

## Corporate Governance Guidelines

These Corporate Governance Guidelines (“**Guidelines**”) have been adopted by the Board of Directors (the “**Board**”) of Lifecore Biomedical, Inc. (the “**Company**”) to assist the Board in the exercise of its responsibilities and to serve the interests of the Company and its stockholders in a manner that is consistent with its fiduciary duties. These Guidelines, in conjunction with the Company’s Certificate of Incorporation, Bylaws and Board committee charters, form the framework for governance of the Company.

### Role and Composition of the Board of Directors

1. **Role of the Board of Directors.** The Board oversees and provides policy guidance regarding the business and affairs of the Company. It oversees the Company’s strategic and business planning process and reviews and assesses risks facing the Company and management’s approach to addressing such risks. It monitors overall corporate performance, the integrity of the Company’s controls and the effectiveness of its legal, ethics and compliance programs. The Board elects the Chairman of the Board (“Chairman”), the Chief Executive Officer and the other executive officers of the Company, evaluates their performance and approves their compensation. Directors are expected to attend all meetings of the Board and applicable committees thereof and to review meeting materials in advance of such meetings. Directors are encouraged to attend annual meetings of stockholders.
2. **Director Independence.** A majority of the Board shall consist of independent directors. For this purpose, “independent director” is defined in accordance with the NASDAQ listing requirements. Because it is not possible to anticipate or explicitly provide for all potential conflicts of interest that may affect independence, the Board is also responsible for affirmatively determining as to each independent director that no relationships exist which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out his or her responsibilities as a director. In making these determinations, the Board will review information provided by the directors and the Company with regard to each director’s business and personal activities as they may relate to the Company and the Company’s management.
3. **Board Leadership.** If the Chairman is not an independent director, the independent directors shall elect an independent director to serve as Lead Independent Director. The Chairman shall preside at all meetings of the Board as well as over executive sessions of the independent directors if the Chairman is an independent director and there is no Lead Independent Director. If there is a Lead Independent Director, that person shall preside over executive sessions of the Company’s independent directors and at Board meetings when the Chairman is not present. The Lead Independent Director shall also facilitate information flow and communication among the directors, and perform such other duties as the Board may determine.
4. **Membership Criteria.** Members of the Board should have the highest professional and personal ethics and values. They should have broad experience at the policy-making level in business, government, education, technology or public interest. They should be committed to enhancing stockholder value and should have sufficient time to perform their duties as directors. Their service on other public company boards should be limited to a number that permits them, given their individual circumstances, to perform all of their director duties responsibly.
5. **Size of the Board.** The size of the Board is set in accordance with the Company’s Bylaws and determined from time to time based upon the Company’s size and level of operations and the availability of qualified candidates.

6. Selection of Directors. The Board is responsible for selecting new members of the Board and recommending individuals for election to the Board by the stockholders. The Board has delegated responsibility for identification and initial evaluation of potential directors to the Nominating and Corporate Governance Committee, with input from the Chairman, the Chief Executive Officer (the “*CEO*”) and other members of the Board.
7. Consideration of Board Candidates Recommended by Stockholders. The Nominating and Corporate Governance Committee will consider director nominees proposed by stockholders. Any stockholder who wishes to recommend candidates for consideration by the Nominating and Corporate Governance Committee may do so by writing to the Secretary of the Company and providing the candidate’s name, biographical data and qualifications. Stockholders may also nominate candidates for election at the annual meeting of stockholders by following the provisions set forth in the Company’s Bylaws.
8. Director Retirement Policy. The Company does not have a retirement policy based on the age of a director, as the Company values the contributions of each of its directors based on their wealth of past experience regardless of age.
9. Director Compensation. Independent directors receive compensation that is competitive, with a meaningful portion directly linked to business results and stockholder returns. Director compensation consists of cash and equity incentives. Employee directors are not paid additional compensation for their services as directors. The Compensation Committee reviews the amount and form of director compensation and provides a recommendation to the Board as to such compensation based upon the committee’s consideration of the responsibilities and time commitment of Company directors, as well as competitive information.
10. Stock Ownership Guidelines. See Exhibit A.
11. Director Orientation and Continuing Education. The Board and the Company’s senior management provide new directors with materials and briefings necessary to permit them to become familiar with the Company’s business, strategic plans, significant financial, accounting and risk management issues, internal control and compliance programs and corporate governance practices. The Board supports the continuing education of its directors by providing an annual allowance for directors that elect to attend third party programs and events focused on the Company’s business and industry, committee roles and responsibilities and legal and ethical responsibilities of board members. The Board will periodically assess what additional education may be necessary or advisable on an ongoing basis to enable each director to perform his or her duties as a director and Board committee member.
12. Annual Board and Committee Self-Evaluation. The Board (under the supervision of the Nominating and Corporate Governance Committee) conducts self-evaluation of its performance and the performance of its committees at least once per year.

## **Leadership Development**

1. CEO Performance Goals and Annual Evaluation. The Compensation Committee is responsible for setting annual and long-term performance goals for the CEO and for evaluating his or her performance against such goals. The Compensation Committee meets annually with the CEO to receive his or her recommendations concerning such goals. Both the goals and the evaluation are then submitted for consideration by the independent directors. The Compensation Committee then meets with the CEO to evaluate his or her performance against such goals.

2. Succession Planning and Management Development. The Board plans for the succession of the CEO position as well as certain other senior management positions. To assist the Board, the CEO annually provides the Board with an assessment of senior executives and reviews their management development and their potential to succeed the CEO. The CEO also provides the Board with an assessment of persons considered potential successors to certain senior management positions.

### **Board Meetings and Materials**

1. Meetings and Agenda. The Board has not less than four regularly-scheduled meetings per year. The CEO, with the approval of the Chairman (if the Chairman is a non-employee director) or the Lead Independent Director, in consultation with other members of the Board, shall set the agenda for Board meetings. Agenda items that fall within the scope of responsibilities of a Board committee are reviewed with the chair of that committee. Any member of the Board may request that an item be included on the agenda.
2. Board Materials. Board materials related to agenda items are provided to Board members sufficiently in advance of Board meetings to allow the Directors to prepare for discussion of the items at the meeting.
3. Board Access to Senior Management. The Board and its Committees as well as each director individually has complete access to management in order to ensure that directors can ask any questions and receive all information necessary to perform their duties. It is expected that certain members of management (the Chief Financial Officer, the Chief Operating Officer, the head of each business unit and such other members of management as the CEO may designate from time to time) will attend Board meetings and present reports on a regular basis. The Board encourages management to schedule managers to be present at Board meetings who can provide additional insight into the items being discussed in light of personal involvement in these areas.
4. Authority to Retain Advisors. The Board and each Board committee shall have the authority, at the Company's expense, to retain and terminate independent legal, financial, accounting and other advisors as the Board and any such Committee deems necessary to assist in their duties to the Company and its stockholders.
5. Executive Sessions. The Board shall generally hold executive sessions of independent directors, without the presence of management, at each Board meeting. The sessions are scheduled and chaired by the Chairman or the Lead Independent Director.

### **Committees**

1. Standing Committees. The Board has three standing committees, the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee. Each committee shall have such authority and scope of responsibilities as may be set forth in its committee charter or otherwise determined by the Board.
2. All members of each of these committees shall be independent directors, as defined in the NASDAQ listing requirements, and shall satisfy such other independence requirements as may be provided in the NASDAQ listing requirements or the rules of the Securities and Exchange Commission (the "**SEC**") as well as such other membership requirements as may be set forth in the respective committee charters. The Nominating and Corporate Governance Committee, with input from the CEO, the Chairman or the Lead Independent Director, shall make

recommendations to the Board regarding committee assignments and the selection of chairpersons of the committees. The Board shall elect the members of each committee (which may rotate from time to time among the committee members) and designate the chairperson of such committee. The Board shall also determine which member or members of the Audit Committee qualify as an audit committee financial expert, as such term is defined in the rules of the SEC.

3. The chair of each committee, in consultation with the Chairman and appropriate members of management, will determine the frequency and length of the committee meetings and develop the committee's agenda. The agendas and meeting minutes of the committees will be shared with the full Board, and other Board members are welcome to attend committee meetings.

### **Periodic Review of Corporate Governance Guidelines**

The Nominating and Corporate Governance Committee will periodically review these Corporate Governance Guidelines and recommend changes from time to time.

## Exhibit A

### Stock Ownership Guidelines

The Board of Directors of Lifecore Biomedical, Inc. (the “Company”) believes that the Company’s executive officers (defined as those required to file reports pursuant to Section 16 of the Securities Exchange Act) and non-employee directors should have a meaningful ownership stake in the Company. This helps underscore the importance of aligning their interest with the long- term interests of our stockholders. Therefore, the Board of Directors has adopted formal stock ownership guidelines for the executive officers and non-employee directors as set forth below.

<b>Position</b>	<b>Minimum Stock Ownership as a Multiple Of Base Salary:</b>
Chief Executive Officer	5 times
Other Executive Officers	3 times
Non-Employee Directors	3 times annual cash retainer

The value of a share of common stock will be measured as the greater of the then current market price or the closing price of a share of common stock on the acquisition date (or vesting date in the case of restricted stock units (“RSUs”)).

Newly appointed executive officers and Board members have five years from the time they are elected, appointed, or promoted (or five years from May 31, 2015 in the case of current executive officers and non-employee directors) to meet these guidelines. In the event an executive officer’s base salary increases or a non-employee director’s cash retainer increases, he or she will have two years from the date of the increase to acquire any additional shares (or RSUs) needed to meet these guidelines.

Until the required ownership level is reached, executive officers and directors are required to retain 50% of net shares acquired upon any future vesting of RSUs and/or exercise of stock options, after deducting shares used to pay any applicable taxes and/or exercise price. Once the requisite level has been achieved, ownership of the guideline amount must be maintained for as long as the individual is subject to these guidelines.

For purposes of determining stock ownership levels, the following forms of equity interests in the Company are included:

- Shares owned outright by the participant and his or her immediate family members residing in the same household;
- Shares held in trust for the benefit of the participant and/or his or her immediate family members residing in the same household; and
- Restricted stock and restricted stock units whether or not vested.

Stock ownership levels will be calculated and reviewed at each fiscal year end and each participant will be notified thereafter of their progress toward meeting the guidelines. The Compensation Committee will evaluate whether exceptions should be made for any participant who, due to his or her unique financial circumstances, would incur a financial hardship by complying with these guidelines.