inc.	NasdaqGS:PSMT
Seaboard Corporation	NYSEAM:SEB
Sovos Brands, Inc.	NasdaqGS:SOVO
SpartanNash Company	NasdaqGS:SPTN
Sprouts Farmers Market, Inc.	NasdaqGS:SFM
Sysco Corporation	NYSE:SY
Target Corporation	NYSE:TGT
The Andersons, Inc.	NasdaqGS:ANDE
The Boston Beer Company, Inc.	NYSE:SAM
The Chefs' Warehouse, Inc.	NasdaqGS:CHEF
The Coca-Cola Company	NYSE:KO
The Duckhorn Portfolio, Inc.	NYSE:NAPA
The Hain Celestial Group, Inc.	NasdaqGS:HAIN
The Hershey Company	NYSE:HSY
The J. M. Smucker Company	NYSE:SJM
The Kraft Heinz Company	NasdaqGS:KHC
The Kroger Co.	NYSE:KR
The Simply Good Foods Company	NasdaqCM:SMPL
The Vita Coco Company, Inc.	NasdaqGS:COCO
Tootsie Roll Industries, Inc.	NYSE:TR
TreeHouse Foods, Inc.	NYSE:THS
Tyson Foods, Inc.	NYSE:TSN
United Natural Foods, Inc.	NYSE:UNFI
US Foods Holding Corp.	NYSE:USFD
Utz Brands, Inc.	NYSE:UTZ
Vital Farms, Inc.	NasdaqGM:VITL
Walmart Inc.	NYSE:WMT
Weis Markets, Inc.	NYSE:WMK
WK Kellogg Co	NYSE:KLG

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

The Participant has been granted an award (the “*Award*”) pursuant to The Hain Celestial Group, Inc. 2022 Long Term Incentive and Stock Award Plan (the “*Plan*”) consisting of one or more rights (each such right being hereafter referred to as a “*Restricted Share Unit*” or “*RSU*”) to receive in settlement of each such right one (1) share of common stock of The Hain Celestial Group, Inc. By accepting below, the Participant acknowledges and agrees that the Award and the Restricted Share Units shall be subject in all respects to the terms and conditions set forth in the Plan and the Restricted Share Unit Agreement attached hereto.

Participant: []

Grant Date: []

Total Number of RSUs: []

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

Vesting Date

**Number of RSUs
Vesting on Such Date**

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

[100% of RSUs]

The Hain Celestial Group, Inc.

Restricted Share Unit Agreement

The Hain Celestial Group, Inc. has granted to the Participant named in the *Notice of Grant of Restricted Share Units* (the “**Notice**”) to which this Restricted Share Unit Agreement (this “**Agreement**”) is attached an Award consisting of Restricted Share Units (“**Restricted Share Units**” or “**RSUs**”) subject to the terms and conditions set forth in the Notice and this Agreement. This Award shall constitute a Restricted Share Units award under the Company’s 2022 Long Term Incentive and Stock Award Plan (the “**Plan**”), the provisions of which are incorporated herein by reference. By accepting the Notice, the Participant: (a) acknowledges receipt of and represents that the Participant has read and is familiar with the Notice, this Agreement, and the Plan, (b) accepts the Award subject to all of the terms and conditions of the Notice, this Agreement and the Plan and (c) agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Notice, this Agreement or the Plan.

1. **DEFINITIONS AND CONSTRUCTION.**

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

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

2. **ADMINISTRATION.**

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

3. **THE AWARD.**

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

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

4. **VESTING OF RSUs.**

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

4.2 **Acceleration of Vesting Upon Certain Terminations of Service.** In the event the Participant's service with the Company is terminated at any time as a result of the Participant's death or Disability (as defined in Annex A), then any unvested RSUs shall vest immediately.

4.3 **Acceleration of Vesting in Connection with a Change in Control.** In the event of a Change in Control (as defined in Annex A), then any unvested RSUs shall vest immediately.

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

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

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

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

6. **SETTLEMENT OF THE AWARD.**

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

6.2 **Mechanics of Issuance of Shares.** The Participant hereby authorizes the Company, in its sole discretion, to deposit for the benefit of the Participant with any broker that administers the Company's equity award plans any or all Shares acquired by the Participant pursuant to the settlement of the Award.

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

6.4 **Stock Ownership Guidelines.** The Participant acknowledges that the Participant is subject to the Company's Stock Ownership Guidelines for Executive Officers, Other Executive Vice Presidents and Non-Employee Directors.

7. **TAX MATTERS.**

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

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

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

9. **NO RIGHTS AS A SHAREHOLDER.**

The Participant shall have no rights as a shareholder with respect to any RSUs until the date of the issuance of the Shares in settlement thereof. No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date the Shares are issued, except as provided in Sections 5 and 8.

10. **MISCELLANEOUS PROVISIONS.**

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

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

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

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

10.5 **Delivery of Documents and Notices.** Any document relating to participation in the Plan or any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, if to the Company at 221 River Street, 12th Floor, Hoboken, New Jersey 07030, Attention: Chief Legal Officer, and if to the Participant at the home address of the Participant on file with the Company.

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

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

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

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

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

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

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

Annex A

Certain Definitions

“*Change in Control*” shall have the meaning set forth in the Plan.

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

CERTIFICATION

I, Wendy P. Davidson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Hain Celestial Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: February 7, 2024

/s/ Wendy P. Davidson

Wendy P. Davidson
President and Chief Executive Officer

CERTIFICATION

I, Lee A. Boyce, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Hain Celestial Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: February 7, 2024

/s/ Lee A. Boyce

Lee A. Boyce
Executive Vice President and Chief Financial Officer

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

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

- The Quarterly Report on Form 10-Q of the Company for the quarter ended December 31, 2023 (the “Report”) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 7, 2024

/s/ Wendy P. Davidson

Wendy P. Davidson
President and Chief Executive Officer

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

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

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

- The Quarterly Report on Form 10-Q of the Company for the quarter ended December 31, 2023 (the “Report”) fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 7, 2024

/s/ Lee A. Boyce

Lee A. Boyce
Executive Vice President and Chief Financial Officer

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