

BETTER US, BETTER WORLD



GLOBAL IMPACT REPORT 2023



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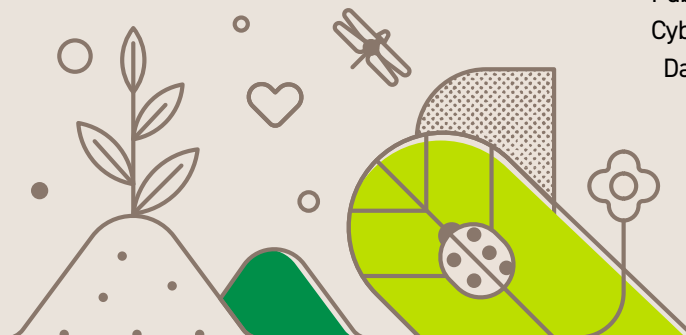
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Introduction



Message From Our CEO



Moving Ahead with Purpose

Since our company's founding more than 130 years ago, we've been passionate about making the world a better place. By empowering our 20,000 inspired team members, investing in our communities, supporting those in need and protecting our natural resources, Hormel Foods is committed to making a difference. This drive and purpose have been key to our continued success and ability to distinguish Hormel Foods as a dynamic leader in the industry.

Hormel Foods is part of a complex food system responsible for helping feed the world's growing population. That's a position we take very seriously. We recognize the

pivotal role we play in shaping a better future for generations to come. Our reach, scale and commitment to innovation enable us to make a significant and positive influence.

Responsible business practices have been -- and continue to be -- fundamental to our company. Looking ahead, we aim to enhance value through our Transform & Modernize initiative, keeping us at the forefront of what customers, consumers and investors want from our company. Over the next three years, these investments will allow us to profitably grow our business and continue to make a positive global impact.



Message From Our CEO CONTINUED

When we thoughtfully feed the world, we activate positive change.

By the end of 2030, we aim to achieve 20 environmental, societal and governance goals – also referred to as our 20 By 30 Challenge. Though there will always be more work to do, we are proud of the progress we made in 2023 against our goals, which you will see detailed throughout this report. Within each focus area, we have a series of strategic programs, initiatives – and of course, teams – that are responsible for

our progress. By design, the pillars touch upon virtually every aspect of our business. And, they support the United Nations (UN) Sustainable Development Goals (SDGs).

20 By 30 Challenge Pillars

• **Products:** As a global branded food company, we know how to create beloved brands while never losing sight of the fact that we have a higher obligation to use our size and scale to help feed the world's growing population.

• **Supply Chain:** Our focus on global impact doesn't begin and end with us. We have working relationships with thousands of partners around the world, whom we expect to operate in accordance with our values. Taking a broad view of our business is integral to our vision as a responsible company.

• **Environment:** We strive to be conscientious stewards of the planet and everything we touch. We intentionally build systems and design programs that protect and enhance our planet.

• **People:** Our team members make us who we are. We are committed to ensuring our diverse team has resources to live well, work well and thrive. There is no Hormel Foods without our people.

• **Community:** Giving back is part of our ethos, naturally woven into our company. We loyally serve the communities in which we reside because it's who we are." We are intent on protecting, uplifting and advancing our hometown of Austin, Minnesota, and

our global communities, and we plan to keep doing the hard and necessary work to stay on course.

This report is a reflection of what we have accomplished and a road map for where we aspire to be tomorrow. From demonstrating good environmental stewardship to investing in the communities where we live and work to creating accessible, appealing, nutritious food, our people are making a lasting impact.

Thank you for joining us on this journey. Together we can create a world that is sustainable, inclusive and equitable for all.



JIM SNEE

CHAIRMAN OF THE BOARD, PRESIDENT
AND CHIEF EXECUTIVE OFFICER



About Hormel Foods

Hormel Foods Corporation, based in Austin, Minnesota, is a global branded food company with over \$12 billion in 2023 annual revenue and a presence in more than 80 countries worldwide. Our brands include *Planters*®, *Skippy*®, *SPAM*®, *Hormel*® *Natural Choice*®, *Applegate*®, *Justin's*®, *Wholly*®, *Hormel*® *Black Label*®, *Columbus*®, *Jennie-O*® and more than 30 other beloved brands. We are a member of the S&P 500 Index and the S&P 500 Dividend Aristocrats, and during 2023, we were named one of the best companies to work for by U.S. News & World Report and one of America's most responsible companies by Newsweek, were recognized on Fast Company's list of the 100 best workplaces for innovators, received a perfect score of 100 on the 2023-24 Corporate Equality Index published by

the Human Rights Campaign and received numerous other awards and accolades for our corporate responsibility and community service efforts. We live by our purpose statement — *Inspired People. Inspired Food.™*— to bring some of the world's most trusted and iconic brands to tables across the globe. To learn about our brands, business and financial performance, please visit our [website](#) and [2023 Annual Report](#).

Hormel Foods at a Glance

80+
countries where
products are sold

20K+
global team members

40+
production facilities

#1 OR #2¹
brand position in
40+
categories



¹ Source: (1) Circana 52 weeks ending 11/5/2023 – MULO; SPINS 52 weeks ending 11/5/2023; (2) Circana Scan Panel, Total US All Outlet, 52 weeks ending 11/5/2023.

About Hormel Foods CONTINUED

Go Forward

In fiscal year 2023, we implemented our new strategic operating model — called the Go Forward (GoFWD) initiative — to structure our business to be more consumer and customer focused, market driven and agile. This new operating model organizes our operation into three business segments: Retail, Foodservice and International. These segments are supported by Brand Fuel, which houses enterprisewide brand management expertise, e-commerce capabilities, insights-led innovation and analytical support; One Supply Chain, our centralized supply chain function; a restructured sales organization and functional centers of excellence. The new operating model is designed to create a more nimble organizational structure that supports our transformation and readies Hormel Foods for the future.

Our newly defined segments support the six strategic priorities that guide our approach toward operational excellence, business development and innovation. These include:

- Drive focus and growth in our Retail business.
- Expand leadership in foodservice.
- Aggressively develop our global presence.
- Execute our enterprise snacking & entertaining vision.
- Future-fit our One Supply Chain.
- Continue to transform and modernize our company.

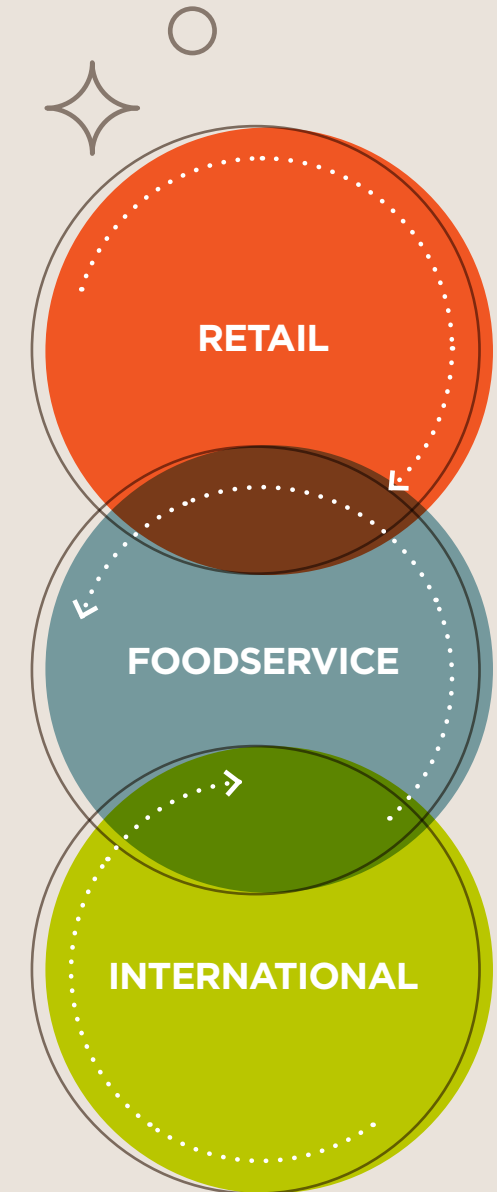
Our Operating Segments

Our largest segment — Retail — includes iconic consumer brands such as *Planters*®, *Corn Nuts*®, *SPAM*®, *Skippy*®, *Columbus*®, *Applegate*®, *Hormel*® *Natural Choice*®, *Jennie-O*®, *Hormel*® *Black Label*®, *Herdez*®, *Wholly*® and *Justin's*®, continuing to provide beloved products in the retail marketplace.

The Foodservice segment encompasses our foodservice businesses in the United States. It serves restaurants and other leading foodservice establishments at hotels, educational institutions, convenience stores and entertainment venues.

The International segment encompasses operations beyond the United States. We are continuing to develop our worldwide presence by leveraging our global brands, including *SPAM*®, *Skippy*® and *Hormel*®, directly and by leveraging partnerships in key markets.

For more information about the GoFWD initiative and the Hormel Foods operating segments, please refer to our [2023 Annual Report](#).



About Hormel Foods CONTINUED

Transform & Modernize

In the second half of 2023, we announced Transform & Modernize, an enterprisewide initiative composed of strategies and actions to better position our company for long-term profitable growth. Combined with our current business, we expect to drive operating income growth of \$250 million or more by the end of fiscal 2026.

These efforts, combined with our existing work, fit into three pillars, all of which include investments in people, processes and technology:

- **Technology and Data-Driven Insights:** Unlocking data-driven decision-making through easy access to reliable and consistent technology and data.

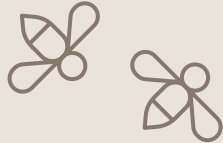
- **Future-Fit Supply Chain:** Reducing recurring challenges in our supply chain with best-in-class technology and consistent processes.
- **Growing Our Brands:** Simplifying and improving how we service our customers and consumers by building new and modern capabilities for the business and team members.

These investments will develop our people, at the same time transforming and modernizing our systems, processes and portfolio to create value for our company as we grow our business and deepen the positive impact we have on the world.



Our Food Journey™

Our Food Journey™ articulates our commitment to making a difference with our people, in our communities and through our products. Having a clear and delineated path allows us to stay the course and make the global impact we want.



As part of *Our Food Journey™*, we are committed to continuously improving our sustainability performance and evolving our global impact strategies that cover environmental, social and governance topics. In an effort to contribute to a sustainable future through transformative changes, we have established the [20 By 30 Challenge](#), which

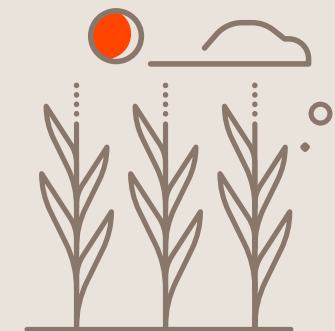
consists of 20 qualitative and quantitative goals to be achieved by 2030. Building on past sustainability goals, which resulted in reductions in packaging, nonrenewable energy use, GHG emissions, water use and solid waste sent to landfills, the 20 By 30 Challenge represents an evolution of our ambition to generate greater positive impacts through sustainable operations.

Our 20 By 30 Challenge is built upon five pillars — products, supply chain, environment, people and community — and prioritized focused areas within each pillar that arose from our robust key topics assessment process. These focus areas guide our actions, which are aimed at making the world a better place and creating meaningful outcomes that support the UN Sustainable Development Goals (SDGs). We remain committed to communicating our progress toward our 20 By 30 Challenge goals annually through our Global Impact Report.

UN Sustainable Development Goals

Our commitment to making the world a better place continues through our 20 By 30 Challenge, which supports the UN SDGs. We are continuously contributing to global initiatives, from ending hunger to combating climate change.

<p>2 ZERO HUNGER</p>	<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>4 QUALITY EDUCATION</p>	<p>5 GENDER EQUALITY</p>	<p>6 CLEAN WATER AND SANITATION</p>	<p>PRODUCTS</p>
<p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>10 REDUCED INEQUALITIES</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>13 CLIMATE ACTION</p>	<p>SUPPLY CHAIN</p>
					<p>ENVIRONMENT</p>
					<p>PEOPLE</p>
					<p>COMMUNITY</p>





PRODUCTS UN SDGs: 2, 3, 12	SUPPLY CHAIN UN SDGs: 3, 8, 10, 12	ENVIRONMENT UN SDGs: 6, 7, 12, 13	PEOPLE UN SDGs: 4, 5, 8, 10	COMMUNITY UN SDGs: 2, 10
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1 Continue to offer high-quality, safe and convenient products that meet a wide range of consumer preferences and needs.	6 Continue to increase our purchasing spend annually with small and diverse businesses.	11 Support regenerative agriculture initiatives.	16 Foster a sense of belonging for everyone, where people feel respected and valued by empowering them with opportunities, equitable treatment and a voice to make Hormel Foods better for all.
2 Continue efforts to reduce added sugars and sodium in our products and review our items for opportunities to shorten ingredient lists, prioritizing ingredients that are familiar to consumers.	7 Match 100% of our purchased electricity with renewable sourcing.	12 Focus on packaging sustainability efforts through research, innovation, on-package communications and optimizing package weight and shipping efficiencies.	17 Provide a safe workplace for all team members and reduce our injury rates each year.
3 Achieve 15% of sales from new products each year. ²	8 Demonstrate climate leadership by establishing science-based targets for the reduction of GHG emissions by 2023.	13 Work toward zero food waste.	18 Invest in our team members by providing an average of at least 25 hours of training per team member annually.
4 Maintain high standards for animal care ³ and handling throughout our supply chain.	9 Advance our water stewardship efforts through initiatives in our top-six priority watersheds.	14 Promote and protect human rights within our operations and our supply chain.	19 Provide the equivalent of 70 million meals to those in need through cash and product donations. ⁴
5 Advance our antibiotic stewardship efforts and pilot an antibiotic use measurement and reporting system.	10 Invest in wastewater treatment projects in collaboration with municipal partners and reduce water use.	15 Provide the opportunity of a free two-year college education for all our team members' dependent high school graduates.	20 Create a food-secure community program and share the blueprint and findings globally.

² Based on net sales for new items launched within the previous three years and the projected sales for items scheduled to launch in the next two years, divided by total reported sales for the year.

³ All animals will be treated in accordance with the Five Freedoms of Animal Welfare formalized by the UK Animal Welfare Committee (formerly the Farm Animal Welfare Committee). For more information about our animal welfare principles, please refer to the [Animal Care](#) section of this report and our [Animal Stewardship Policy](#).

⁴ Using the Feeding America estimations of \$1 donated = 10 meals and 1.2 pounds donated = one meal.

Key Topics Assessment

At Hormel Foods, we strive to continuously refine our strategic priorities and programs by biennially reviewing and assessing the importance of existing and emerging sustainability topics to our organization. Our most recent assessment was facilitated in 2022 by a global consulting firm to determine the most relevant and impactful matters for our business and our stakeholders. To start, we selected 36 topics for evaluation, which were consolidated from our prior assessment, industry research, peer benchmarking and understanding of global trends. To holistically capture diverse perspectives of impact priorities for our company from our people and value chain partners, we solicited input from various internal and external stakeholder groups through surveys and interviews to rank and prioritize our key topics. The stakeholders we engaged throughout the process included our senior leadership team, subject-matter experts, functional leaders,

team members, investors, consumers, nonprofit organizations and trade associations. Upon completion of the assessment, we presented analysis results with our Board of Directors (Board), senior executives and applicable functional groups.

We plan to complete our next assessment in 2024 through a double materiality lens to consider topics that can be material to our business from a financial and nonfinancial perspective. Through the assessment, we prioritize sustainability topics and the management of our impacts on people, society and the environment. The 2024 results will be used to refresh our strategies and identify opportunities to invest in meaningful programs, progress tracking and reporting initiatives to strengthen our approach to contributing to a sustainable future.

KEY TOPICS

- Team Member Living Wages
- Team Member Health, Safety and Well-being
- Team Member Human Rights
- Eco-Friendly Packaging
- Animal Well-being
- GHG Emissions and Climate Impact
- Diversity, Equity and Inclusion
- Regenerative Agriculture
- Food Waste and Loss
- Nutrition Access
- Hunger Relief

Stakeholder Engagement



Considering stakeholder interests and perspectives is integral to driving economic and social value in the products we deliver, as well as promoting the well-being of the people and communities we serve. Our stakeholders are involved in our regular key topics assessments and ongoing dialogue that enables us to understand their suggestions and feedback on our business. Through various engagement activities, we diligently monitor and capture topics that reflect diverse stakeholder views and can anticipate future interests or priorities of our organization.

In keeping with our commitment to feed people worldwide in a responsible and ethical manner, we participate in and maintain memberships with more than 50 nonprofit organizations, academic

institutions and industry consortiums at local, national and international levels to assist with the discussions, partnerships and innovations in important sustainability and business topics. We focus our industry engagement on the topics most relevant to the food sector, such as sustainable agriculture, animal welfare and food science. We facilitate sustainable advancements and purpose-driven initiatives with these partners through our representation on boards and committees. By actively participating in and advocating for the missions of the organizations with which we engage, we aim to increase the effective reach of the programs we support and accelerate sustainability actions in the industry. For more information about our engagement efforts and industry memberships, please refer to [Appendix A](#).



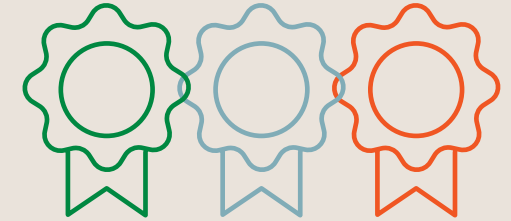
2023 Awards

As a leader in the global food system, we strive to model best business practices and ensure standards for responsible conduct are followed throughout our operations. The following list presents the more significant external recognitions we received in 2023. They serve as a testament to the success and effectiveness of our team in operating a sustainable and ethical business.

- **Barron's 100 Most Sustainable Companies:** We were ranked 23rd on Barron's list of the 100 most sustainable U.S. companies for 2023. The honorees were chosen from the 1,000 largest U.S. publicly traded companies, which were evaluated on more than 200 sustainability-related indicators.
- **Fortune's World's Most Admired Companies:** We were recognized as one of the world's most admired companies by Fortune magazine. This honor was based on ratings from company officers and securities analysts on criteria ranging from investment value and social responsibility to the management of product quality and talent-attraction practices.

- **Fast Company's 100 Best Workplaces for Innovators:** We were one of only five consumer packaged goods companies named to Fast Company's list of best workplaces for innovators. Those chosen demonstrate a commitment to embracing new ideas and innovations.
- **Drucker Institute Management Top 250 list of America's Best Run Companies:** We were named one of America's 250 best-run companies, a list compiled by the Drucker Institute and published by The Wall Street Journal. A repeat honor for Hormel Foods, the recognition was made in light of our outstanding performance in the areas of customer satisfaction, team member engagement and development, innovation, social responsibility and financial strength.
- **Newsweek's Most Trustworthy Companies in America:** For the second year in a row, we were named to Newsweek's annual ranking of the most trusted U.S. companies, which incorporates survey results of Americans' perceptions of businesses' fair treatment of customers, provision of career development opportunities and generation of long-term financial value.

- **Newsweek's America's Most Responsible Companies:** For the fourth year in a row, we were called out as one of the 500 most responsible U.S. publicly traded companies, based on our track record of conducting business with integrity and being a responsible corporate citizen.
- **Newsweek's America's Greatest Workplaces:** We received a perfect score and were recognized as one of America's greatest workplaces by Newsweek. This honor was due to our practice of promoting diversity and equality, offering competitive compensation and fostering a sense of belonging in our workplace.
- **Newsweek's America's Greatest Workplaces for Diversity:** We were named one of America's greatest workplaces for diversity, a selection based on research, interviews and employee insights into corporate culture and working environments.
- **U.S. News & World Report's Best Companies to Work For:** We are one of the 200 best publicly traded companies to work for, according to U.S. News & World Report's assessment of quality of pay, work-life balance, career opportunities and other employee wellness-related metrics.



- **U.S. Environmental Protection Agency's (EPA's) 2023 Green Power Leadership Award:** We were recognized for outstanding clean-energy initiatives, including efforts to increase domestic green power use and to support community solar projects in rural areas.
- **U.S. EPA's Green Power Partnership Fortune 500® Partners List:** As of 2023, we were ranked the 19th largest green power user among Fortune 500 companies in EPA's Green Power Partnership program.
- **Center for Resource Solutions Market Development Award:** We were recognized by the Center for Resource Solutions as one of the champions of renewable energy sourcing for our actions that support the accelerated development of green power markets.
- **Human Rights Campaign Equality 100 Award:** Leader in LGBTQ+ Workplace Inclusion: We received a perfect score of 100 on the 2023-24 Corporate Equality Index (CEI), making us a recipient of the Human Rights Campaign's Equality 100 Award: Leader in LGBTQ+ Workplace Inclusion.

Products

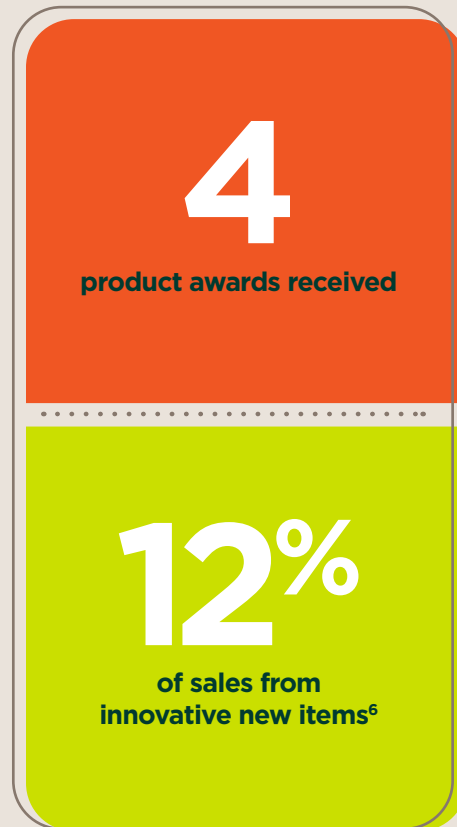


Products

In 2023, we launched more than 500 new items,⁵ including over 50 retail and foodservice items that were introduced internationally.

Our inspired team members are passionate about producing some of the most trusted and well-known food products in the world. We believe that good food should be safe, nutritious and delicious, and that it should be made available to everyone. By advancing our efforts to simplify ingredient statements, reduce sugar and sodium in our products, and foster innovation, we produce food that helps feed the world while meeting the needs of our consumers. We continue to diversify our product portfolio with a range of food options to help meet consumers' dietary preferences and nutritional needs.




2023 Product Highlights



⁵ Includes MegaMex Foods.

⁶ Includes MegaMex Foods. Based on net sales for new items launched within the previous three years and the projected sales for items scheduled to launch in the next two years, divided by total reported sales for the year.

Progress Toward 20 By 30 Challenge Goals

Hormel Foods Goal	2023 Progress	UN SDGs
<p>1 Continue to offer high-quality, safe and convenient products that meet a wide range of consumer preferences and needs.</p>	<p>We launched more than 500 new retail and foodservice items to continue to meet consumer preferences and needs.⁷</p>	<p>2 ZERO HUNGER </p> <p>3 GOOD HEALTH AND WELL-BEING </p>
<p>2 Continue efforts to reduce added sugars and sodium in our products and review our items for opportunities to shorten ingredient lists, prioritizing ingredients that are familiar to consumers.</p>	<p>We continued to focus on efforts to reduce added sugars and sodium in our products throughout the year, including the launch of reduced-sodium options in our <i>Dinty Moore</i>[®] beef stew and <i>Jennie-O</i>[®] turkey product lines. The reduced-sodium <i>Jennie-O</i>[®] products are specifically formulated for K-12 students.</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION </p>
<p>3 Achieve 15% of sales from new products each year.⁸</p>	<p>In 2023, 12% of our sales came from new innovative items.⁹</p>	

⁷ Includes MegaMex Foods.

⁸ Based on net sales for new items launched within the previous three years and the projected sales for items scheduled to launch in the next two years, divided by total reported sales for the year.

⁹ Includes MegaMex Foods.

Nutrition and Wellness

Supporting people’s health and wellness through food products drives our dedication to providing consumers with a wide array of high-quality, safe and convenient products. Our team works tirelessly to develop food items that meet the diverse dietary requirements and food preferences of our consumer base. We are proud to report we have a variety of products certified by independent outside entities, including Whole30®, American Heart Association, Vegan Awareness Foundation, The Non-GMO Project and others.

We continued to prioritize transparency by simplifying the ingredient statements of our products through the removal or replacement of ingredients while still delivering the great taste shoppers expect. We also expanded our plant-based product portfolio through the development and creation of additional snack nuts and nut-butter product offerings to provide consumers with food products that meet their needs.

Simplifying Ingredient Statements

Since 2015, Hormel Foods has boosted efforts to aid consumers in making better food choices by simplifying the ingredient statements of our retail and foodservice products, all while preserving the delicious flavors consumers love. This initiative involves reviewing our products for opportunities to shorten ingredient lists, prioritizing ingredients that are familiar to consumers, and removing unnecessary artificial colors and flavors, which allows for more transparent and easy-to-follow product information to aid consumers’ decision-making.

For example, in 2023, our Applegate subsidiary launched nine products in line with these standards, including several bacon, chicken and turkey items.

Reduced-sodium and Reduced-sugar Products

We are dedicated to helping consumers address and manage nutritional and health concerns about their food products. Guided by consumer data, we actively research and reformulate food to achieve the preferred sodium and sugar levels in our products. In 2023, we launched reduced-sodium options for *Dinty Moore*® beef stew and *Jennie-O*® turkey barbacoa and turkey breast. The reduced-sodium *Jennie-O*® products were specially formulated to support nutrition-forward K-12 school recipes.

In Singapore, our *Skippy*® creamy peanut butter with zero added sugar and salt was honored by Nielsen, a leading consumer intelligence company. It was named a Breakthrough Innovation Wavemaker for achieving an above-average sales velocity as a product introduced to the market within the past two years that provides new benefits compared to existing offerings.

Building on this momentum, we will continue to nourish — and delight — a diverse global population with products that recognize and support a variety of dietary preferences.



Nutrition and Wellness CONTINUED

Hormel Health Labs

Our Hormel Health Labs division specializes in providing food products that cater to individuals with health conditions. Dedicated to conducting ongoing research and product reformulation to innovate its offerings, Hormel Health Labs works with healthcare centers, special-care facilities and caregivers to provide products and information that support patients. As a leading provider of nutritious foods for people at risk of malnutrition or those dealing with various health conditions, including cancer, kidney disease, diabetes, digestive challenges, cardiovascular disease and more, Hormel Health Labs offers a wide variety of fortified functional foods and beverages through multiple product lines.

In addition, Hormel Health Labs is a leader in creating nutritional food options for people with dysphagia and other swallowing difficulties. Through the *Thick & Easy*® line of foods, beverages and mixes, Hormel Health Labs delivers products that help people enjoy their favorite items safely. We continue to optimize *Thick & Easy*® products and end-user instructions in response to increasing global adoption and implementation of the International Dysphagia Diet Standardization Initiative (IDDSI) guidelines. In 2023, several *Thick & Easy*® items, including pureed turkey, beef and broccoli products, were reformulated to reduce or remove allergens.

For more information about *Thick & Easy*® products and Hormel Health Labs in general, please visit [Hormel Health Labs](#).

Plant-based Protein Options

We take pride in offering a selection of plant-based retail and foodservice items, such as *Planters*® snack nuts, *Skippy*® peanut butter, *Justin's*® nut butter and *Burke*® plant-based pizza toppings. In 2023, the *Planters*® brand team expanded its offerings of flavored cashews and peanut products, and *Skippy*® peanut butter and spread varieties are now certified vegan by the Vegan Awareness Foundation. This includes creamy and *Super Chunk*® peanut butter in regular and natural varieties, as well as squeeze packs and no-sugar-added peanut butter spreads. As part of our dedication to supporting consumers' food preferences, we look forward to continuing to expand our portfolio and capabilities to introduce innovative and tasty plant-based food options.



Food Safety and Quality

Product safety and quality are top priorities at Hormel Foods. Our robust food safety and sanitation systems are developed in accordance with the Hazard Analysis and Critical Control Points (HACCP) principles, which form the foundation of our approach to quality excellence. We follow a rigorous assurance process and stress the importance of food safety throughout our organization to hold ourselves accountable for the safety of our products. Our food safety and quality management strategy is anchored by our mission to:

- Prepare, package and distribute ready-to-eat meat and food products that are free from microbiological and chemical hazards, and/or foreign matter.
- Provide clearly defined specifications, programs and services to ensure our products meet the quality requirements of our company, regulatory agencies and customers.

Food Safety Management

Our systems are supervised by our quality and food safety professionals, independent third-party auditors, the U.S. Department of Agriculture (USDA), the U.S. Food and Drug Administration (FDA) and various international regulatory bodies. Our food safety steering committee oversees the operation of three important food safety task forces: prevention and detection, assurance and training. In our pursuit of continuous improvement, our quality management team members constantly challenge themselves and adopt new strategies to achieve ambitious goals for food safety. In 2023, we continued to invest in food safety measures and added new prevention and detection equipment on production lines across our company to help detect foreign matter and improve product safety.

Quality Assurance

Our quality assurance strategy is designed to ensure timely detection of and response to potential hazards or quality deficiencies in the products we deliver. In collaboration with experienced auditors, we pursue and

maintain compliance with the HACCP, HARPC and food safety management systems that are guided by various Global Food Safety Initiative (GFSI) audit methodologies. Our facilities have received Safe Quality Food (SQF), British Retail Consortium (BRC) Global Food Safety Standard and FSSC 22000 certifications. These attest to compliance with the GFSI requirements, validating the effectiveness of our safety management strategy. We deploy a robust internal system to actively track and improve audit results to ensure we achieve our quality certification expectations each year.

Safe Packaging

Proper packaging is integral to maintaining food safety in our products. Our team of packaging scientists determines the best packaging techniques for each product and conducts thorough assessments of safety risks while considering the entire production and use phase, including the manufacturing, transportation and consumer usage stages. We utilize a wide range of packaging materials and options, including modified atmosphere packaging, vacuum packaging

and packaging designed for low-acid, shelf-stable foods. Prior to transportation and distribution to retailers, all products must undergo multiple safety checks and balances to verify and demonstrate quality excellence.

Product Quality Training

We invest extensive time and resources into the development of comprehensive safety training and educational campaigns for our team members. These are intended to equip our team members with the appropriate knowledge and skills to manage product safety in all stages of the design, production and delivery processes. We annually celebrate Global Food Safety Awareness Week across our enterprise, organizing a series of events and engagement initiatives. These are aimed at disseminating information to global team members concerning the importance of product quality to our business and management approaches.

Food Access

Improving Food Access Through the Power of Brands

As a global branded food company, Hormel Foods is driven to increase food accessibility for consumers throughout the world. And as a leader in the food industry, we provide convenient, flavorful and trusted brands to a wide range of consumers.

In most households across the United States — our largest market — one can find products from across our portfolio of convenient meals and proteins, including the *SPAM*®, *Skippy*®, *Dinty Moore*®, *Mary Kitchen*® and *Compleats*® brands, among others. That's more than 100 million households that rely on Hormel Foods on a regular basis. It's extraordinary, but it's not surprising to us. We know our center-store brands give people the peace of mind that comes from having shelf-stable products on hand for everything from a last-minute meal to a camping trip.

Credit for this wide distribution goes to the power of our brands and to our dynamic sales team. The team is made up of people who understand — and live — our company vision and mission. Our on-site sales force is highly successful at placing our products where consumers will have access. From dollar and convenience stores to discount stores to traditional grocery and club stores to online sites and more, we work hard to offer our products where consumers live and shop.

Meeting People Where They Live

The category of convenience stores (c-stores) is well worth calling out. It's one of the fastest growing facets of our business, not to mention a changing element of American culture. Functioning as neighborhood markets, c-stores these days provide more than gasoline; they are increasingly offering prepared foods with a fresh, nutritious and tasty twist. These selections offer accessible options for individuals and families.

The Hormel Foods Foodservice segment supports c-stores by supplying protein and other ingredients integral to their prepared-foods offerings. Our team of researchers and chefs helps to develop menu ideas and advice for c-store companies. It is an endeavor that's in lockstep with our global impact values. C-stores are often found in rural and urban settings, and even in food deserts — areas where there are few, if any, options to buy good-quality fresh food.

And while consumers are deciding what to have for breakfast, lunch or dinner, many are wandering over to the stores' pantry and snack sections, the latter of which are well represented by our *Planters*® brand. In fact, when we acquired the iconic nut brand and the *Corn Nuts*® brand several years ago, we immediately increased our company's product offerings in c-stores, giving us a way to offer smaller portion sizes to those who are on a budget or want to try something new.



Innovation

Our commitment to ongoing innovation drives our continued efforts to deliver value-added products to our consumers. At Hormel Foods, we draw inspiration from the ethos of our founder, George A. Hormel, to *Originate Don't Imitate*. Building on his legacy, Hormel Foods is dedicated to understanding the dynamic needs of our consumers and customers through data, observations, conversations and ethnographic research.

Market, customer and consumer insights enable us to deliver purpose-driven innovations, applying our creativity to finding solutions that fill voids in the global marketplace. In 2023, we launched The Originate Initiative, a companywide effort to showcase the insights-led innovation happening across our product lines and processes, and the inspired people bringing them to life. In addition to presenting our collective approach to innovation, the initiative provides information from our

newest center of excellence, Brand Fuel. The Brand Fuel team works to ensure our decisions and investments are guided by insightful market analyses and a deep understanding of where and how consumers shop and eat. For more information, please refer to the [media release](#).

In recognition of our innovation, we received the following product awards in 2023:

- Product of the Year Canada, Appetizer Category — awarded to *Columbus*® charcuterie tasting board
- People Food Awards — awarded to *Hormel*® sliced chorizo pepperoni
- Progressive Grocer Best New Products of 2023 — awarded to *Planters*® flavored cashews



Product Development and Innovation

Collaboration and guidance from all tiers of functional leaders, business units and working groups shape our product innovation strategies. We leverage insights into consumer preferences to continuously develop and refine our products, ensuring they remain relevant to the market and align with evolving industry trends. Through quarterly reviews, which serve as pivotal checkpoints to talk about progress on strategy, technology and product development, our leadership team ensures our innovation efforts support our strategic priorities. The same review process also supports management by our corporate innovation and stage gate team, which is responsible for major pipeline development and monitoring throughout the enterprise.

In our pursuit of efficiency in product development, we use a robust, centralized governance system across our company

to measure key indicators, and implement necessary decision checks and gatekeeping mechanisms for the management of our innovation pipeline. Through the system, we apply a scoring methodology to systematically identify, compare and pursue product opportunities based on alignment with our product-creation priorities. We likewise provide transparency and visibility in the decision-making process throughout our company.

We host a yearly internal Best of the Best competition to highlight and recognize outstanding innovations. In addition, we host an annual innovation summit for team members involved in the product development process to exchange experiences and ideas. Both of these initiatives are designed to share knowledge, with the goal of fostering creativity in our organization. In 2023, *Planters*® sweet and spicy peanuts were selected as the winner of the 2023 Innovation Best of the Best competition.

Consumer Education and Information

At Hormel Foods, we are committed to ensuring the food we offer worldwide is tasty, wholesome and safe for our consumers. Providing precise and credible product information is an extension of this commitment, and we strive to maintain accessibility and readability in product labels that support consumers' purchasing process.

Accuracy and transparency are central to our labeling strategy, which follows applicable regulations to ensure the presentation of product information is truthful and easily understandable. We also have a knowledgeable team that is available to answer product questions submitted via our website or through phone, email and other communication channels. Our team members are able to address a full array of inquiries, including those relating to ingredients and nutritional content.

Product Labeling

We comply with applicable labeling standards, laws and regulations, using various programs to ensure the precision, completeness and accessibility of nutrition-label panels. For a variety of our products, we use SmartLabel, a widely used platform created by the Consumer Brands Association (CBA). This system is designed to provide detailed product information beyond the package label across a wide array of food and consumer-goods categories. In addition, we use CBA's front-of-packaging labeling system on a number of our products to display key nutrition information where consumers can easily see it.

We follow applicable regulations for claims about nutrient content to educate consumers about nutritional attributes. These claims include, but are not limited to, low fat, fat free, low sodium, reduced sodium, lite, lightly salted and high in protein. Additionally, our product labels are compliant with the National Bioengineered Food Disclosure Standard, which ensures bioengineered foods are appropriately disclosed for

products sold in the United States. Alongside the details available on packages, we offer online resources, including product websites, which enable consumers to access information regardless of their locations.

Our team of labeling experts draws on years of industry experience to develop product labels that incorporate mandatory and voluntary information. As part of our label development, we continuously evaluate products to ensure accuracy in labeling.

Finally, we manage our labeling and formulation controls through integrated software systems. The systems contain detailed profiles of ingredients and their associated suppliers, including allergens (e.g., milk, wheat, soy, peanuts, tree nuts, eggs, fish, crustacean, shellfish, sesame), sensitive ingredients (e.g., sulfites, MSG), country of origin, supplying production location, date of purchase, nutrition information and other specifications.

Consumer Engagement

Our consumer engagement and shopper insights teams collaborate with our in-house cultural anthropologist to regularly interact with our consumers and customers. This gives us valuable information and allows us to answer questions via channels such as email, websites, phone, mail and social media. Through these engagement efforts, we remain up to date on diverse and evolving product needs and preferences within our consumer base, fulfill information requests and track satisfaction levels of our products. In 2023, the consumer engagement team fielded more than 95,000 contacts. As we continue to seek opportunities to strengthen our approaches to consumer interaction, education and customer services, we are focused on adopting effective communication methods that empower our team to promptly engage with and respond to our consumers.

Responsible Marketing

All advertising activities completed by or on behalf of our company comply with applicable laws and regulations. We also align our marketing to various self-imposed industry standards. We maintain membership in the Association of National Advertisers, the largest advertising trade association in the U.S. The organization works on behalf of its members on policies, regulations and other issues affecting the marketing industry. We also actively support

partnerships and advocacy programs related to responsible marketing practices. These allow us to build stronger brands through effective and ethical advertising strategies. In 2023, we had zero noncompliances in our marketing communications.¹⁰

Our marketing efforts are intended to show the quality and diversity of our product portfolio and our contributions to help feed the world's population.

Responsible marketing practices guide our communication activities. Many of these are related to our strategies and investments in various food-security and sustainability campaigns, which are made possible by collaboration with community and nonprofit organizations. These are often communicated through influencer partnerships, social media promotions and media releases, among other forms of outreach. The short list below presents select marketing initiatives and associated impacts we have generated with external partners.

Partnership to Advance Community Well-being

In 2023, the Hormel Foods *SPAM*® brand team partnered with culinary and lifestyle influencers to promote a line of limited-edition *SPAM*® apparel and accessories in support of community organizations. All proceeds from the offering were donated to Convoy of Hope, a nonprofit organization focused on crisis response and hunger relief. Through this effort, we raised \$20,000 for the organization.

Applegate RD Network

The Applegate RD Network is a program dedicated to listening, learning and working in tandem with registered dietitians who focus on consumer packaged goods. Open to all registered dietitians, the program seeks to provide a larger understanding of the dietary and nutritional needs of consumers, and how *Applegate*® products can be a solution to those needs. At present, the Applegate RD Network consists of over 1,000 registered dietitians.

Appreciation for Foodservice Operators

Table Blazers is a program in our Foodservice segment that recognizes and demonstrates appreciation for operators across the U.S. food industry who are making a difference in the foodservice community. The program provides a platform to highlight achievements and contributions of foodservice operators working in universities, hospitals, restaurants and other service areas. For more information, please visit our [Table Blazers webpage](#).



¹⁰ We define noncompliance events as any incidents that result in fines or penalties issued by U.S. regulatory agencies. Hormel Foods did not have any FDA, USDA or U.S. Federal Trade Commission warnings, penalties or fines associated with marketing regulations during 2023.

Supply Chain



Supply Chain

In calendar year 2023, our total purchasing spend with small and diverse businesses was \$1.3 billion across Tier 1 and Tier 2 suppliers.¹¹ We manage our supply chain with a focus on ensuring the quality and safety of ingredients while supporting the health and lives of animals and farmers in our value chain.

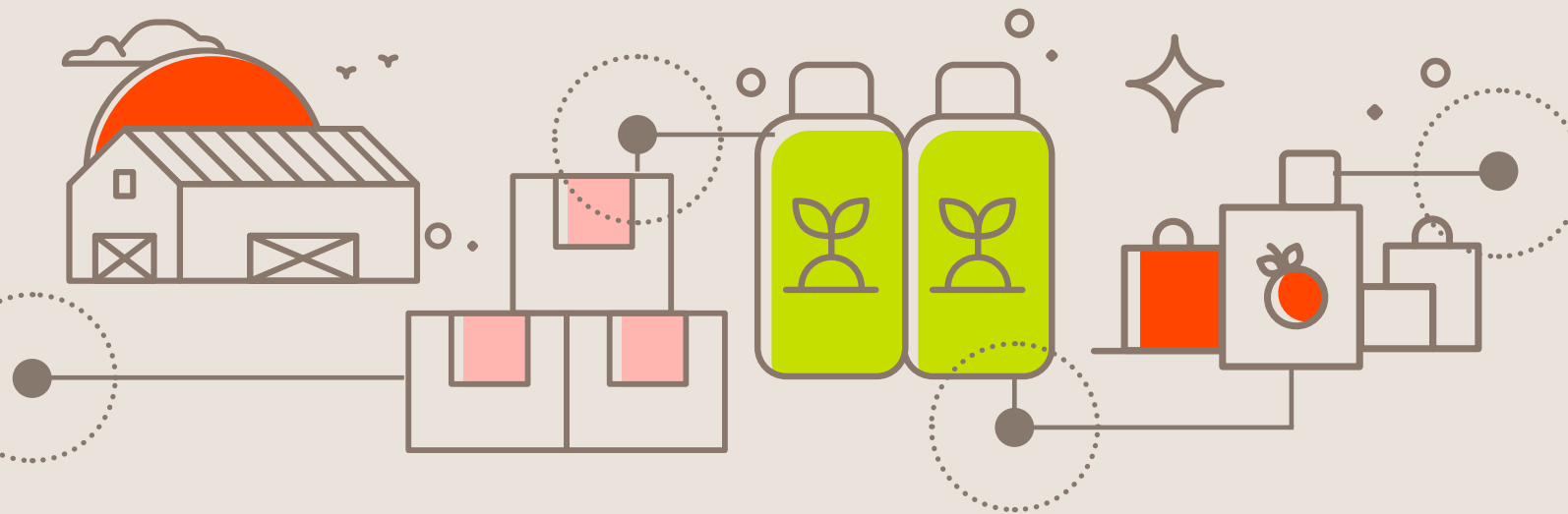
Our multifaceted global supply chain includes suppliers of food ingredients, packaging materials, transportation and more. By maintaining strong relationships with our suppliers, plus deploying robust sourcing policies and risk management programs, we remain committed to collectively building a sustainable future for the global food system and elevating

diversity in our supplier base. We likewise promote the [well-being of animals](#) and of the farmers who support our mission of feeding the world's population. We work with credible and responsible vendors who share our values, comply with our standards of ethical business behaviors, enable us to deliver quality products and add economic and social value to society.

2023 Supply Chain Management Highlights

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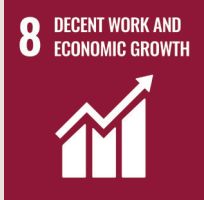


noncompliances with hog and turkey processing practices¹²



¹¹ Includes suppliers of applicable vendor categories in the company's evolving tracking system.

¹² As reflected in the number of notices of intended enforcement from the USDA's Food Safety and Inspection Service concerning material noncompliance incidents with laws and regulations in relation to our hog and turkey transportation, handling and processing practices.

Progress Toward 20 By 30 Challenge Goals

Hormel Foods Goal	2023 Progress	UN SDGs
<p>4 Maintain high standards for animal care¹³ and handling throughout our supply chain.</p>	<p>We conducted more than 2,600 hog, turkey, beef and chicken audits to ensure our standards are being met.¹⁴</p>	 
<p>5 Advance our antibiotic stewardship efforts and pilot an antibiotic use measurement and reporting system.</p>	<p>We continued to share our efforts and progress through our annual Antibiotic Stewardship Report.</p>	
<p>6 Continue to increase our purchasing spend annually with small and diverse businesses.</p>	<p>We spent more than \$1.3 billion with Tier 1 and Tier 2 certified small and diverse suppliers in calendar year 2023.¹⁵ These certified businesses include small, small disabled, women-owned, minority-owned, veteran-owned, veteran disabled, LGBTQ-owned and HUBZone businesses.</p>	 

¹³ All animals will be treated in accordance with the Five Freedoms of Animal Welfare formalized by the UK Animal Welfare Committee (formerly the Farm Animal Welfare Committee). For more information about our animal welfare principles, please refer to the [Animal Care](#) section of this report.

¹⁴ This includes Applegate internal audits for beef and chicken.

¹⁵ Includes suppliers of applicable vendor categories in the company's evolving tracking system.

Supply Chain

CONTINUED

Supplier Code of Conduct

Our suppliers play a prominent role in our business success and overall sustainability performance. We have implemented multiple policies to ensure our suppliers follow the highest standards for ethical, accountable and responsible operations and production processes. All suppliers are subject to comply with our [Supplier Code of Conduct](#) to demonstrate the products and services they provide will adhere to our principles for environmental, economic and social responsibility. Our Supplier Code of Conduct defines our expectations of vendors' operations and services in five areas — product quality and safety, human rights, animal care, environmental management and business integrity — and provides a mechanism to report noncompliance with our policy and requirements. In the instance of a supplier code violation, we require the noncompliant supplier to promptly implement corrective actions and prevent recurrence. If appropriate corrective actions

cannot be agreed upon or are not taken, we reserve the right to suspend or discontinue purchases from the vendor. For more information about our Supplier Code of Conduct and other supplier policies, please visit our [Supplier Code of Conduct webpage](#).

Sustainable Sourcing

Sustainable agriculture is vital to an environmentally sound and socially responsible food value chain. Our responsible sourcing approach for agricultural products is primarily focused on advancing the traceability of palm oil and the sustainability of beef supplied by our South American vendors. In our pursuit of continuous improvement, we have established a goal to achieve 100% palm oil traceability to the plantation level, which we estimate will be by the end of 2025. In 2023, we continued to make progress toward this goal by purchasing only palm oil that is certified by the Roundtable for Sustainable Palm Oil (RSPO).

Our [Palm Oil Sourcing Policy and Palm Oil Action Plan](#) describe our views on palm oil traceability, responsible sourcing principles, and the reporting and assessment requirements of our suppliers. As spelled out in our Palm Oil Action Plan, our suppliers are obligated to report their progress annually and verify their responsible palm oil production practices to RSPO or its third-party affiliates. We also report annually on our palm oil use and policies to RSPO.

In addition, Hormel Foods has a deforestation committee that provides strategic recommendations and supports program implementation related to palm oil. Through its leadership, guidance and engagement with suppliers, the committee facilitates our compliance and initiatives related to our palm oil traceability, sourcing principles and reporting requirements. If a supplier is in violation of our sourcing principles, Hormel Foods will require the supplier to implement corrective actions. If these are not implemented, we will

discontinue purchasing from the supplier. To drive improved sustainability performance in our beef value chain, we follow the criteria and principles of the Global Roundtable for Sustainable Beef (GRSB) in partnership with our South American beef suppliers. As part of our strategy, we collaborate closely with beef vendors and enforce audit requirements for their environmental monitoring systems. By verifying the quality of their environmental management programs, which can include using geospatial analysis tools and collection of deforestation data, we aim to retrieve high-quality data from vendors' monitoring systems in order to continuously refine our strategy for effectively addressing any potential negative impacts arising from animal husbandry. For more information about our sourcing of South American beef, please refer to our [Beef Policy](#).

Supply Chain CONTINUED

Sustainability is deeply embedded in our sourcing strategy. Our *Justin's*® brand team is a member of RSP0, which encourages sustainable growing practices and the upholding of human rights initiatives at the farm level, at the same time promoting education about the cultivation and use of certified sustainable palm oil. The RSP0-certified palm oil used in *Justin's*® products is also considered orangutan friendly as part of a partnership with the Cheyenne Mountain Zoo, as it is sustainably sourced and deforestation free.

Supplier Assessment and Engagement

Our supply chain and business partners are integral to the success of our business. By implementing due diligence, ongoing performance management, audit and engagement activities, we strive to effectively achieve our objective of robust supply chain management and work with parties that do business with integrity. They must also follow the highest standards of ethical and responsible conduct in line with our supplier policies. The long-standing relationships we have established with our suppliers allow us to maintain stability and drive continued sustainability progress in our supply chains.

Before we agree to procurement contracts with vendors, they must agree to follow our Supplier Code of Conduct, which is designed to ensure the quality of products and services we receive from them uphold our commitment to environmental and social responsibility.

To support effective supply chain management and risk mitigation, we follow a supplier quality management process to regularly evaluate our vendors based on the condition, delivery, service, technology and price of their solutions and products. The suppliers that provide us with ingredients are subject to additional food safety measurements and certification requirements, as written in our contracts, to further ensure product integrity.

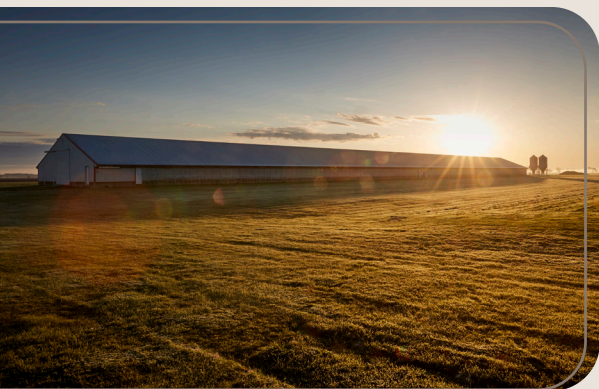


Supply Chain CONTINUED

Supplier Evaluation and Management

We require suppliers to evaluate their environmental and social performance and the maturity of their management approaches, including aspects related to human rights policies and practices. We reserve the right to require third-party audits at our suppliers' locations.

In an effort to drive improvement in our supplier base, we meet with key vendors to discuss their initiatives and review service metrics while ensuring the alignment of their performance and capabilities with our business imperatives.



Food Safety Audits

Our commitment to product quality and safety is embedded in our supplier engagement processes. We require all ingredient suppliers to complete third-party food safety audits regularly. In addition, we performed five supplemental food safety audits in 2023 with our prioritized high-risk suppliers that provide ingredients with an elevated food safety risk and thus, warrant extra due diligence.¹⁶ If suppliers are found to be noncompliant with our product safety standards, we work to ensure appropriate corrective or disciplinary action is taken – up to and including termination of those procurement contracts. In 2023, we further enhanced the supplier auditor team in China by offering training courses focused on food safety and quality auditor development as well as the completion of on-site audits.

Small and Diverse Suppliers

We support diversity in our supplier base, and we continue to pursue annual increases in our purchasing spend with small and diverse businesses. In addition to ensuring our suppliers' compliance with our product and food safety standards, we make a concerted effort to give small and diverse companies, such as women-owned, minority-owned and veteran-owned businesses, the opportunity to supply quality products that meet our company's growing business needs. In calendar year 2023, our total purchasing spend with certified small and diverse businesses was more than \$1.3 billion across Tier 1 and Tier 2 suppliers,¹⁷ including the spend with small, small disabled, women-owned, minority-owned, veteran-owned, veteran disabled, LGBTQ-owned and HUBZone businesses.



¹⁶ Does not include international audits.

¹⁷ Includes suppliers of applicable vendor categories in the company's evolving tracking system.

Animal Care

Our animal welfare program helps us to reach our sustainability goals, maintain the highest product quality, ensure food safety and protect human health. We have an unwavering commitment to maintaining high animal welfare standards,¹⁸ as detailed in our [Animal Stewardship Policy](#), and strive to improve the quality of animal lives and their environments through industry collaboration, policies, audits and incident reporting, which in turn enable us to ensure ethical farming practices, reduce risks of animal disease outbreaks, and provide better and safer products.

In an effort to advance animal welfare throughout our value chain and industry, we are deeply involved in external audits and the Professional Animal Auditors Certification Organization (PAACO), where we invite participants to our hog and turkey facilities to support the real-world component of the PACCO training program. Several Hormel Foods team members are PAACO-certified auditors.

We have no tolerance for the mistreatment of animals, a stance that is documented in our Animal Stewardship Policy. Our strict animal care requirements are overseen and advised by veterinarians, third-party experts and a team of animal welfare professionals at our company, including our animal welfare committees for hogs and turkeys, to ensure best practices and compliance with laws that are focused on preventing animal cruelty. In addition, our companywide animal welfare steering committee meets on a quarterly basis to discuss a wide array of animal care policies and practices. Finally, we offer a

confidential, third-party hotline for team members to anonymously report any animal welfare procedure that does not meet our standards.

Our Animal Stewardship Policy serves as our enterprisewide guideline for the ethical treatment of animals. We conduct regular assessments and audits to verify our animal welfare requirements are being met in our operations and supply chain.²⁰ In addition to the animal care principles outlined in our policy, we have specific

quality assurance requirements for hogs and turkeys, as well as responsible production expectations for chickens, which are further described in the following sections and on our [Animal Well-being webpage](#).

Animal Stewardship Policy

As part of our efforts to uphold our animal welfare standards, we have adopted the following principles to guide our animal care and handling procedures:

- All farms will provide a balanced and nutritious diet and clean drinking water.
- A safe and humane environment will be furnished for every animal throughout its life, including minimized stress, managed social needs and controlled environmental conditions.
- Every facility will be properly maintained with the animals' well-being in mind, including appropriate facilities and space, and the utilization of compassionate, stress-reducing techniques during handling.



2,600+

hog, turkey, beef and chicken audits conducted to ensure our animal care standards are being met¹⁹

¹⁸ All animals will be treated in accordance with the Five Freedoms of Animal Welfare formalized by the UK Animal Welfare Committee (formerly the Farm Animal Welfare Committee).

¹⁹ This includes Applegate internal audits for beef and chicken

²⁰ Includes all audits in our evolving corporate tracking system.

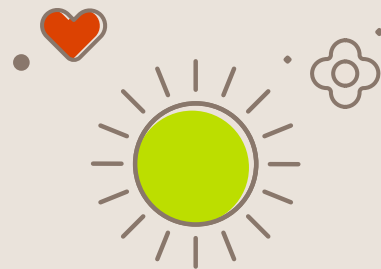
Animal Care CONTINUED

- Animals will be given appropriate preventive and if necessary, acute medical care, including veterinary oversight and the prompt treatment of sick animals. We use antibiotics responsibly and only when medically necessary.
- We will follow clearly documented humane procedures in the event an animal needs to be euthanized.

In addition to these principles, our Applegate subsidiary has requirements for animal care. Applegate works with third-party certifiers such as Global Animal Partnership® (GAP) and Certified Humane® to ensure all suppliers meet externally verified animal welfare standards. All animals used in *Applegate*® branded products are raised and handled in ways that honor the Five Freedoms of Animal Welfare. For more information, please refer to the [Applegate website](#).

Hogs

We require all our hog producers, including our company-owned sow farm, to adhere to all applicable U.S. local and national laws related to animal welfare. In addition, they must follow our Animal Welfare Quality Assurance Program, which documents the proper way to transport and treat hogs. With guidance and leadership from our corporate animal welfare steering committee, as well as an animal welfare committee at each of our independent, third-party hog-harvesting facilities, we strive to ensure our standards for hog treatment are aligned with best practices and are successfully executed by all relevant team members and suppliers.



Animal Welfare Quality Assurance and Compliance

The hog farms in our supply chain are subject to third-party audits and regular training requirements as part of our Animal Welfare Quality Assurance Program to continuously improve their animal care and handling approaches. Our quality assurance and operations personnel perform daily internal audits at our processing facilities to certify compliance with regulations that govern fair animal treatment, plus our quality assurance standards.

Additionally, our company-owned sow-housing operations are compliant with California Proposition 12 and Massachusetts Question 3 Space Requirements for Animal Housing. For additional information about our quality assurance requirements related to hogs and compliance with California Proposition 12 and Massachusetts Question 3, please visit our [Hogs webpage](#).

Group Sow-Housing Commitment

We began to transition our company-owned sow farm to group sow housing in 2018, while maintaining compliance with California Proposition 12 and Massachusetts Question 3. Moving forward, we are continuing to study the benefits of group housing and determine its prevalence throughout our supply chain. We will share the results of this study when it is complete.



Animal Care CONTINUED

Hog Processing Audits

In 2023, 45 external audits were performed by outside auditors. Internally, we participated in 1,046 formal audits, including 48 unannounced, random audits that were conducted by company managers. Benefited, we believe, by our rigorous auditing efforts in 2023, we did not receive any notices of intended enforcement from the USDA's Food Safety and Inspection Service concerning material noncompliance incidents with laws and regulations relative to our hog transportation, handling and processing practices.

Turkeys

As one of the United States' largest processors and marketers of turkey products, we have robust programs to ensure rigorous standards are upheld throughout each step of raising, transporting and processing turkeys. We also have stringent training requirements and follow the animal welfare guidelines set forth by the [National Turkey Federation](#) (NTF) and the American Veterinary Medical Association as the auditing criteria for

our hatcheries, farms and processing facilities. All our turkey farming, handling practices and standards, which apply to our team members, independent suppliers and contract suppliers, are regularly assessed by the Jennie-O Animal Welfare Review Board to ensure accountability. The Animal Welfare Review Board meets monthly to go over noncompliance records, training for live production and animal welfare issues in the industry. We are proud to consistently score in the highest category of NTF's standards.

Turkey Handling Training and Due Diligence

Prior to working with turkeys at our farms and processing facilities, new team members are required to undergo thorough training programs to familiarize themselves with animal care and handling techniques. We have ongoing training for team members, and we perform monthly, annual and periodic audits at our various facilities to ensure our standards are being met. These audits gauge team members' compliance with handling procedures and turkey welfare standards pertaining to air quality, and access to food and water.

We require all independent and contract suppliers to follow a two-step process to ensure high animal welfare standards are applied when handling turkeys. We require independent and contract producers to complete company-provided training in animal handling before they become conditional suppliers of turkeys for our business. Final approval of a supplier is granted after our procurement team

members perform an on-site inspection and an audit of the independent and contract producer's operations. We require ongoing reviews of independent and contract producers' turkey handling practices every three years.

1,000+
hog audits

1,500+
turkey audits



Animal Care CONTINUED

Live Production and Processing Audits

Regular audits at our turkey live production and processing facilities are conducted to ensure adherence to applicable regulations and our animal welfare standards. In 2023, we did not have any notices of intended enforcement from the USDA's Food Safety and Inspection Service as a result of material noncompliance incidents with laws and regulations related to our turkey transportation, handling and processing practices.

Throughout 2023, 1,215 internal audits were conducted by our quality assurance department, and 328 audits compliant with NTF standards were performed by our managers and supervisors of live production. Daily internal audits are conducted at our processing facilities by quality assurance and operations personnel to maintain the highest welfare practices, which are described in our Animal Stewardship Policy. Our processing facilities participated in eight formal internal audits and 46 unannounced, random audits that were conducted by company managers.

Additionally, we engaged external auditors to perform additional assessments, including 14 audits at live-production facilities and eight audits at processing facilities.

Chickens

In line with consumers' growing expectations and demand for cruelty-free poultry products, we perform audits for chicken processing and further pledge to improve broiler-chicken welfare as outlined in our Broiler Chicken Commitment. In 2023, we pursued Global Animal Partnership (GAP) certification for the raw material used in the *Hormel® Fire Braised™* chicken breast product.

Also in 2023, our Applegate team completed 12 internal chicken audits. Our Broiler Chicken Commitment, led by Applegate, outlines welfare standards that Hormel Foods will follow by 2024 in its work with suppliers, peers and other stakeholders in our supply chain. The commitment demonstrates our intent to progressively adopt changes to animal-raising systems for better welfare outcomes for broiler chickens



while preserving consumer access to high-quality food. The standards we work to achieve as part of this commitment include:

- Offering improved environments in line with the GAP standards for better lighting, litter quality and other enrichments
- Providing birds with enough space to perform natural behaviors, including stocking densities that yield the best outcomes, in line with GAP

- Developing systems to process broiler chickens in a manner that avoids preprocess handling and instead uses a multistep, controlled atmospheric processing system

- Requiring supplier participation in third-party auditing to track progress

- By 2028, transitioning to breeds of chicken recognized as having improved welfare outcomes, including better overall health, in line with GAP

Applegate serves on the U.S. Working Group for Broiler Welfare alongside other leading food companies. For more information about our road map to improve the welfare of broiler chickens, please refer to our [Broiler Chicken Commitment](#).

Antibiotic Stewardship

We understand the importance of using antibiotics responsibly in animal agriculture. As part of our 20 By 30 Challenge, we remain committed to advancing our antibiotic stewardship efforts to drive improvement and transparency in responsible antimicrobial use. We are committed to continuous improvement of management and preventive medicine programs to ensure the health of animals is optimized while the occurrence and impact of disease are minimized. In alignment with our Animal Stewardship Policy, we use antibiotics responsibly; never using them to promote animal growth, feed efficiency or weight gain.

In particular, our Applegate subsidiary requires its suppliers to comply with the following no-antibiotics-used policy: “Animals in the Applegate supply chain are never administered antibiotics or administered or fed growth promotants of any type.”

To preserve animal health and welfare, Applegate suppliers are mandated to treat animals that become ill. Those animals are identified and treated under the direction of a veterinarian, then removed from the Applegate supply chain.

In an effort to progress toward our 20 By 30 Challenge goal for enhancing our ongoing antibiotic stewardship efforts, we have made the following commitments:

- Strive to achieve a 10% year-over-year reduction in medically important antibiotic use at our company-owned turkey farms and company-owned sow farm, with the understanding that health challenges may arise that could result in the goal not being met during certain years.

- Strive to eliminate the routine use of medically important antibiotics on our company-owned sow farm by 2025.²¹ To that end, we launched a study in 2022 with our veterinary partner to identify the changes needed to eliminate routine antibiotic use.

Antibiotic Stewardship Framework

It is of the utmost importance to our business to protect human health and the health of our animals. This includes avoiding negative impacts stemming from the overuse of animal antibiotics, which fuels our commitment to antibiotic stewardship. Our comprehensive stewardship program is focused on four core principles: management, use of preventive medicine, veterinary oversight and continuous improvement. In this way, we ensure the

responsible use — including reduction — of antibiotics. In fact, our objective is to reduce antimicrobials while promoting health outcomes of animals in our supply chain.

Our robust antibiotic stewardship framework follows relevant standards established by international and domestic governing authorities, including those suggested or enforced by the USDA and the FDA. We report annually on our stewardship progress through our [Antibiotic Stewardship Report](#). This stand-alone report, issued annually, provides updates on the implementation of our antibiotic stewardship strategy, which is focused on reducing instances of antibiotic use and ensuring responsible use of antibiotics, as well as investing in stakeholder partnerships and products that are raised without antibiotics.

²¹ As defined in the “Critically Important Antimicrobials for Human Medicine: 6th Revision” by WHO. Routine use means antibiotic use for disease prevention purposes. For example, treating all animals in a flock or herd at a certain time as a regular practice (such as at weaning or before shipping) is by definition routine use even if administered to individual animals of that flock or herd by injection. In addition, antibiotics delivered through animal feed, water, injection or any other delivery mechanism to a group of animals that has not been diagnosed with a transmissible bacterial infection is also considered routine use.

Antibiotic Stewardship CONTINUED

Support of the WHO Guidelines

Our antibiotic stewardship commitments and practices align with several of the World Health Organization (WHO) guidelines on Use of Medically Important Antimicrobials in Food-Producing Animals:

- We agree with the WHO guidelines that the use of medically important antibiotics should be reduced, including in food-producing animals, while acknowledging the need to account for animal welfare concerns.
- We have made commitments to achieve a reduction in the use of medically important antimicrobials, as per WHO guidelines.

- Our organization currently complies with the WHO guidelines to eliminate the use of medically important antimicrobials for growth promotion, based on the current guidance published by the FDA.
- While we are aligned with several key points contained in the WHO guidelines, there are a few notable areas, specifically recommendations where WHO itself has stated a recommendation is a “conditional recommendation, with very low-quality evidence,” that we are studying further with our antimicrobial working group. The summation of the working group’s findings will be gathered into a report and made available on the Hormel Foods website.

Reducing the Use of Antibiotics

Reducing the need for antibiotics is important for our company, value chain and industry. Our efforts are focused on reducing antibiotic use while keeping our animals healthy through ongoing monitoring of antibiotic usage, more effective animal health management tactics and better husbandry techniques. We have identified long-term health strategies for our company-owned sow farm through collaboration with a leading veterinary clinic, and we have invested in pilot programs to reduce antibiotic use in our turkey supply chain. In 2023, we performed 11 trials of antibiotic alternatives to reduce the use of antimicrobials.

Responsible Use of Antibiotics

We comply with the FDA’s industry guidance that eliminates the use of medically important antibiotics for growth promotion. While we continue to pursue opportunities to reduce antibiotic use, we believe the responsible use of antibiotics can be an appropriate treatment of sick animals. When antibiotics are needed to properly care for an animal, we work to ensure only approved medications and dosage levels are used under the direction of a veterinarian. In 2023, we conducted two trials associated with the responsible use of antibiotics.



Antibiotic Stewardship CONTINUED

Producing Raised-Without-Antibiotics Products

We are exploring alternatives to antibiotics to enhance our ability to produce raised-without-antibiotics products. Our *Columbus*®, *Applegate*® and *Jennie-O*® brand teams offer products and foodservice items that are raised without antibiotics. Our Applegate® team has a significant commitment in this regard, with a product portfolio produced entirely from animals raised without antibiotics. We also continue to evaluate ways to use antibiotic-free solutions such as prebiotics, probiotics and essential oils to effectively maintain turkey health and welfare on our Jennie-O farms. For more information about our research findings concerning antibiotic alternatives, please refer to our [white paper](#).

Partnering with Stakeholders

To further our commitment to antibiotic stewardship, we have engaged in conversations and partnerships with various leading nongovernmental organizations, independent veterinarians and other prominent experts and stakeholders. Through our representation as members, officers or directors of the boards of many animal welfare and research organizations, including the National Institute of Antimicrobial Resistance Research and Education, we proactively support dialogue around the challenges and possible solutions for antibiotics overuse and the mitigation of antimicrobial resistance. We participate in industry discussions and initiatives, and we review, explore and pursue research opportunities. In these ways, we promote the responsible sectorwide use of antibiotics and the reasonable reduction or elimination of antimicrobials in farm animals. For more information about our industry involvement in this important area, please refer to our [Antibiotic Stewardship Report](#).



Farmer Livelihoods

We rely on hundreds of family-owned and family-operated farms to supply quality ingredients and livestock for our products, therefore making farmer wellness an important priority for our business. Many family farmers have been suppliers of our company for multiple generations. We value and work to continuously strengthen our well-established partnerships with our growers by offering long-term agreements for the sourcing and raising of animals. Through these relationships, our hog producers are provided with a strong market and demand for their animals, leading to continuous business opportunities and income that support their communities. In addition, Jennie-O offers long-term farming contracts with turkey growers. Under this arrangement, Jennie-O owns and provides the turkeys, feed, facilities and veterinary care, and the farmers are compensated for raising the turkeys.

Where possible, we engage industry organizations that support the advancement of agricultural practices and farmer livelihoods. We are proud to have many representatives in farming coalitions, including the Colorado Farm Bureau, the Minnesota AgriGrowth Council and the Minnesota Turkey Growers Association. Additionally, our Applegate subsidiary supports programming and advocacy activities of various partners, including the National Young Farmers Coalition, Organic Trade Association and Kiss the Ground. For more information about our industry collaboration and memberships, please refer to [Appendix A](#).



Environment



Environment

We have set our science-based targets to reduce absolute Scope 1 and 2 emissions by 50% by 2030 from a 2019 baseline and achieve a 27.5% reduction in absolute Scope 3 emissions within the same time frame. In 2023, we continued to reduce our energy consumption and carbon footprint, conserve water, divert waste from landfills and decrease product packaging to make positive contributions to environmental stewardship.

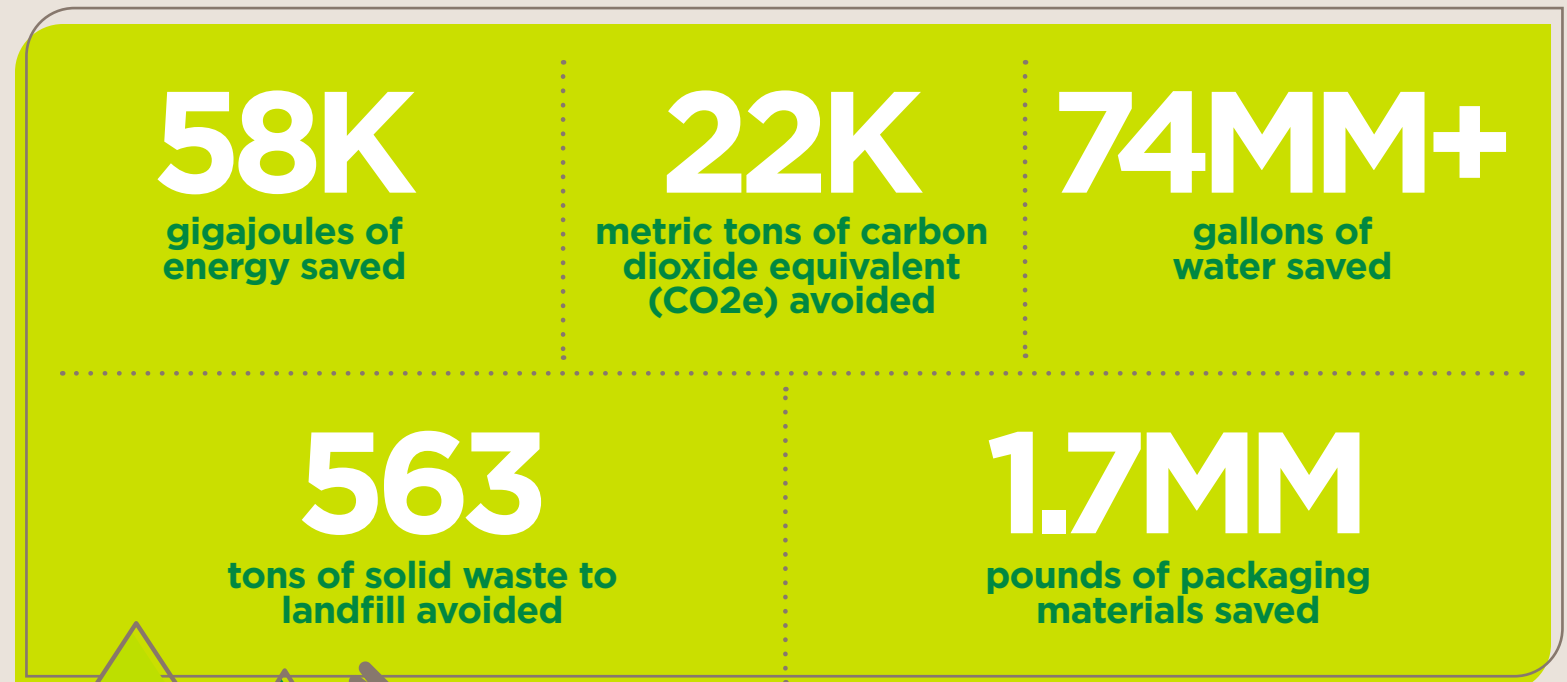
Across our global operations, we strive to continuously improve our operational efficiency and reduce the environmental impacts of our business and processes to make the world a better place for all. In this spirit, we have pledged to demonstrate environmental stewardship and to achieve our 20 By 30 Challenge goals. Our [Environmental Policy Statement](#) describes our commitment to continually refine our environmental programs, maintain a robust environmental management system, and comply with all applicable legal and company requirements. By identifying and pursuing opportunities to reduce our GHG emissions, energy, water and waste footprints, adopt reduced packaging

solutions and promote sustainable agricultural practices, we work to make positive contributions to the conservation of natural resources and ecosystems that all species and future generations rely on.

2023 Environmental Highlights





Various projects were completed throughout 2023 as part of our annual Sustainability Best of the Best competition and other

efficiency-improvement initiatives, enabling us to achieve the following environmental savings:







Progress Toward 20 by 30 Challenge Goals

In addition to the 20 By 30 Challenge environmental sustainability goals listed, each year we aim to achieve a 1% reduction in GHG emissions, energy use and solid waste sent to landfills, and a 2% reduction in water use. We also work to improve our energy and water intensities by 1% on an annual basis. We have made significant progress toward the attainment of our environmental goals, including achieving Goal 8 of setting science-based targets by 2023, and meeting the annual GHG emissions, energy and water reductions listed. We plan to refine our set of environmental targets in 2024 as we continue to evolve our sustainability programs.

Hormel Foods Goal	2023 Progress	UN SDGs
<p>7 Match 100% of our purchased electricity with renewable sourcing.</p>	<p>In 2023, 89% of our U.S. and 85% of global electricity usage were matched with renewable sources.</p>	 
<p>8 Demonstrate climate leadership by establishing science-based targets for the reduction of GHG emissions by 2023.</p>	<p>In 2023, our science-based targets were approved by the Science Based Target Initiative (SBTi), formalizing our 1.5 degree Celsius-aligned 2030 emissions reduction targets for Scope 1, 2 and 3 emissions.</p>	 
<p>9 Advance our water stewardship efforts through initiatives in our top-six priority watersheds.</p>	<p>We completed our support for the second cropping year of the Minnesota regenerative agriculture project coordinated by the Ecosystem Services Market Consortium (ESMC) and The Nature Conservancy (TNC). We will extend our participation in the program for another year to help accelerate the adoption of sustainable agriculture programs, and measurement and verification of positive environmental and water stewardship outcomes.</p>	

Progress Toward 20 by 30 Challenge Goals

Hormel Foods Goal	2023 Progress	UN SDGs
<p>10 Invest in wastewater treatment projects in collaboration with municipal partners and reduce water use.</p>	<p>We reduced water use by 2% in 2023 compared to the prior year.</p>	 
<p>11 Support regenerative agriculture initiatives.</p>	<p>Our Applegate subsidiary has set a goal that 100% of all <i>Applegate</i>® beef hot dogs will be sourced from certified regenerative farms by the end of 2025.</p>	
<p>12 Focus on packaging sustainability efforts through research, innovation, on-package communications and optimizing package weight and shipping efficiencies.</p>	<p>Our packaging team's sustainability initiatives resulted in nearly 1.7 million pounds in material savings.²² In addition, we added How2Recycle logos onto 326 items.</p>	 
<p>13 Work toward zero food waste.</p>	<p>We prioritized waste minimization in our production locations, made food donations and provided helpful household food waste reduction tips to customers.</p>	

²² Savings are based on an annual rolling average and include all projects captured by the corporate packaging development group.

Greenhouse Gas Emissions

Through the engagement of our team members, we continue to incorporate emissions-reduction programs in our strategies, in the operations of our sites and when transporting our products. As part of our 20 By 30 Challenge, we made progress toward our goal of achieving an annual 1% emissions reduction and are proud to have established our science-based targets. In 2023, our 1.5 degree Celsius-aligned emissions-reduction goals were approved by the SBTi, formalizing our goals for emissions reductions. Our commitments include reducing our absolute Scope 1 and 2 emissions by 50% by 2030 from a 2019 baseline, and achieving a 27.5% reduction in absolute Scope 3 emissions within the same time frame.

Climate-linked Incentives

We offer financial incentives, along with focused recognition, to encourage team members to bring forward ideas that drive efficiency and promote sustainability.

Successfully implemented ideas are spotlighted in the annual Hormel Foods Continuous Improvement Process and our Best of the Best competition. These programs, which honor and reward team members for their contributions to lowering our company’s environmental footprints, are an important part of our corporate culture. In recognition of the efforts and impact made by the winning teams, donations are made to local nonprofit organizations of their choice in order to support the communities where they work. Many of these projects have resulted in major sustainability wins, including reductions in water and energy use, GHG emissions and the amount of solid waste sent to landfills.



Logistics

As a global company, we rely on trucks, trains and ships to deliver our products to customers. We strive to transport our products as efficiently as possible by structuring pallet loads, reviewing product mixes and carefully planning routes to minimize our carbon intensity and our impact on air quality.

We understand our methods of intermodal shipments need to be reassessed regularly, and we continue to evaluate best practices to ensure efficiency in our transportation strategy. Intermodal shipments combine the best attributes of truck and rail shipping. For long distances, we estimate that this method of mixed transportation can reduce fuel use and GHG emissions by 70%, compared to truck-only moves.²³ In 2023, we had more than 12,600 intermodal shipments, representing a 5% increase from the prior year. These shipments accounted for over 17 million miles, and compared with shipping solely by truck, we estimate they resulted in a saving of more than 2 million gallons of diesel fuel.

Project Highlights

In our plants in Nevada, Iowa, we adjusted our manufacturing process for pizza toppings to eliminate the use of a CO2 chiller in favor of a mechanical freezer, and we consolidated production lines for turkey dicing at our Jennie-O locations. As a result of these changes, we estimate that we are saving more than 15,600 metric tons of CO2 annually, equivalent to avoiding the burning of over 1.7 million gallons of gasoline.²⁴



²³ Based on an average of the following sources: Truckloads are 65% less efficient than rail cars (U.S. EPA Office of Transportation and Air Quality). Updated trucks prove to be 75% less efficient than locomotives (Association of American Railroads).

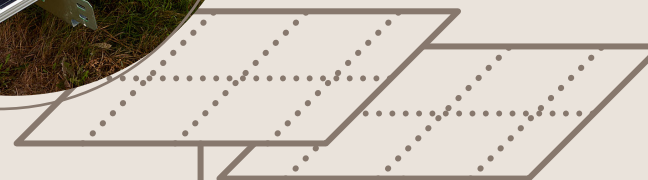
²⁴ Using the U.S. EPA Greenhouse Gas Equivalencies Calculator to calculate impacts of emissions savings. Retrieved from <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>.

Greenhouse Gas Emissions CONTINUED

Performance

Our total 2023 Scope 1 and 2 GHG emissions were approximately 1.06 million metric tons, based on location-based calculations for Scope 2 emissions. This represents a 2% decrease from the prior year. Our total Scope 1 and 2 GHG emissions, which were assessed by applying market-based calculations, were approximately 666,000 metric tons, representing a 1% increase from the prior year, which could be attributed to the reduced availability of renewable energy certificates (RECs) at one of our locations. In 2023, projects submitted to the Sustainability

Best of the Best competition contributed to a reduction of over 22,000 metric tons of GHG emissions within our operations. Normalized Scope 1 and 2 (market-based) GHG emissions were 0.055 metric tons of CO₂e per \$1,000 of revenue. We annually report our GHG emissions and relevant management efforts in our Global Impact Report and on the CDP Climate Change Questionnaire. For additional emissions data, please refer to [Appendix D](#) and our most recent [CDP Climate Change Questionnaire](#).



Energy

Programs pertaining to renewable energy and efficiency improvement are integral to our pursuit of operational excellence and reduction of GHG emissions. To operationalize our commitment to clean energy, we maintain a goal of matching 100% of our purchased electricity with renewable sourcing by 2030. On an annual basis, our goal is to reduce our energy consumption and intensity by 1%. In 2023, 89% of our U.S. and 85% of global electricity usage were matched with renewable sources. We received two awards for using green power as part of our efforts to increase the use of renewable energy, including:

- U.S. EPA's 2023 Green Power Leadership Award
- Center for Resource Solutions Market Development Award



As of the end of our fiscal year 2023, we were ranked 19th of the largest green power users among Fortune 500 companies on the U.S. EPA's Green Power Partnership Fortune 500® Partners List.²⁵ As we continue to work toward our goals for emissions reduction, we look forward to further exploring opportunities to use energy as sustainably and efficiently as possible throughout our operations.

Renewable Energy Initiatives

We continue to support three solar projects at our U.S. facilities, and we subscribe to community solar projects that impact a total of six production locations. Additionally, the long-term virtual power purchase agreement (VPPA) that we signed for procuring a portion of clean energy from the 298-MW Haystack wind farm in Nebraska has joined the Western Trails wind project to support our operations. VPPAs provide Renewable Energy Credits (RECs) that allow us to reduce the carbon footprint associated with our purchased electricity.

Project Highlights

Through close collaboration with our engineering team, our plants reduced energy consumption by optimizing equipment use during 2023. By employing an application for advanced data analytics and visualization, our plant in Wichita, Kansas, established a baseline of energy use for fan cycling, enabling the plant to program temperature control in the fans' management system for greater efficiency. Through this change, the plant was able to keep the temperature within a 2-degree deadband of a setpoint and reduce energy consumption by more than 15,500 gigajoules in a year — enough energy to power over 390 homes for one year.²⁶

In Iowa, our Dubuque plant improved temperature control and monitoring of coolers to achieve greater cooling efficiency. By analyzing cooling needs based on the production schedule and desired temperature, the plant applied better control on the coolers and increased efficiency in the use of compressed air, leading to a saving in

2023 of 657 gigajoules of energy, enough to power an average car for more than 326,000 miles.²⁷

Performance

Our normalized energy usage in 2023 was 1.04 gigajoules per \$1,000 of revenue, representing a 1% improvement from the prior year. In 2023, we implemented projects that resulted in reduced energy use of 58,000 gigajoules. We reduced our total energy usage by 4% compared to the prior year. For additional energy data, please refer to [Appendix D](#) and our most recent [CDP Climate Change Questionnaire](#).



²⁵ U.S. EPA. (2023). Fortune 500® Partners List. Retrieved from https://www.epa.gov/system/files/documents/2024-01/fortune500_oct2023.pdf.

²⁶ Using the U.S. EPA Greenhouse Gas Equivalencies Calculator to calculate impacts of energy savings. Retrieved from <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>.

²⁷ Using the U.S. EPA Greenhouse Gas Equivalencies Calculator to calculate impacts of energy savings. Retrieved from <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>.

Water

Fresh water is vital to the safe production of our products, and sanitization at facilities throughout our operations and supply chain. By pursuing opportunities to improve water efficiency, support watershed conservation efforts and properly address water stress and wastewater discharge, we strive to be good water stewards and to effectively manage water-related risks. Our water management efforts are informed by the following 20 By 30 Challenge and sustainability goals:

- Advance our water stewardship efforts through initiatives in our top-six priority watersheds.
- Invest in wastewater treatment projects in collaboration with municipal partners and reduce water use.
- Achieve an efficiency gain of 1% in water use on an annual basis.

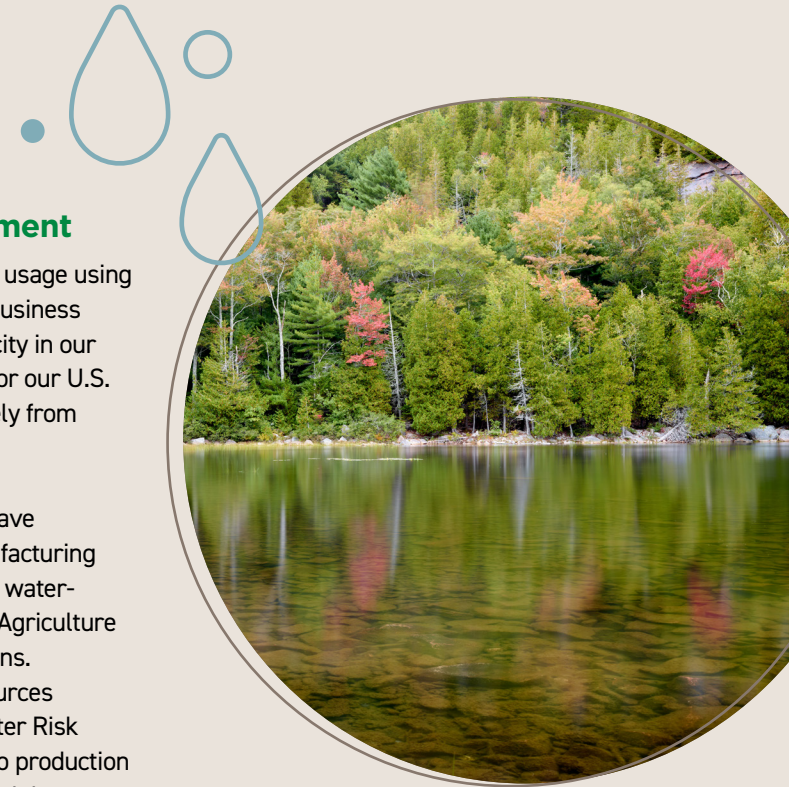
We are actively involved in the Eco-Harvest program, which is coordinated by the ESMC and TNC. As the lead sponsor, we partner with other organizations to provide financial incentives for farmers in central and southern Minnesota to engage in the targeted 50,000-acre pilot project. The project encourages the adoption of sustainable agricultural practices that create positive environmental, social and economic outcomes, and facilitates the measurement and generation of certified water and carbon credits. Approximately 41,000 acres of land has been enrolled in the program. The results of the project will support the development of a water-quality credit framework in Minnesota and will help improve water stewardship, carbon removals and agricultural resilience in the region.

In 2023, we completed our support for the second cropping year of the Eco-Harvest program. We will extend our participation in the program for another year and will continue to help accelerate the adoption of sustainable agriculture programs.

Water Stress Management

We regularly monitor our water usage using various tools to determine the business risk associated with water scarcity in our operations. The water sources for our U.S. manufacturing facilities are solely from municipal utilities.

Based on our assessment, we have confirmed we do not have manufacturing sites located in areas defined as water-scarce regions by the Food and Agriculture Organization of the United Nations. However, using the World Resources Institute's (WRI's) Aqueduct Water Risk Atlas tool, we have identified two production locations in the United States and three internationally that are in regions defined as overall high or extremely high water risk by WRI. We will continue to monitor water risks in these areas and implement risk mitigation programs as part of our water stewardship initiatives.



Water

CONTINUED

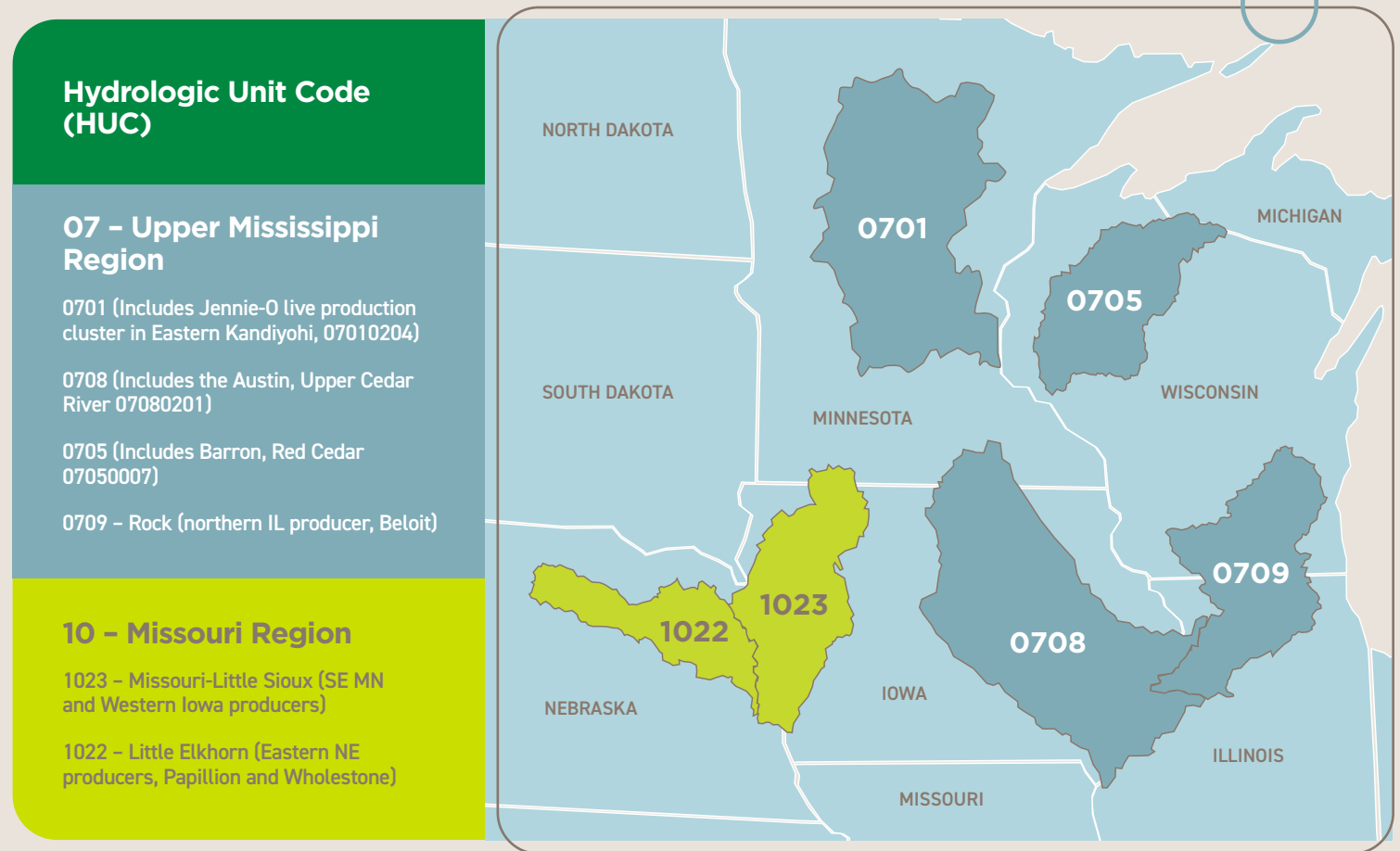
Wastewater Management

Effective treatment of process water is an important part of our operations and a key focus of our environmental programs. Whether by direct discharge or indirect discharge via municipal wastewater systems, we follow applicable standards for effluent discharge.

In 2023, treated process water from our manufacturing locations was distributed to the following watersheds.²⁸

Hormel Foods Priority Watersheds

Basis: manufacturing, live production and supplier locations.



²⁸ Percentage denotes the breakdown of wastewater distribution to each location.

Water CONTINUED

Project Highlights

Our Jennie-O plant in Melrose, Minnesota, developed a way to conserve water and maintain quality standards during the cleaning of birdcages. The plant automated water-tank-level controls in the programmable logic controller, and adopted a procedure to monitor and reduce the use of municipal water. With these changes, the plant achieved an annual saving of more than 17 million gallons and reduced total water usage by 5% from 2022 to 2023.

By adopting a closed-loop system, the Rochelle, Illinois, plant reduced the cost of the cooling system and water demand. A cost-effective solution compared to once-through cooling, the closed-loop system has led to an annual saving of more than 38 million gallons of water.



2023 Wastewater Discharge by Watershed



Performance

Our approach to water efficiency is focused on improving our equipment and production processes, and engaging our team members on an ongoing basis to achieve water-use reduction and increased production efficiencies through behavior-based initiatives. In 2023, we reduced total water use by 2%. We implemented a variety of changes in our operations that saved more than 74 million gallons of water. Approximately 4% of our total water withdrawal came from areas with high or extremely high water risk, as defined by the WRI Aqueduct Water Risk Atlas. Normalized water usage in 2023 was 0.001 thousand cubic meters per \$1,000 of revenue, identical to the prior year. We share our water progress and performance annually in our Global Impact Report and via the CDP Water Security Questionnaire. For additional water data, please refer to [Appendix D](#) and our most recent [CDP Water Security Questionnaire](#).

Waste

Our approach to waste reduction is informed by our goal of working toward zero food waste. We strive to support a circular economy and improve resource efficiency by reducing the generation of solid waste across our operations.

Zero Food Waste

To help build a future without food waste, we continue to focus on minimizing food losses in our processing plants, diverting wasted food and scraps from disposal, and providing consumers with tips on how to reduce household food waste. Depending on the nature of the waste and where it's generated, it can be used as animal feed, as feedstock for anaerobic digestion, as a composting substrate and/or as a synthetic nutrient substitute. We have specifically designed and packaged a variety of products to limit the amount of wasted food, such as shelf-stable and single-serving-size options.

In addition, we have a rich history of donating food to people in need, and one of the ways we support our communities is by looking for opportunities to help them with

food that might otherwise go to waste. For more information about these efforts, please refer to the [Community](#) section of this report.

Hazardous Waste Handling

Certain Hormel Foods operations generate low volumes of regulated hazardous waste. The amount of hazardous waste generated at most of these locations is well within the federal definition of a very small quantity generator, producing 100 kilograms or less of hazardous waste per month. All our company and subsidiary locations adhere to strict operational standards that have been designed to ensure compliance with all applicable rules pertaining to hazardous waste.

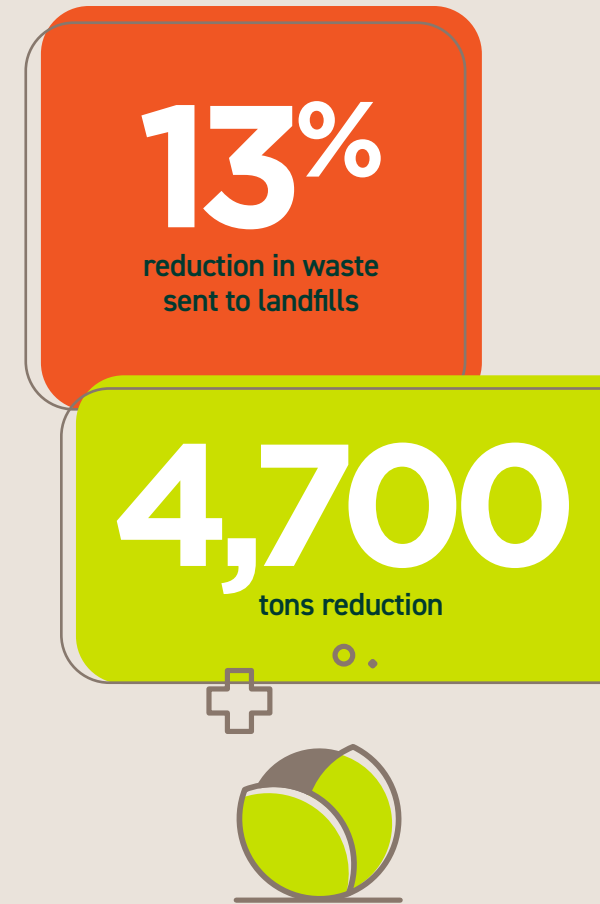
Some of our processes generate small quantities of other regulated substances, such as used oil and universal waste. As with hazardous waste, we follow strict standards for handling these other substances to comply with or exceed regulations.

Project Highlights

Our Progressive Processing Plant in Dubuque, Iowa, works with a biotechnology firm to upcycle inedible food waste and reduce the amount of waste sent to landfills. By investing in data tracking, better waste-sorting mechanisms and training in the management of food waste, the plant has improved its efficiency in repurposing inedible animal byproducts, diverting more than 560 tons of inedible food waste per year from landfills.

Performance

In 2023, we achieved an 11% reduction in total solid waste generation and reduced the amount of waste sent to landfills by 13% compared to the prior year. The absolute amount of solid waste sent to landfills was reduced by over 4,700 tons, including the avoidance of 563 tons of solid waste being routed to landfills as a result of projects submitted to the Sustainability Best of the Best competition. We will continue to invest in efforts to recycle and reuse to reduce waste. For additional waste data, please refer to [Appendix D](#).



Packaging

We recognize the environmental threat of packaging materials throughout their life cycles. One of our 20 By 30 Challenge goals is focused on increasing sustainable packaging through research, innovation, on-package recycling communications and optimized package weight and shipping efficiencies. We have a dedicated group of packaging specialists who regularly evaluate our packaging design, collaborate with other departments and look across our entire supply chain to find opportunities for sustainable solutions and to decrease our packaging footprint. Thanks to these efforts, in 2023, we reduced product packaging by nearly 1.7 million pounds.²⁹

Sustainable Packaging Projects

In line with the priorities for sustainable packaging specified in our 20 By 30 Challenge goal, we have invested in initiatives to optimize packaging by adopting techniques to reduce material. In addition, we have pursued opportunities to improve shipping efficiencies. In 2023, we reduced product packaging by nearly 1.7 million pounds through the completion of 21 projects related to sustainable packaging.³⁰ A small sample of these completed projects is presented below:

- We partnered with a customer to reduce packaging and increase recyclability for two private-label barbeque items produced by Sadler’s Smokehouse. By reducing the amount of packaging components, adopting a fully recyclable secondary package, and redesigning the shipping and display case, we achieved a saving in 2023 of approximately 145,800 pounds of packaging material while meeting the customer’s merchandising objectives.
- Team members at our Faribault, Minnesota, and Barron, Wisconsin, production locations identified and seized an opportunity to implement a thinner tray for 1-pound packages of ground turkey, burgers and dinner sausages. The team conducted extensive tests on the thinner tray to ascertain that it performed well and met our requirements for food safety and product quality. Once implemented, the new package allowed us to eliminate more than 200,000 pounds of virgin plastic from our supply chain.
- As part of our strategy to automate processes for our new product lines, we reconfigured the layout of our SPAM® brand six-packs to optimize the pallet load and reduce the amount of secondary packaging. The approach enabled us to use fewer pallets and fewer corrugated boxes, resulting in a saving in 2023 of 104,000 pounds of packaging.



²⁹ Packaging numbers are based upon information from suppliers with over \$1M in spend, which accounts for 97% of all packaging purchased by Hormel Foods. Packaging purchased by Hormel Foods includes its subsidiaries and its joint venture but does not include co-manufacturers. Hormel Foods manufactures 80-85% of its total volume.

³⁰ Savings are based on an annual rolling average and include all projects captured by the corporate packaging development group.

Packaging CONTINUED

• In response to a customer’s request to improve the presentation of high-volume items on 40-inch pallets, we developed a way to reduce corrugated packaging for our *Black Label*® bacon items. After removing the half-slotted cover and redesigning the display case, we conducted shipping tests to ensure the packaging durability and strength. Once we were satisfied that the redesign met our expectations, we implemented the change, saving 176,000 pounds of corrugated material.

Additionally, we explored opportunities to use more post-consumer recycled (PCR) content for several projects. Specifically, in 2023, we used more than 100,000 pounds of PCR content in the pouches of the *Planters*® 5-ounce flavored cashews to reduce the environmental impact of this product’s packaging.

Recyclable Packaging

We use more than 5,800 unique items to package our products, including corrugated paperboard, labels, films, cans, plastic bags, displays, glass containers, metal closures and plastic closures. In 2023, approximately 82% of our product packaging (by weight) was recyclable, and 32% of our packaging was made from recycled materials.



On-Package Communications

We continue to add the How2Recycle logo to our packaging to communicate recycling instructions to our consumers. By adopting this standardized labeling system, which was launched by the nonprofit organization GreenBlue, we join the force of hundreds of consumer brands in providing transparent and credible recycling guidance. In line with

our 20 By 30 Challenge goal pertaining to sustainable packaging, we plan to have the How2Recycle logo on 95% of our retail packaged products in the United States by 2030. In 2023, we added the How2Recycle logo to 326 items, and we will continue to add this information to our products as packaging and/or labeling updates are made.



Regenerative Agriculture

We recognize the critical role sustainable agricultural practices play in supporting a resilient food system while halting biodiversity losses, protecting forests and mitigating climate change. We procure livestock, poultry, maize/corn, soy, peanuts and other ingredients to produce our products, and we understand the mass production of these agricultural commodities could negatively impact the long-term health of soil and terrestrial ecosystems. To help address the environmental impacts of the agriculture and food system, we proactively participate in dialogue and partnerships with farmers, policymakers and nonprofit organizations to explore and assist with the adoption of sustainable farming practices. This is one of the ways we support a harmonious relationship between people and natural resources, and work to source commodities produced in line with verified regenerative agriculture practices.

Coalition and Partnership

When it comes to organic and regenerative agriculture, our Applegate subsidiary leads our engagement with coalitions and provides incentives for our farmers to employ innovative techniques. Applegate has strategic partnerships with Land to Market and Kiss the Ground, a part of the Regenerate America™ coalition, to help scale and advance regenerative agriculture by collaborating with farmers and consumers, and influencing federal policy. The subsidiary is also an active member of the National Young Farmers Coalition, Organic Trade Association and other organizations dedicated to promoting collaborative initiatives to create a resilient agriculture system.



Zero Deforestation Commitment

Our commitment to the sustainable use of land and natural resources applies to our direct suppliers, including our family farms and growers. In lockstep with the global trend to address the emissions and biodiversity impacts of deforestation, we are working toward a deforestation-free supply chain, in alignment with SBTi's Forest Land and Agriculture Guidance (FLAG). To this end, we initiated a detailed review of our forest footprint and associated deforestation risks of the agricultural commodities we procure. This will enable us to develop a deforestation-free approach and policy, as well as seek verified zero-deforestation targets by 2025 in accordance with the timeline suggested by FLAG. For more information, please refer to our [SBTi \(FLAG\) Zero Deforestation Commitment](#).

Regenerative Agriculture at Applegate

Our Applegate subsidiary procures regenerative agriculture ingredients for its meat products. To continue to make progress toward our 20 By 30 Challenge goal of supporting regenerative agriculture, Applegate has made a commitment to source 100% of the beef supply for *Applegate*® beef hot dogs from certified regenerative farms by the end of 2025. Additionally, the brand supports its regenerative beef suppliers by being a committed buyer through purchasing contracts. In 2023, Applegate was recognized as one of Fast Company's 2023 Brands That Matter honorees for its groundbreaking efforts in supporting regenerative agriculture.

As we work to promote sustainable agricultural practices and help mitigate impacts on ecosystems and forests, we annually report via the [CDP Forests questionnaire](#) and remain committed to sharing our progress and initiatives with our stakeholders.

People



People

On average, each U.S. team member received at least 19 hours of formal learning and development in 2023, including comprehensive job-specific, safety and leadership trainings.

We are dedicated to empowering, supporting and inspiring our workforce to drive meaningful change and excellence in their roles within our organization and across the food industry. Our team members are the cornerstone of our successes and help fulfill our purpose of *Inspired People. Inspired Food™*. As we continue to prioritize the growth, development, engagement and safety of our team members, we seek to foster a culture that respects the diversity of our workforce and worker rights within our value chain. Through our initiatives pertaining to thought leadership and engagement, we strive to collectively work toward a more just and equitable future for all team members.

2023 People Highlights

51%

team members with 5+ years of service

59%

U.S. team members from underrepresented groups

12





employee resource groups

351K+

total training hours for U.S. team members



Progress Toward 20 By 30 Challenge Goals

Hormel Foods Goal	2023 Progress	UN SDGs
<p>14 Promote and protect human rights within our operations and our supply chain.</p>	<p>In 2023, we established a human rights advisory committee that oversees company practices, programs and policies aimed at safeguarding the inalienable, fundamental rights of all people.</p>	 
<p>15 Provide the opportunity of a free two-year college education for all our team members' dependent high school graduates.</p>	<p>In 2023, we provided the opportunity of a free two-year college education to more than 200 students through our Inspired Pathways program.³¹</p>	
<p>16 Foster a sense of belonging for everyone, where people feel respected and valued by empowering them with opportunities, equitable treatment and a voice to make Hormel Foods better for all.</p>	<p>In 2023, the company's total population of team members from underrepresented groups was 59% across our U.S. workforce. On our 2023 engagement survey, we met our goal of achieving the global manufacturing industry benchmark for "belonging" on our employee engagement survey.</p>	 
<p>17 Provide a safe workplace for all team members and reduce our injury rates each year.</p>	<p>We reached a recordable incident rate of 2.2 incidents per 100 full-time team members, representing an 18% improvement from the prior year and the lowest incident score in company history.</p>	
<p>18 Invest in our team members by providing an average of at least 25 hours of training per team member annually.</p>	<p>We provided at least 19 training hours per U.S. team member in 2023.</p>	

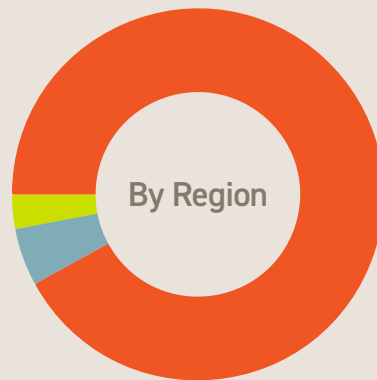
³¹ Inspired Pathways scholarships are reported based on calendar year 2023.

About Our Team

Our team members are our greatest asset, and they are the driving force behind the innovation, improvement and successes of our company. To maintain a thriving environment for our team members, our talent strategy is focused on onboarding and training our professionals to create world-class experience throughout our organization. The tenure of our team members is a key indicator of our effectiveness in supporting the careers and well-being of our workforce, which also reflects overall company performance. We are proud to report that as of 2023, 51% of our team members had five or more years of service, and our 34-person officer team had an average of 24 years of service.

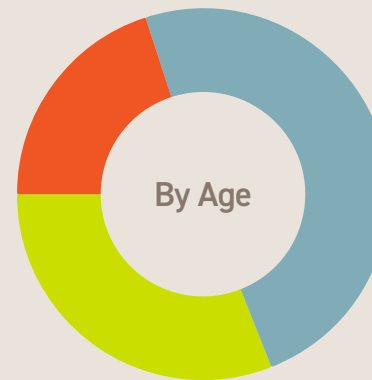
2023 Team Member Breakdowns³²

Team Members by Location



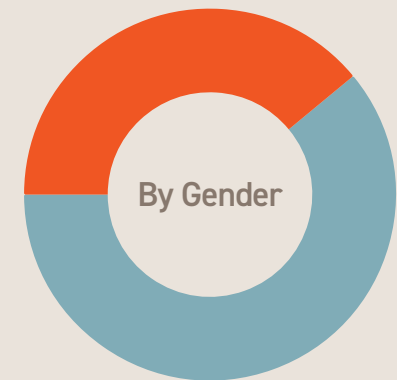
■ U.S.	92%
■ ASIA	5%
■ OTHER COUNTRIES	3%

Age Workforce Demographics



■ UNDER AGE 30	20%
■ BETWEEN AGES 30-50	49%
■ OVER AGE 50	31%

Team Members Worldwide 20K+ Team Members



■ FEMALE	39%
■ MALE	61%

About Their Tenure

51% of team members with five-plus years of service

- 38% female; 62% male
- 25% salaried; 75% hourly

Of those 51% with five-plus years of service

- 31% had 20-plus years of service
 - 37% female; 63% male
 - 28% salaried; 72% hourly
- 8% had 30-plus years of service
 - 31% female; 69% male
 - 29% salaried; 71% hourly

About Their Job Type

19% salaried

- 35% female; 65% male
- 24% team members from underrepresented groups

81% hourly

- 39% female; 61% male
- 68% team members from underrepresented groups

1% part time

4% temporary

20% covered by collective bargaining agreements

³² Unless otherwise noted, employment data (employment type, gender, tenure, age and underrepresented groups) and collective bargaining ratios presented in this report do not include international team members.

Safety, Health and Wellness

The safety, health and wellness of our team members remain a top priority for our company. In 2023, we achieved the lowest recordable incident rate in our company's history, a testament to our commitment to maintain a safe workplace, improve our performance and support the well-being of all team members. By implementing robust programs for learning, facility inspection and hazard management, as well as providing healthcare resources, we ingrain our cultural belief of Safety First in every step of our processes.



Safety Management

Health and safety are embedded into our operational processes, audit procedures and communications. Our overarching objective is to prevent incidents and eradicate potential hazards that can lead to life-changing consequences. Our health and safety strategy is led by our safety department, which is tasked with developing and administering companywide policies and regular facility audits. The programs and standards adopted by the department help to ensure the safety of individuals working at our sites and maintain our compliance with the U.S. Occupational Safety and Health Administration (OSHA) standards and our safety protocols. All our policies and safety requirements apply to our team members, suppliers, contractors and visitors who perform duties at our facilities.



We strive to achieve effective communication of our safety standards and expectations through various channels and programs. We hold semimonthly companywide safety conference calls with production safety personnel to discuss and improve our safety programs. An employee-led safety committee is in place at each production facility to promote effective safety communications and management. The committee, chaired either by a dedicated safety manager or co-chaired by a team member and a safety manager, monitors safety performance and management mechanisms, and supports audits and training programs for our production locations. We administer a Safety Excellence recognition program that honors locations delivering superior safety results and instills our principles of safety into everyday operations. We promote team member participation in safety discussions through our Safety Awareness Mascot (SAM), which is featured in our safety communications and brands our hazard management process.

1,200+
average safety assessments
completed each month
companywide³³

17K+
team members received
monthly safety training

2.2
recordable
incident rate³⁴

State-of-the-art health center
located in Austin, Minnesota

³³ Unless otherwise noted, safety training and inspections data presented in this report does not include international business.

³⁴ Calculated per 100 full-time team members.

Safety, Health and Wellness

CONTINUED

Safety Training and Inspections

To empower team members to take ownership of their safety and that of their colleagues, we conduct monthly companywide safety trainings and assessments, and quarterly lockout-tagout inspections at our sites. These include but are not limited to our production, processing, and research and development facilities. At the beginning of each month, our safety managers submit safety training reports through our management system to validate each production facility's progress toward the completion of our mandatory monthly safety education. This process enables us to closely monitor and track the fulfillment of our training requirements and identify opportunities to encourage and promote team member engagement. It also provides continuous education in safety skills. In 2023, we provided monthly training to approximately 17,000 team members,

completed an average of over 1,200 safety assessments each month and conducted an average of more than 8,000 lockout-tagout inspections per quarter.³⁵ These results reflect an achievement rate of over 98% for our safety education, evaluation and examination requirements.

Injury/Illness Rates

In line with the objectives of our 20 By 30 Challenge, we strive to provide a safe workplace for all team members and steadily reduce our injury rates over time. Our safety performance consistently surpasses the industry average of the animal processing and production sector.³⁶ We are proud to report improvement in our 2023 safety metrics, including an 18% reduction in our recordable incident rate compared to the prior year. Through our robust safety training and management programs, we continued to maintain an impeccable zero-fatality record in 2023.

Total Case Incident Rate

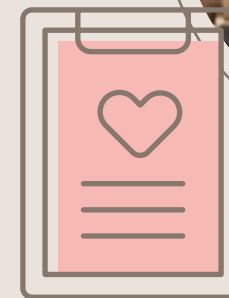
OSHA calculates the Total Case Incident Rate (TCIR). It is the number of OSHA recordable incidents multiplied by 200,000 hours and divided by the total hours worked that year. In 2023, our TCIR rate was 2.2, significantly lower than the industry average of 6.0.

Days Away from Work Injury And Illness

Days Away from Work Injury and Illness (DAFWII) is a metric that reflects an injury or illness that involves one or more days away from work. In 2023, our DAFWII rate was 0.5, far below the industry average of 3.0.

Days Away, Restricted Or Transferred

Days Away, Restricted or Transferred (DART) is a metric that reflects the days a team member has restricted work activity or job transfer, or both. In 2023, our DART rate was 1.3, below the industry average of 1.7.



³⁵ Data does not include international business.

³⁶ Industry averages referred to in this section are based on 2022 U.S. Bureau of Labor Statistics (BLS) industry averages for North American Industry Classification System (NAICS) 3116 regarding animal processing and production, which represent the most recent data that is available at the time of this report. Our safety rates are calculated per 100 full-time team members.

Safety, Health and Wellness CONTINUED

Health and Wellness

We believe healthy team members enable us to perform optimally and improve our results. In addition to our healthcare benefits package, our Inspired Health program is designed to promote health and wellness. It is focused on encouraging and empowering team members to make healthy lifestyle choices through awareness campaigns and



positive behavioral changes. By expanding our wellness programs and partnering with healthcare providers, we remain dedicated to offering our team members resources in support of their long-term health. We have introduced participation-based incentives that encourage preventive visits and engagement in wellness challenges. In 2023, we expanded and updated our health programs that address musculoskeletal and mental health. We also created a position for a workforce wellness facilitator to help team members better understand and access wellness resources and benefit plans.

Wellness Resources

We prioritize the wellness of our team members by collaborating with healthcare and insurance providers to offer a broad range of programs aimed at addressing various health issues such as diabetes, heart disease, weight management and tobacco cessation. By working with an industry-leading service provider, we offer a free employee assistance program (EAP) that supports the mental health and work-life balance of our team members. The EAP is available 24/7 and can be

accessed by phone, website or mobile application. Another way we promote healthy lifestyles is by offering a Weight Watchers reimbursement plan to assist team members with their weight-loss journeys and a tobacco surcharge to incentivize a reduction in tobacco use.

Bravo Wellness Platform

In 2023, we continued to give team members access to Bravo Wellness, our health engagement platform. The portal offers tools for healthy eating, weight loss, exercise and fitness, smoking cessation, financial wellness challenges, stress management and holistic well-being support. All U.S. team members can utilize resources available through the platform.

Hormel Health Center

The Hormel Health Center, located near our Global Headquarters and flagship production facility in Austin, Minnesota, is a world-class facility for our team members and their dependent family members. Operated in partnership with Premise Health, the center improves access to high-quality,

healthcare services, including primary care, acute care, annual physical and preventive examinations, biometric screenings, allergy and flu shots, physical therapy, condition management and more. Building on our long-term relationship with the renowned Mayo Clinic, the center works to provide additional resources, such as radiology and specialty service referrals for areas such as cardiology, orthopedics, dermatology and behavioral health. Through regular and same-day appointments, as well as virtual visits, the center serves eligible team members and their dependents on our health plans. In 2023, the Hormel Health Center supported approximately 6,600 visits, representing a 22% increase from the prior year.

Learning and Development

Developing our team empowers us to deliver unmatched products and services to our consumers. We offer learning opportunities and performance management resources to nurture our team members' careers and encourage long-term employment. Through our competitive compensation and employee assistance programs, we share our business success, support team members with fair pay, and offer easily accessible benefits and resources that meet their evolving needs.



As part of our 20 By 30 Challenge goal to invest in our team members, we continuously expand our learning programs to support and improve team member education. In 2023, our U.S. team members received at least 19 hours of training per



person on average, totaling over 351,400 training hours among our workforce.³⁷ Our approach

to talent development is built upon five key tenets, which are:

- Providing relevant and timely learning opportunities
- Leveraging science-based learning theories to promote better application and mastery of subject-specific knowledge
- Launching foundational programs to help onboard new team members and support change management
- Enhancing the accessibility of our professional development content for our global workforce
- Refining our talent development approach in alignment with evolving and new business processes and role responsibilities

Learning and Development Platforms

In addition to safety and general onboarding trainings, our talent management program delivers education regarding accountability, communication, management, negotiation, sales and other important professional development topics. Our team members receive learning and development resources through a variety of tools, including:

- Oracle Learning: An information hub for our office team members to find and sign up for in-person, virtual and self-paced learning opportunities, as well as to review certifications and transcripts of their learning outcomes.
- Alchemy: A web-based platform that offers interactive, translated education on a variety of topics, including workplace and food safety for our production professionals.
- Coach: An observational tool that equips our supervisors with proper resources to assess and ensure a smooth transfer of knowledge to team members regarding job responsibilities and safety practices on the production floor.

Performance Management and Engagement

We are firm believers that an engaged, skilled workforce drives innovation and productivity within our business. By adopting acute performance management techniques and incorporating findings from engagement activities and surveys, we work to continuously refine our programs, processes and policies toward creating a more coherent and dedicated workforce while aligning our efforts with our business priorities.

Our performance management approach is focused on ongoing conversations between team members and leaders to ensure clarity, focus and alignment in team member development. Documented performance conversations and check-ins occur multiple times per year, including during the end-of-the-year review. The valuable insights and feedback that we gain from performance reviews and engagement activities empower us to execute effective programs for supporting team members' growth and creating positive team member experiences.

³⁷ Data reflects training hours of U.S.-based parent company team members that are captured by our corporate talent development department and may not include all trainings. Data does not include international team members or reflect informal learning opportunities. The decrease in the average training hours from 2022 to 2023 can be attributed to improved calculations of training data.

Learning and Development CONTINUED

In 2023, we conducted performance reviews with 99% of our salaried team members, 98% of our office hourly team members and 100% of hourly team members in production facilities.³⁸

Leadership Development

We maintain and advance our business competencies by investing in our leadership development strategy that supports succession planning and team management. As part of our ongoing effort to develop a strong talent base, in 2023, we focused on introducing the Level Up leadership development program for managers and on training new leaders in supervisory roles for supply chain management. Additionally, we offered a variety of development experiences, including multirater assessments (360s), focused coaching engagements, Ignite new manager onboarding, McKinsey leadership programs, emerging leader programs in various business functions and over 1,000 self-paced learning options for leadership development. To measure the effectiveness of leaders and leadership development, we

introduced a yearly leadership effectiveness measurement tool to provide data and insights on topics such as trust, support, recognition and communication.

Compensation and Benefits

We have a pay-for-performance philosophy and an equitable compensation strategy to provide fair remuneration to all people working at our organization — regardless of their gender, race, age or other characteristics that may undermine their ability to receive impartial recognition of their contributions. Our overarching goal is to support the careers and well-being of our team members, and retain top talent.

We have a competitive compensation and benefits package for all global salaried team members, which aligns with national and regional best practices. All full-time U.S.-based team members are eligible for paid vacation, professional development, disability coverage, life insurance, healthcare insurance, confidential counseling, retirement programs and education assistance. We added benefits pertaining

to fertility and family planning in 2023. Part-time and seasonal team members may receive benefits, based on the number of hours worked per week and length of service.

Living Wage

We strive to be the employer of choice in all areas where we have a presence by providing a fair living wage and adhering to requirements for minimum compensation. To ensure fair wages throughout our operations, we review team members' compensation at least annually and continuously monitor pay changes and jurisdictional requirements.

Tuition Reimbursement and Scholarships

All active full-time U.S. team members who have been employed for six months and are in good standing are eligible for tuition reimbursement. In 2023, we reimbursed over \$350,000 in tuition expenses for eligible team members who pursued education while working, in line with our efforts to support continuous development. We also introduced

Workforce Edge, our tuition reimbursement program administrator, which approved funding for more than 150 team members in the first six months of signing on.

Through our benefits program, we strive to support the wellness of all people on whom we have a direct impact, including the dependents of our team members. We provide scholarships to dependent students of our eligible team members to assist with their pursuit of learning opportunities in higher education. For more information about our scholarship programs, please refer to the [Philanthropy](#) section of this report.



³⁸ Data includes formal and informal performance reviews and feedback for hourly team members in production facilities.

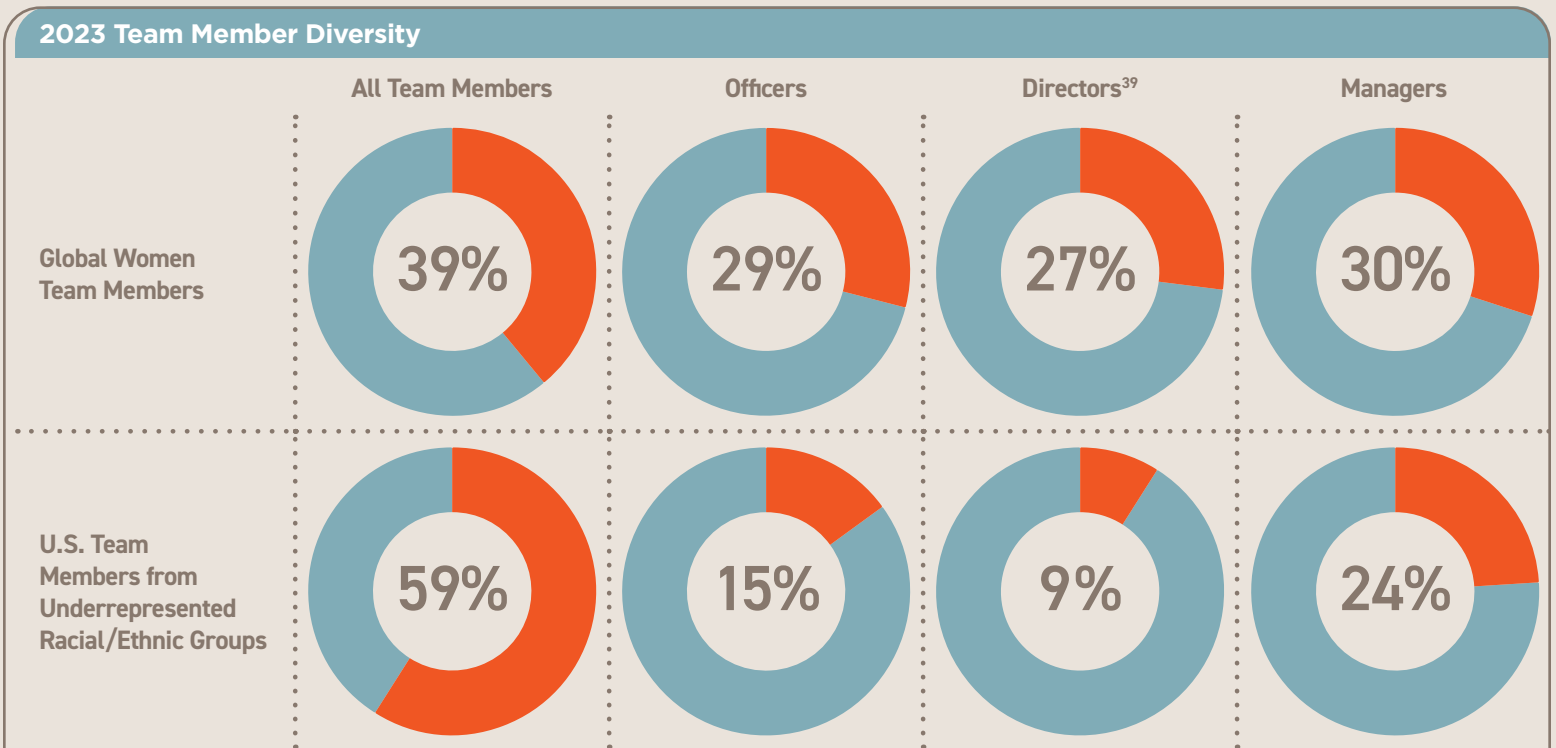
Inclusion and Diversity

We believe an inclusive workplace that welcomes unique perspectives drives innovation and improvement in our organization. Our approach to fostering a diverse culture is shaped by leadership and initiatives of our employee resource groups, external partnerships and training resources. More than anything, we want to ensure equal opportunities while encouraging diverse and inclusive voices in our decision-making process. In 2023, we launched Inclusion Quest, a microlearning platform dedicated to promoting diversity, equity and inclusion (DEI) awareness. In addition, it equips team members with knowledge concerning DEI integration in workplace development for achieving operational excellence.

As part of our commitment to inclusion and diversity, we diligently work toward our 20 By 30 Challenge goal of fostering a sense of belonging for all team members across the enterprise. On our 2023 engagement survey, we met our target of reaching a score at the global manufacturing industry benchmark level for “belonging.”

Additionally, we received multiple accolades highlighting our inclusive, just and equitable workplace, including:

- Military Times Best for Vets: Employers list
- Newsweek America’s Greatest Workplaces for Diversity
- Human Rights Campaign Equality 100 Award: Leader in LGBTQ+ Workplace Inclusion

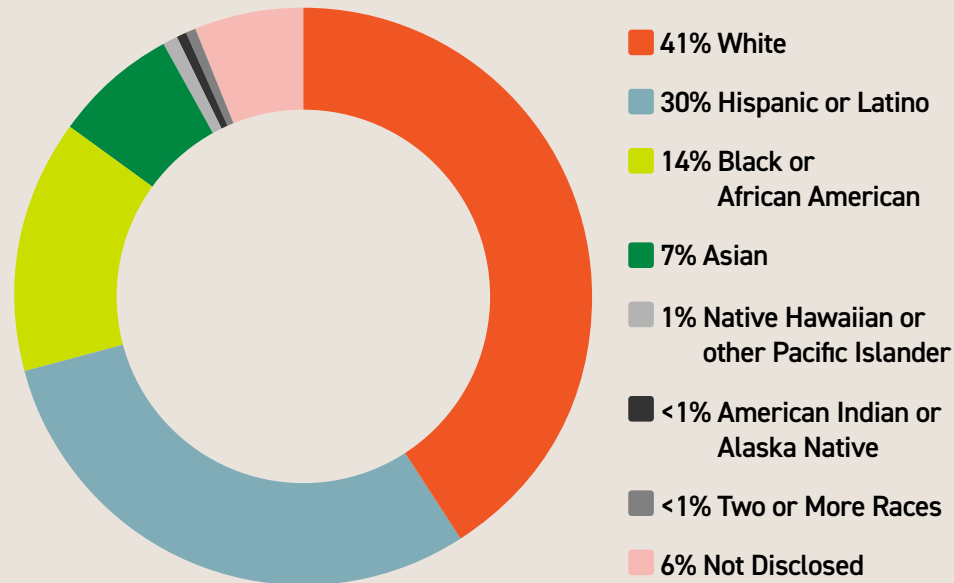


³⁹ Director-level team members. For information regarding the diversity of the Board of Directors, please refer to the [Governance](#) section of this report.

Inclusion and Diversity

CONTINUED

2023 Race/Ethnicity Representation of our U.S. Team Members



Employee Resource Groups

Our employee resource groups (ERGs) are integral to supporting our mission of creating a workplace where our team members feel welcomed, respected and valued, bolstering our inclusion and diversity efforts in three key aspects:

- Workplace: How we acquire, develop and retain talented team members.
- Marketplace: How we make our products relevant to increasingly diverse consumers.
- Community: How we continue to be a good corporate citizen in the areas where we live and work.

Our ERGs are led by volunteers, and membership in each group is open to all team members across our company. In 2023, we were proud to support 12 ERGs that advocate for cultural, gender and ethnic diversity and inclusion, provide

support for young professionals and people with disabilities and promote professional development. In April 2023, we launched one new ERG — Impact Employee Resource Group — to help us navigate and further improve upon our global impact.

Our Impact ERG was created to provide team members with an avenue to support environmental and social impact initiatives across the enterprise. Team members in the ERG have opportunities to connect and support our 20 By 30 Challenge goals. As team members connect their work to our core global impact goals, we are strengthening our culture of integrating social and environmental impact into our business.

Inclusion and Diversity CONTINUED

Our 12 employee resource groups are:

- Advocate Change, Champion Effective and Supportive Solutions
- Black Leaders & Allies Advancing Cultural Knowledge
- Hormel Asian American Professionals Association
- Hormel Employees Amplifying Lives Through Health
- Hormel Food and Agriculture Resource Members
- Hormel Foods Women's Insights Network
- Hormel Integrating Relevant Experiences
- Hormel Military Veterans Engagement Team
- Hormel Professionals Representing Out and United Individuals & Allies
- Hormel Young Professionals Enterprise
- Impact
- Nuestra Gente (Hormel Foods Hispanic Resource Group)

The ERGs are actively engaged in our recruiting process, team member communication, knowledge sharing and community engagement projects. The groups advance cultural education through activities, programs and events for team members, sharing project insights and organizing interactive events in celebration of heritage months. By participating in diversity-focused career events and welcoming new team members and interns, the ERGs advance an inclusive talent base and workplace. Through collaboration with external partners, the ERGs make charitable and in-kind donations to fulfill their mission of supporting diversity in the communities we serve. For more information, please visit our [Employee Resources Group webpage](#).

Inclusion and Diversity Partnerships

We partner with a wide range of business associations to support inclusion and diversity. Some of our partners are: Comunidades Latinas Unidas en Servicio (CLUES), the National Black

MBA Association and other multicultural business organizations. As we continue to integrate DEI into our business, we strive to continuously invest in our diverse team members and support their representation in the organization.



Human Rights

We maintain a steadfast commitment to promote and protect human rights within our operations and supply chain. We treat people with the utmost dignity and respect, and we do not tolerate labor abuses, human trafficking or violations of labor laws. Our human rights practices and expectations for our operations, partners and suppliers are a part of our [Human Rights Statement](#), [Code of Ethical Business Conduct](#), Supplier Code of Conduct and supplier contracts. In particular, our suppliers must comply with human rights requirements as listed in our Supplier Code of Conduct.

In 2023, we formed our human rights advisory committee, which is responsible for establishing, monitoring and ensuring responsible business practices relating to human rights. The cross-functional committee, which is co-chaired by senior vice presidents from our human resources, and ethics and compliance functions, includes leadership representation from our corporate communications, operations, supply chain, procurement, international and legal departments. The committee is entrusted with the responsibility of

overseeing the execution of our labor and human rights initiatives. It reports to senior management, including our CEO.

Through training, stakeholder engagement, compliance management and industry partnership, we actively participate in dialogue and initiatives that allow us to ensure fair labor treatment across our value chain. Annually, our team members undergo training on policies and procedures concerning aspects of human rights that are relevant to our operations. In 2023, 97% of U.S. team members certified that they had received and read the Hormel Foods Code of Ethical Business Conduct, which covers human rights topics.

Freedom of Association

We honor our team members' right to decide whether they wish to be represented by a collective bargaining unit. As of 2023, approximately 20% of our U.S.-based team members were covered by collective bargaining agreements. We had no work stoppages in 2023.

Regulatory Compliance

We are committed to complying with local and national employment laws in the regions where we operate. We investigate possible violations of law to help ensure our operations and the labor practices of our suppliers align with the requirements for working conditions that are outlined in regulations and our policies, including our Code of Ethical Business Conduct and Supplier Code of Conduct. By reporting, tracking and investigating possible violations, our ethics and compliance program enables us to ensure our operations and the labor practices of our suppliers align with the requirements for working conditions that are outlined in regulations and our policies, including our Code of Ethical Business Conduct and Supplier Code of Conduct. To encourage anonymous feedback and address human rights concerns, we offer a global hotline number and website managed by an independent, third-party organization. In 2023, there were zero human rights incidents identified as breaches of our Code of Ethical Business Conduct or Supplier Code of Conduct.

Partnership and Endorsement

We actively support the Consumer Goods Forum and its coalition dedicated to enhancing human rights and prioritizing principles that improve workers' wellness. We also value and respect international principles, guidelines and goals centered on human rights protection.



Community



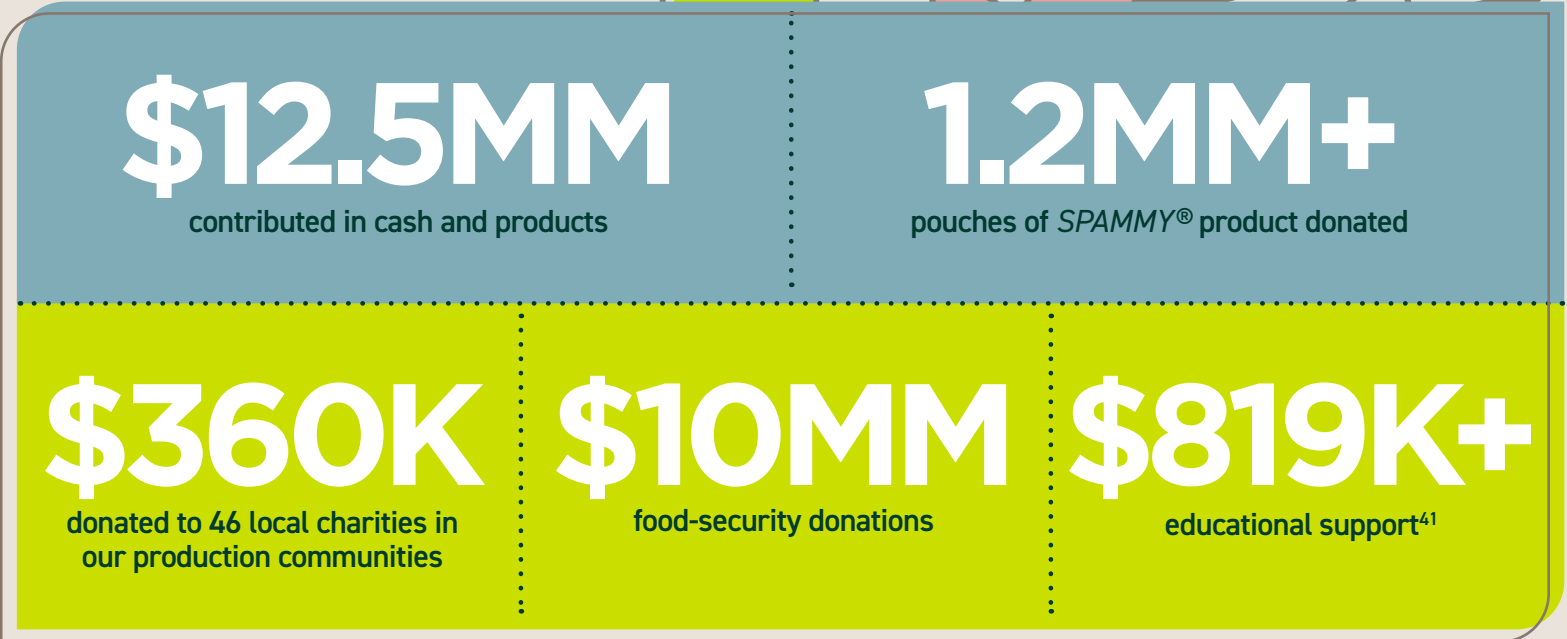
Community

Our dedication to making the world a better place drives our investments in philanthropic activities and community engagement throughout the world, including \$12.5 million in charitable and in-kind donations.

We are committed to helping others and building a thriving future for all. From monetary and product donations to educational support and volunteer activities, our team continually looks for ways to do our part in supporting our communities. We contribute to many impactful causes we are passionate about, such as food security, disaster response, higher education and community-building.



2023 Community Support Highlights⁴⁰



⁴⁰ Reported amount is based on corporate donation records, which may not capture all donations.

⁴¹ This figure does not include the company's expense for Inspired Pathways, which is considered an employee benefit.

Progress Toward 20 By 30 Challenge Goals

Hormel Foods Goal	2023 Progress	UN SDGs
<p>19 Provide the equivalent of 70 million meals to those in need through cash and product donations.⁴²</p>	<p>We continued our commitment to boosting worldwide food access by donating more than 9.2 million meals to food-security efforts.</p>	 
<p>20 Create a food-secure community program and share blueprint and findings globally.</p>	<p>We continued investing in the Hometown Food Security Project by activating action teams, opening a home office in Austin, Minnesota, and releasing the Hunger and Food Insecurity Community Assessment Report.</p>	

In 2023, we proudly contributed \$12.5 million in monetary and product donations to uplift our communities, including \$10 million dedicated to hunger-relief efforts, equivalent to 9.2 million individual meals. We also donated over 1.2 million pouches of SPAMMY®, our shelf-stable poultry product, to those in need. Through our efforts to provide underserved students with learning

and growth opportunities, we sponsored more than \$819,000⁴³ in scholarships and educational programs in 2023.

The Hormel Foundation

The Hormel Foundation is a 501(c)(3) nonprofit organization established in 1941 by our founder, George A. Hormel, and his son,

Jay C. Hormel. The Hormel Foundation, one of the top giving foundations in Minnesota, primarily supports charitable, educational and research organizations in Austin, Minnesota, including [The Hormel Institute](#), which is focused on pursuing scientific discoveries to improve human health.

In 2023, the foundation approved \$21.1 million in grants as part of its annual contribution budget to benefit Austin/Mower County communities. The Hormel Foundation is the largest shareholder of Hormel Foods and operates independently of the company. For more information, please visit [The Hormel Foundation](#).

⁴² Using the Feeding America estimations of \$1 donated = 10 meals and 1.2 pounds donated = one meal.

⁴³ This figure does not include the company's expense for Inspired Pathways, which is considered an employee benefit.

Food Security

We are committed to advancing food security around the world. At Hormel Foods, our core business is creating quality food for millions of people while improving our practices to ensure a resilient, safe and dependable food supply chain. Most of our products are designed to be accessible to consumers of all economic levels, and many of our products are shelf stable, allowing them to be transported and sold in areas of greatest need. We continue to invest resources and efforts to improve food security in our global community, including addressing challenges facing vulnerable populations.

As a company, we have long understood the relationship between nutrition and people's well-being, including students' learning outcomes. From donating and delivering food to underserved communities to providing protein products and snacks for backpack programs and helping upgrade commercial kitchens in schools with updated equipment, we work hard to improve people's access to nutritious food so they can pursue an active, healthy life and reach

their full potential. When helping hands are needed, local Hormel Foods team members arrive in droves to pitch in.

Through our philanthropic efforts, Hormel Foods actively partners with leading nonprofit organizations that provide access to food for those most in need. We are proud partners of organizations such as Convoy of Hope, the World Food Program, Food for the Poor, Cáritas Arquidiocesana, Feeding America and other community-based nonprofits that focus on disaster assistance and food security.

In 2023, product and cash donations for food security amounted to \$10 million, providing an estimated 9.2 million meals.⁴⁴ As of 2023, we have donated an equivalent of 34 million meals, representing 48% of our 20 By 30 Challenge goal of delivering 70 million meals.

In 2023, we expanded a signature program, the [Hometown Food Security Project](#). Kicked off in 2022, the project brings together a variety of local and regional stakeholders committed to improving food security

throughout Mower County, Minnesota, where our headquarters and flagship production facility are located. Organizations involved in the Hometown Food Security Project include the United Way of Mower County, the Salvation Army, Mayo Clinic Health System, Mower County Health and Human Services, Austin Public Schools, Mower County Senior Center, Austin Aspires, the Parenting Resource Center and Riverland Community College. Hormel Foods provides financial resources, donations, meeting space, and the expertise of its team to support and advance the coalition's efforts.

Milestones from 2023 include:

- Early in 2023, the Hometown Food Security Project released the [Mower County Hunger and Food Insecurity Community Assessment Report](#). The 112-page report was developed through dozens of stakeholder interviews, surveys, community listening sessions, and consultations with prominent researchers and national experts on food insecurity. Underwritten by Hormel Foods, the report represents a coalitionwide effort to research and distill



the complex history and demographics of Mower County. The award-winning report is intended to advance future efforts in Mower County as well as to serve as a template to use in the evaluation of food security for other communities. Leaders of the Baylor Collaborative on Hunger and Poverty coalition were advisers on the project and are already using it to help other communities.

- Hormel Foods organized and sponsored a large-scale community summit in support of the Hometown Food Security Project. The goal of the event was to develop a lasting community strategy to achieve food security. The meeting resulted in the creation of action teams to support critical services, including Supplemental Nutrition Assistance Program (SNAP) education and advocacy, mobile food distribution and volunteer mobilization.

⁴⁴ Using the Feeding America estimations of \$1 donated = 10 meals and 1.2 pounds donated = one meal.

Food Security CONTINUED

- The Hometown Food Security Project office was opened in downtown Austin, Minnesota, in partnership with Austin Aspires and the United Way of Mower County Backpack Program. The collaborative space serves as a centralized resource center for community members to access multiple essential services.
- The Hometown Food Security Project staff engaged local partners such as Channel One Food Bank, Second Harvest Heartland and four rural food pantries to better understand their services, challenges and community needs. In recognition of Hunger Action Month, Hormel Foods presented a \$2,500 donation to each of the four pantries to support its food-security efforts.
- Hometown Food Security Project members organized dozens of volunteers, many from Hormel Foods, to staff holiday and weekly community meals at the Salvation Army in Austin, Minnesota.
- Members of the Hometown Food Security Project attended the Rural Health Symposium, which was hosted

by Mayo Clinic Health System. The event brought together healthcare leaders to discuss transforming community and rural healthcare through digital health and workforce innovation. Participants examined the impact of socioeconomic, geographic and technological disparities, and explored digital health, artificial intelligence and workforce innovation to enhance healthcare delivery.

- Hormel Foods established a new role of workforce wellness coordinator in Austin, Minnesota. The role includes dedicating 50% of the professional hours to advancing the Hometown Food Security Project's efforts by assisting families and mobilizing resources to address food insecurity across Mower County.
- Hormel Foods Chairman of the Board, President and CEO Jim Snee visited Austin High School to praise the work of the school's Food and Nutrition Department. Hormel Foods donated \$10,000 to the department to support the provision of nutritious meals to students.

- The Hormel Foods cultural anthropologist, in collaboration with the Hometown Food Security Project and Austin Aspires, facilitated an event to increase awareness of food security among English language learner (ELL) students. A postsession survey indicated students' improved understanding and sense of belonging to a welcoming community. Participating students brainstormed ideas to help improve food security in their community.

Additional Food-Security Efforts

Hormel Foods Community Donations Program

- Through our Hormel Foods Community Donations Program, we empower our U.S. manufacturing facilities and subsidiaries to make contributions to hunger-relief organizations in their communities. In 2023, we donated \$360,000 to 46 charities through this program.

Improving Food Security

- During September — Hunger Action Month — the *Justin's*® brand team launched the #JustinMyLunch digital campaign to bring light to the critical need for nutritious food during the back-to-school season. This digital campaign invited consumers to post the reality of their daily lunch-packing routines online. At the same time, *Justin's*® brand team donated more than 5,000 12-ounce jars of *Justin's*® almond butter to Conscious Alliance. The campaign aligned with Justin's efforts to create a more resilient food system, contributing meaningful donations to help relieve hunger in economically isolated communities.



Food Security CONTINUED

- In celebration of 2023 World Food Day, we donated meals to the UN World Food Program USA, a nongovernmental organization whose mission is to fight hunger and boost food security. We donated meals for every mile our team members walked, biked, ran or swam. Our team members' efforts amounted to a donation of 100,000 meals to the organization.
- In 2023, our team members participated in six food-packing events hosted by United Way Mower County (UWMC), and dedicated nearly 600 volunteer hours to sorting and distributing food products to people in need. Our support was equivalent to more than \$20,500. Additionally, we donated nearly 7,600 pounds of food to UWMC's backpack program.
- Hormel Foods international teams donated products to food banks with the goal of improving food access in underprivileged communities. In the United Kingdom, *Skippy*® products were donated to a local food pantry. In Canada, our team supported food security by donating *Corn Nuts*®, *Stagg*®, *SPAM*®, *Hormel Gatherings*®

products and other items to six food banks and community organizations, totaling over \$330,000 (or \$450,000 CAD) in value.

Jennie-O Initiatives

- *The Jennie-O*® brand team formed a partnership with Carla Hall, an esteemed chef, TV host and author, to honor schools' unsung heroes — the men and women who feed the kids through the schools' cafeterias. Hall and the *Jennie-O*® brand team conducted School Cafeteria Takeovers in which they honored the foodservice teams at four U.S. schools. They served *Jennie-O*® turkey as part of the catered meal for cafeteria staff members, pampered them with massage chairs and showed them gratitude from their students with flowers and handwritten notes. In addition, *Jennie-O* started a Kitchen Makeover Program designed to provide \$25,000 to four additional schools (\$100,000 total) to help fulfill wish lists for cafeterias in need of new equipment and supplies. In July 2023, prizes were granted to schools in Illinois, Oklahoma, Arizona and Colorado.

Project SPAMMY®

- We continue to provide *SPAMMY*® products to help malnourished children in Guatemala. In 2023, we donated more than 1.2 million *SPAMMY*® pouches. In total, we have donated more than 27.3 million *SPAMMY*® units since the initiative began. To maximize the impact of our donation, we provide nutrition education for guardians. When receiving the *SPAMMY*® product, parents are invited to a training that is focused on the importance of the product in a nutritional diet and its integration into daily meals that fit cultural preferences.

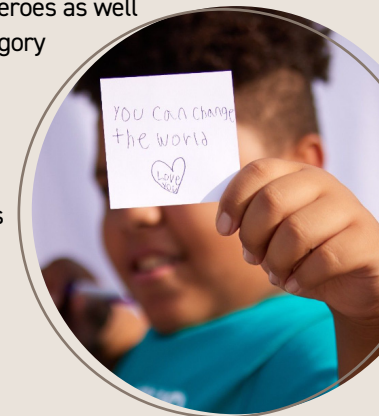
World Food Prize Sponsorship

- Hormel Foods supports the mission of the World Food Prize and its annual conference — Borlaug Dialogue — by donating \$25,000 over two years. For the first time, we are supporting the establishment of a World Food Prize Youth Institute within Austin Public Schools. The creation of the institute facilitates the incorporation of content related to country-level political, social and environmental climates into the Advanced Placement (AP) geography curriculum.

Students are encouraged to write an essay on the global food insecurity challenge, submit it to the World Food Prize and participate in the foundation's annual conference.

10 Under 20 Food Heroes

- We established the 10 Under 20 Food Heroes Awards program, which honors 10 people under the age of 20 who are doing remarkable work in their communities. These young people across the United States support the transparency, security and sustainability of the country's food system. In 2023, we selected the second cohort of 10 Food Heroes as well as seven other category winners, donated approximately \$44,000 toward their efforts and offered all honorees specialized mentorship in their specific areas of interest.



Philanthropy

At Hormel Foods, we prioritize educational opportunities for community members, encourage volunteerism and make meaningful and impactful donations to build stronger and better communities that help people in need. As part of our Inspired Giving program, in 2023 we donated \$70,000 to spotlight charities and campaigns focusing on disaster relief, environmental conservation and food security. Additionally, we offer multiple tuition assistance and scholarship programs for students within our extended family that align with our company values and contribute to our goal of promoting access to higher education. As part of our 20 By 30 Challenge, we are providing the opportunity of a free two-year college education to all our team members' U.S. dependent high school graduates through our [Inspired Pathways program](#).

Uplifting Communities through Project Spammy®

What began more than 15 years ago as a desire to help undernourished children in Guatemala has become a long-standing initiative at Hormel Foods, not to mention a model for many programs that have followed.

Knowing the needs were great and armed with a newly developed product to address the most basic human requirement, we formed a partnership with Food For The Poor and Caritas Arquidiocesana to distribute SPAMMY®, a shelf-stable poultry product fortified with vitamins and minerals designed specifically for Guatemalan children, to family centers and orphanages. The effort was successful, but the food distribution was more than an end unto itself. For instance, we designed various other program components to make sound nutrition a sustainable element of Guatemalan culture and to

empower people through educational opportunities.

Each year, more than 2,000 families are served by Project SPAMMY®. Children's welfare is improved due to the nutrition brought by the SPAMMY® product and in large part the programs we built around the project. For example, we set up home visits to ensure the product was being used correctly and to answer questions, organized nutritional consultations, monitored the height and weight of children to gauge the program's effectiveness, and provided training in security, nutrition and health to families in the program.

We also set our sights on childhood education, one of our core philanthropic endeavors. Since 2008, we've helped to open more than 25 chispa centers in Guatemala, where hundreds of children



have worked on skills and learning at six themed stations: English language, computer, psychomotor development, arts and crafts, imagination and sports. In addition, the young people have the benefit of developmental assessments, and volunteers are trained to carry on the important work of the chispa centers.

Hormel Foods also has given out scholarships to support educational pursuits at the primary, secondary and college levels, and the company donates funds for teacher salaries, books and other school supplies, clothing and food.



Philanthropy CONTINUED

Our Education Assistance Efforts

Inspired Pathways

- The Inspired Pathways program provides the opportunity of a free two-year college education for the dependent children of our U.S. team members. To promote equal opportunities and enable future generations to thrive, the program is focused on supporting first-generation college students and learning opportunities at community colleges. In calendar year 2023, we provided nearly \$740,000 through approximately 200 scholarships for this program. To date, over 330 scholarships have been granted, with 130 in the pipeline.

Undergraduate College Scholarships

- For the 57th consecutive year, Hormel Foods awarded seven undergraduate college scholarships to children of full-time, retired and deceased team members of our company and subsidiaries.

Through this program, we fund talented students through the National Merit Scholarship Corporation, helping those who demonstrate outstanding academic performance, exemplary leadership qualities and significant involvement in extracurricular activities. We provide these students with an opportunity to pursue postsecondary education at accredited academic institutions. Beneficiaries of this program are awarded \$2,000 per year for four years toward their college degrees.

Hormel Heroes Scholarship

- We have established the Hormel Heroes Scholarship Program, which is administered by the National Restaurant Association Educational Foundation, to support students with military backgrounds who are pursuing careers in culinary arts or a program related to foodservice management. In 2023, we awarded two \$10,000 scholarships. To date, we have awarded \$120,000 to nine students.

Jennie-O Scholarships

- Each year, our Jennie-O subsidiary awards continuing-education scholarships of \$1,000 and Golden Excellence scholarships of \$6,000 to selected children of our team members. These scholarships are awarded to students who meet minimum semester credit requirements or have a high grade point average. In 2023, Jennie-O awarded 44 students with \$1,000 scholarships and two students with \$6,000 scholarships.
- Jennie-O also supports education with monetary donations. In 2023, the subsidiary donated \$49,000 to promote access to education.

Columbus Cares Scholarship

- In 2023, we continued to administer our Columbus Cares scholarship. This program is for children of eligible Columbus Craft Meats team members. Scholarship recipients must be between 17 and 26 years old, enrolled in a vocational or institute of higher education, or be preparing to enter such a school. A \$1,000 scholarship is annually awarded to up to five students.



Philanthropy CONTINUED

Educational Assistance in Guatemala

- In 2023, we provided nine middle school and high school students from low-income households with tools and resources necessary to complete their education. The scholarships consist of financial assistance toward textbooks, school supplies, uniforms and tuition payments. Additionally, we mentor students and offer psychological support from a psychiatrist every semester. As part of the mentorship program, we help students develop long-term career and personal plans to set them up for success as they step into adult life.
- As part of Project SPAMMY®, we support students at chispa centers, our educational facilities in Guatemalan communities. We currently are serving 625 students attending chispa centers at 25 locations, providing resources to help build children's cognitive skills, enhance their reading and writing competency, and support learning in science and math.

- In 2023, we partially funded the operations of the Villa de los Niños boarding school in Guatemala City. The school provides hundreds of students who experience extreme poverty with basic primary education, offering housing, food, textbooks and school supplies.

Our Community Investment Efforts Disaster Response

In response to the devastating wildfires in Maui, Hormel Foods collaborated with Aloha United Way, Hawaii Food Bank and Convoy of Hope to provide meals and reconstruction aid to support post-disaster recovery. The SPAM® brand team donated cash and products of more than \$1 million in value, including over five truckloads of SPAM® products consisting of more than 264,000

cans. The brand also designed a “SPAM® Brand Loves Maui” T-shirt, with 100% of proceeds being donated to Aloha United Way's Maui Fire Relief Fund. In total, Hormel Foods team members and the SPAM® brand raised \$160,000 through the initiative.

Dinty Moore® Autism Awareness Month Celebration

- The Dinty Moore® team celebrated National Autism Awareness Month in April by sharing the special story of an 8-year-old boy diagnosed with autism spectrum disorder (ASD). He also happens to be a big fan of Dinty Moore® stew. Inspired by the boy and his love of the product, the brand team traveled out to meet the family and donated a one-year supply of Dinty Moore® beef stew. By sharing the story during Autism Awareness Month, the brand team supported efforts that empower the ASD community.



Olive Crest Child Welfare Program

- Hormel Foods and MegaMex Foods (Orange, California) worked with Olive Crest in 2023, whose mission is to prevent child abuse and strengthen, equip and restore children and families in crisis. Hormel Foods and MegaMex Foods jointly sponsored \$30,000 in support of the organization's child welfare efforts. Hormel Foods team members also volunteered 85 hours with the organization and contributed more than \$2,000.



Philanthropy CONTINUED

Impact Austin

• In 2023, we built stronger partnerships with municipalities, the public sector and nonprofits near our Global Headquarters through the Impact Austin program. A new stakeholder governing committee was formed to help set long-term strategic priorities for attracting talent and building a thriving community in Austin, Minnesota. Hormel Foods and The Hormel Foundation are active participants in the program and support the 2024 priority project focused on improving the quality of life for Austin and Mower County residents.

We Care

• Our team in Canada and Hormel Health Labs co-sponsored initiatives made by We Care, an organization that helps youth with disabilities realize their full potential, for the third consecutive year. By supporting the mission of We Care, we helped gather resources and facilitate relationship-building within the foodservice and hospitality industry to give kids with disabilities access to life-changing summer camp experiences that enrich their lives.



United Way of Mower County Partnership

• Hormel Foods team members were deeply involved in our partnership with UWMC, supporting community volunteering, fundraising and grant-giving activities. In 2023, over 1,200 team members made donations and raised funds totaling over \$417,000 to support the organization's community campaigns. Our team members accounted for 60% of UWMC's Leaders in Giving, representing sponsors who pledge an annual donation of over \$500. Our team also was involved in the coordination of UWMC's surprise donations to 10 organizations in the region, attending check presentations of \$2,500 to each organization to showcase our support of community services. We also delivered a \$5,000 surprise check to UWMC to support its technology hardware upgrade.

Foodservice Full Plate Initiative

• In 2023, our Foodservice segment launched a program to provide all 18 of our Foodservice locations with \$1,000 to donate to a nonprofit of their choice, in addition to participating in volunteer events. In 2023, our Atlanta, Georgia, team volunteered with Goodr Atlanta to deliver snack packs to underprivileged students in the community. The packs contained educational supplies and nutritious snacks and entrees. In addition to the volunteer hours and \$1,000 donation, the team purchased and donated various Hormel Foods products.

Justin's Biodiversity Support

• In 2023, Justin's continued its partnership with the National Honey Board and participated in a campaign to celebrate National Pollinator Month. Justin's also donated \$33,000 to Project Apis m. The project was focused on funding research and efforts to improve honeybee health and vitality.



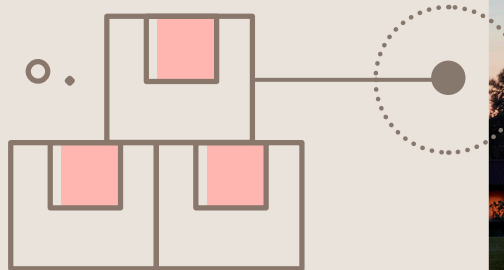
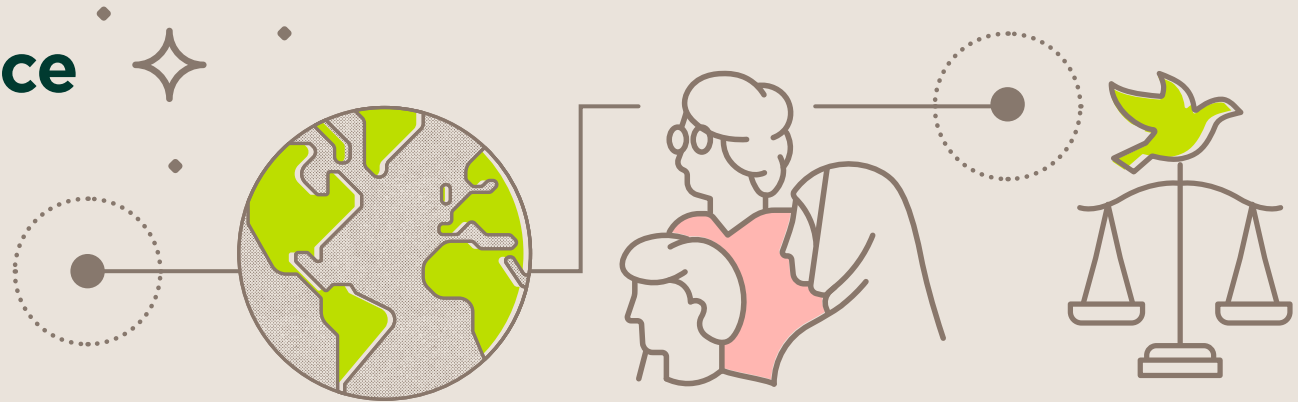
Governance



Corporate Governance

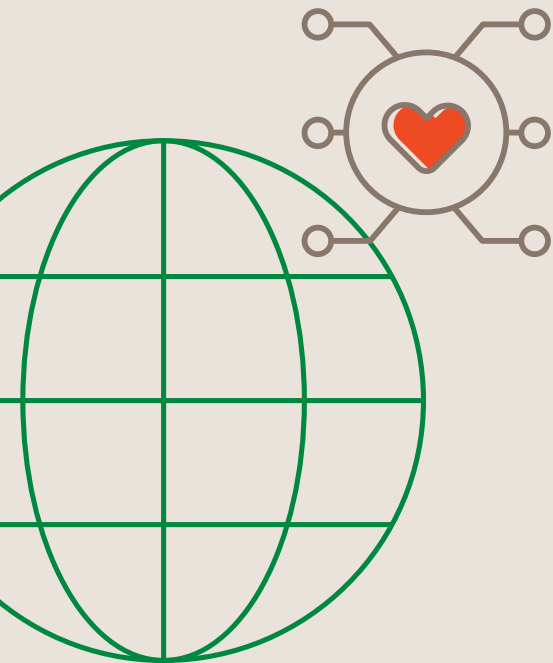
Hormel Foods was named one of the America's best-run companies by Drucker Institute in 2023. Our approach to sound corporate governance is underpinned by rigorous policies, governing documents, risk management and compliance programs that ensure ethical, responsible and lawful business behaviors, and engagement throughout our organization and value chain.

Our day-to-day operations are guided by our commitment to corporate responsibility and business integrity. In support of this commitment, we promote product and operational excellence while adopting best-in-class management practices.



Corporate Governance CONTINUED

At Hormel Foods, responsible business conduct is supported by our Board of Directors and its committees that guide the oversight of risks and opportunities across our company. We align our governance processes with our culture of accountability.



Management Approach

The Board of Directors maintains [Corporate Governance Guidelines](#) that provide a framework for its approach to oversight. The Board fulfills its duties with the support of three committees: audit, compensation and governance, each of which operates under a written charter. Our Board regularly reviews the effectiveness of our management practices and tracks progress toward our goals regarding business performance and global impact program outcomes. The Board also evaluates its own performance via an annual self-assessment.

The audit committee of the Board provides oversight of management in ensuring the integrity of the company's financial statements, compliance with legal and regulatory requirements, and the internal

audit and risk management activities.

The Board's compensation committee is responsible for establishing director and executive compensation programs in a transparent manner, engaging an external consultant to ensure fair and competitive pay practices for our Board and management leadership. To assist the Board with succession planning and the execution of its governance framework and practices, the Board's governance committee is entrusted with the responsibilities of identifying and recommending qualified Board candidates, maintaining compliance with our corporate governance guidelines and overseeing our approach to global impact activities. For more information about the committees and their charters, please visit our [Governance webpage](#).

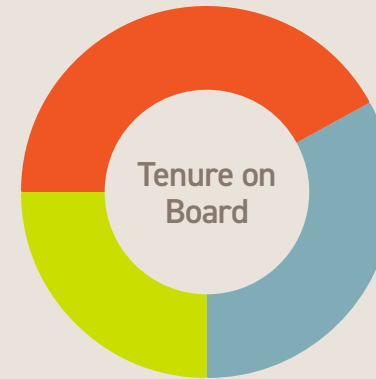


Corporate Governance CONTINUED

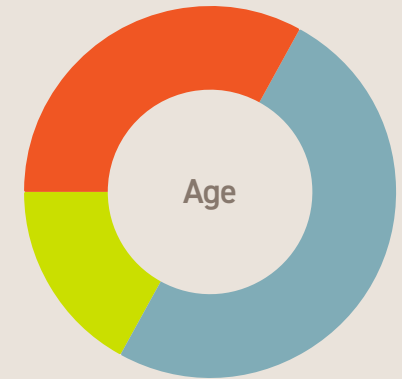
Composition and Diversity of Board of Directors

Diverse team member representation, including Board diversity, is valued at Hormel Foods. It drives innovation in our decision-making process, which then yields better outcomes. We have received a 3+ rating in the 50/50 Women on Boards Gender Diversity Directory that certifies the representation of at least three women on our Board in 2023.

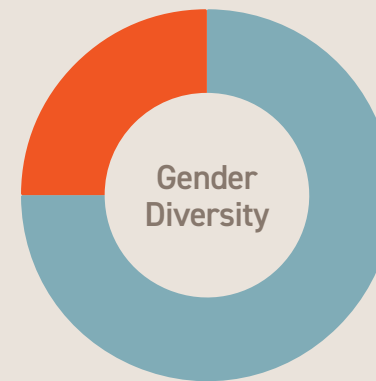
We follow a robust director election process led by our governance committee and consider a broad range of candidate diversity parameters, including race, gender, education, experience, skills and other relevant qualifications. Our Board strives to maintain an appropriate balance of knowledge, expertise and diversity to represent and support the continued success of our organization. We provide our Board members with regular presentations of the performance of our global impact strategies as well as educational resources to support informed business decisions. For more information about our Board nomination process and composition, please refer to our [Proxy Statement](#).



0-5 YEARS 42%
6-10 YEARS 33%
11-15 YEARS 25%



UNDER AGE 60 33%
BETWEEN AGES 60-65 50%
OVER AGE 65 17%



FEMALE 25%
MALE 75%



DIVERSE 50%
NON-DIVERSE 50%



Corporate Governance CONTINUED



Enterprise Risk Management

Our enterprise risk management (ERM) function oversees the company's evolving ERM framework, supports its implementation and aggregates, and reports on risk-related information. Taking a broad view of risk across the enterprise, the ERM team operates a process of identification, assessment, monitoring and measurement of risk, identifying them as strategic, operational, financial or regulatory. Senior management has the day-to-day responsibility for overseeing the management of enterprise risks and managing risk as it arises from business activities. The audit committee of our Board of Directors provides oversight of ERM, including review of the governance approach to risk management and the methods of identifying and managing risks. The compensation and governance committees of the Board provide oversight of monitoring risks related to compensation and governance policies and practices.

Executive Compensation

Our commitment to aligning shareholders' long-term interests with our business and sustainability priorities is reflected in our executive compensation program. We take a performance-based approach to our compensation process that is aimed at retaining highly qualified officers and providing incentives to create shareholder value.

Our strategy for fair and competitive compensation is informed by peer benchmarking results and market analysis performed by an independent consultancy that annually reviews and advises the Board about our pay decisions. We strive to ensure transparency in our executive compensation programs and approval procedures. For more information about our compensation strategy, including our executive pay ratio, please refer to our Proxy Statement.

Global Impact Governance

Our Board of Directors, its committees and our Global Executive Impact Council direct our efforts to evaluate sustainability- and impact-related risks, and embed sustainable and responsible business practices into our strategies. Sustainability topics are integrated into our ERM strategy, which is monitored by the audit committee. As part of its responsibility, the governance committee monitors our overall approach to sustainability matters and assists our Board in its global impact oversight. That Board's compensation committee sets executive compensation and discusses employee-related strategies. The Global Impact Executive Council is chaired by our chairman of the Board, who is also the president and CEO of our company. It is composed of senior leaders who oversee global impact initiatives that allow us to progress toward our 20 By 30 Challenge goals and generate measurable sustainability outcomes.

Our global impact steering committee reports to the Global Impact Executive Council and is chaired by senior vice presidents from corporate communications; research, development and quality; and ethics and compliance functions. The committee is tasked with ensuring successful execution of our global impact strategy. The company's functional working groups are the execution arm of driving global impact program initiatives that support the global impact steering committee and Executive Council. Together, they work closely with subject-matter experts to ensure global impact practices and standards are part of the daily operations. These functional working groups support global impact programs and sustainability actions through cross-functional efforts that include representation from various business departments, including sustainability, environmental engineering, research and development, inclusion and diversity, ethics and compliance, supply chain, human resources, operations, finance, insights and innovation, procurement, sales and legal.

Ethics and Compliance

Operating with integrity and accountability throughout our global operations is part of our unwavering commitment to being a good corporate citizen, enabling us to achieve long-term success. We place great emphasis on upholding the highest standards of business ethics, maintaining regulatory compliance and cultivating a corporate culture that is ethically sound.

We require stringent compliance with our Code of Ethical Business Conduct, which serves as a guide for our team members in making ethical business decisions. Potential code violations are monitored by the ethics and compliance team, with oversight from our audit committee and a cross-functional compliance committee. The compliance committee is chaired by the company's senior vice president and chief compliance officer, with representation from our internal audit, human resources, operations, information technology and legal departments. The code applies to all levels of our global team members and outlines our standards, practices and processes to address a variety of business ethics and global impact topics, which are reviewed

annually for quality and clarity. Our Code of Ethical Business Conduct covers our commitment to safety, respecting each other, fair dealings with customers and business partners, protecting our company and responsible corporate citizenship. Through compliance training, reporting and ensuring corrective actions are appropriately implemented, we strive to effectively prevent and resolve violations of our code and regulations applicable to our business. Hormel Foods team members are trained each year on the company's Code of Ethical Business Conduct. In 2023, approximately 97% of U.S. team members certified they received, read and agreed to abide by the Hormel Foods Code of Ethical Business Conduct.



Conflicts of Interest

Competing interests are managed, tracked, communicated and mitigated throughout our organization to protect stakeholders' trust in our company, maintain our ability to make objective decisions and ensure the well-being of our stakeholders. On an annual basis, we deploy our conflict-of-interest disclosure campaign. Annually, management presents the results of the campaign to the audit committee of our Board of Directors.

In 2023, more than 900 team leaders in our global operations reviewed and resolved disclosures of potential conflicts of interest in business relationships, employment, and engagements with external organizations and government agencies.

Anti-Corruption

We do not tolerate improper payments, bribery or other corrupt practices, and we are committed to conducting our work honestly and with integrity by maintaining compliance with applicable laws governing our business. All team members and third-party partners acting on behalf of our company are required to comply with the U.S. Foreign Corrupt Practices Act (FCPA), the United Kingdom Bribery Act and other similar anti-corruption regulations in other jurisdictions where we have a presence.



Ethics and Compliance CONTINUED

Whistleblowing Mechanism

Our company's ethics and compliance strategy is strengthened by timely and effective reporting and corrective actions. Within our organization and throughout our value chain, every team member and individual is encouraged to speak up in case of suspected or confirmed unethical conduct or when guidance is needed to manage violations of our policies or regulations. We offer various channels for the filing reports of concerns securely and without fear of retaliation. Reports can be initiated by directly notifying our ethics and

compliance team, by submitting a case through our dedicated reporting [website](#) or by calling our hotline. Our website and hotline are administered by a third party to allow for anonymous reporting of concerns without fear of retaliation. Both resources are available 24/7 globally with support provided by native-language communication specialists for callers outside the United States. For more information about our whistleblowing policy and practices, please refer to our Code of Ethical Business Conduct.

Management of Violations

We value feedback and disclosures of violations submitted through our communication channels, which enable early detection of and intervention in any misconduct that could deteriorate our reputation or relationships with our stakeholders. All reports and contacts regarding violations are treated confidentially, and we strive to efficiently initiate investigations, identify root causes, and implement corrective or disciplinary actions in order to maintain and adhere to our ethical standards. We report hotline

statistics and summaries of key cases to the audit committee of the Board of Directors, our compliance committee and executive management. To effectively address violations, we provide training, conduct policy reviews, issue written and/or verbal warnings and make termination decisions to avoid recurrence of unethical conduct or noncompliance incidents. By tracking year-over-year performance through our data dashboard and reinforcing our compliance programs, we strive to continue to embed business integrity into our daily operations.



Public Policy

We do not currently use corporate funds to make direct contributions to political candidates, political parties, political action committees (PACs), super PACs, political committees, 527 groups, ballot question committees or 501(c)(4) organizations or to pay for independent expenditures. As a global food company, we actively engage in discussions about issues that are of importance to our business.

Our lobbying activities vary according to the subject matter and may involve working with elected officials, agricultural committees and regulatory agencies such as the USDA and FDA. We maintain relationships with these parties to facilitate open discussions and ensure that accurate information is appropriately disseminated for important issues within our industry.

In 2023, our lobbying efforts — which were primarily focused on crucial topics in the food industry, including agriculture, food labeling, healthy workplaces and U.S. trade and tariff policies — were supported by approximately \$550,000. Our team member-funded PAC⁴⁵ contributed \$5,000 to the Meat Institute PAC and \$5,000 to the Consumer Brands Association PAC.



⁴⁵ Employees of Aplegate are not solicited for contributions to the PAC.

Cybersecurity and Data Privacy

Cybersecurity and data privacy are integral parts of the ERM framework at Hormel Foods. We are committed to ensuring the integrity and availability of all information technology systems, and to protecting and safeguarding our material confidential information and all stakeholders' personal information.

To proactively address risks, we deploy robust governance practices and system assessment programs while continuously seeking opportunities to modernize our technologies and processes in order to achieve better security management outcomes and support responses to cyber threats. The audit committee of the Board is responsible for cybersecurity risk

oversight, receiving regular updates from the management team. The full Board is informed of our programs and performance at least once per year. We use an independent third party to biennially assess the quality and maturity of the company's cybersecurity program, measured against the National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF).

Our [Privacy Policy](#) details our approaches toward collecting, retaining and managing information, including our lawful bases for processing personal data. In 2023, we had zero material noncompliance events or incidents concerning breaches of customer privacy and losses of customer data.



Details



About This Report

For the past 18 years, we have been proud to share our corporate responsibility efforts and sustainability achievements. This 2023 Global Impact Report has been designed to share high-quality information with our internal and external stakeholders. Unless otherwise noted, information presented in this report represents our performance in our fiscal year 2023, which started on Oct. 31, 2022, and ended on Oct. 29, 2023, in line with the financial reporting period of our 2023 Annual Report, which is available on [HormelFoods.com](https://www.hormelfoods.com) in the investor section and on [SEC.gov](https://www.sec.gov). All financial figures included in this report are in U.S. dollars unless otherwise specified.

This report has been prepared with reference to the 2021 Global Reporting Initiative (GRI) Standards, and it follows the reporting guidance and principles of Sustainability Accounting Standards Board (SASB) Processed Foods and Meat, Poultry & Dairy Standards. Projects and initiatives featured in this report include information about the Hormel Foods efforts that support the select UN Sustainable Development Goals (SDGs). Content within this report has

been reviewed and approved by our Global Impact Executive Council, internal experts and leaders who oversee relevant impact topics across our business.

In addition to this report, we annually report to CDP regarding our climate change, water security, and forest-related strategies and performance. For more information, please visit our [Global Impact webpage](https://www.hormelfoods.com/global-impact).

Reporting Boundary

The information presented, discussed, referenced or otherwise included in this document or made available on or through this document or our website does not cover all information about our business, and this report's boundary varies based on the topic. The reporting boundary for environmental matters and human capital census data includes company-owned locations and entities over which Hormel Foods exercises control or has significant influence on financial and operating policies and practices. For other topics, this report's boundary is generally limited to company-owned locations and entities in the United

CONTACT US

We gladly welcome your feedback about this report and/or global impact at Hormel Foods.

- Email: Global-Impact@HORMEL.COM
- Call Consumer Engagement: 1-800-523-4635
- Use our contact form: [HORMELFOODS.COM/ABOUT/CONTACT-US](https://www.hormelfoods.com/about/contact-us)

States over which Hormel Foods exercises operational control, or has significant influence on financial and operating policies and practices, unless otherwise noted. When relevant, information about joint venture partners may also be included and is generally noted as such.

Forward-Looking Statements

This report contains "forward-looking statements" within the meaning of the U.S. federal securities laws. The forward-looking statements may concern the company's goals, strategies or other expressions regarding matters that are not historical facts. These statements are typically accompanied by the words "plans," "intends," "expects," "may," "could," "believes," "would," "might," "anticipates" or similar terms. These forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including the risk that we will be unable to achieve our goals or execute our strategies because of

market, competitive or other conditions. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update any forward-looking statements. For additional information, please refer to the cautionary statements regarding "Risk Factors" and "Forward-Looking Statements" that appear in our most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q, which can be found on [HormelFoods.com](https://www.hormelfoods.com) in the Investors section.

Materiality

We report against our material topics or key topics identified through our internal assessment and stakeholder engagement. For the purposes of this report, we use GRI's definition of materiality, which is different from the definition used for filings with the U.S. Securities and Exchange Commission (SEC). The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial impact of that information for SEC reporting purposes.

Appendix A: Stakeholder Engagement and Industry Involvement

Stakeholder Group	How Hormel Foods Engages	Stakeholder Interests	How We Respond to Their Interests	Ongoing Results of Engagement
<p>Team Members (Current, prospective and retired)</p>	<ul style="list-style-type: none"> • Annual performance reviews • Quarterly town hall meetings with the chief executive officer (CEO) and executives • Department meetings (ongoing) • Engagement surveys (ongoing) • Intranet (daily) • Weekly companywide newsletter, monthly location-specific newsletters, and ongoing email updates • Ongoing recruitment events (college campuses, job fairs) • Social media (daily) 	<ul style="list-style-type: none"> • Community impacts • Distribution of profits • Team member health and wellness • Team member recruitment and retention • Environmental sustainability • Inclusion and diversity • Occupational health and safety • Philanthropy 	<ul style="list-style-type: none"> • Team member benefits • Development and advancement opportunities • Corporate responsibility goals and progress • Inclusion and diversity initiatives and employee resource groups • Safety program and goals • Charitable Giving 	<ul style="list-style-type: none"> • Team member engagement and retention • Community support, and retiree engagement and involvement • Improved safety
<p>Customers</p>	<ul style="list-style-type: none"> • Conferences (ongoing) • Facility and farm tours (ongoing) • One-on-one meetings (ongoing) • Questionnaires (ongoing) • Sales meetings (ongoing) 	<ul style="list-style-type: none"> • Animal care and antibiotic stewardship • Environmental sustainability • Food access • Food safety and quality • Responsible marketing • Responsible sourcing and supply chain management • Safe packaging 	<ul style="list-style-type: none"> • Animal care standards and antibiotic stewardship efforts • Connections between customers and internal experts • Corporate responsibility goals and progress • Integration of customer feedback into product development • Responses to questionnaires and inquiries • Robust food safety program and training 	<ul style="list-style-type: none"> • Demonstration of our best practices • Development of customer relationships • Identification of risks and opportunities • Increased understanding of the business and practices

Stakeholder Group	How Hormel Foods Engages	Stakeholder Interests	How We Respond to Their Interests	Ongoing Results of Engagement
Suppliers	<ul style="list-style-type: none"> • One-on-one meetings (ongoing) • Supplier site audits (ongoing) • Supplier site tours (ongoing) • Supplier quality management system (ongoing) 	<ul style="list-style-type: none"> • Animal care and antibiotics • Farmer livelihoods • Responsible sourcing and supply chain management • Sustainable agriculture 	<ul style="list-style-type: none"> • Animal care standards and antibiotic stewardship efforts • Ongoing dialogue • Corporate responsibility goals and progress • Requirements outlined in our Supplier Code of Conduct 	<ul style="list-style-type: none"> • Increased accountability • Improved supplier relationships • Improved supply base • Improved quality from suppliers
Investors/Analysts	<ul style="list-style-type: none"> • Conference calls (quarterly) • One-on-one meetings (ongoing) • Rankings/questionnaires (annually) • Conferences (ongoing) 	<ul style="list-style-type: none"> • Animal care and antibiotics • Corporate responsibility and governance • Environmental sustainability • Human rights • Sustainable agriculture • Nutrition and wellness 	<ul style="list-style-type: none"> • Animal care standards and antibiotic stewardship efforts • Company policies • Corporate responsibility goals and progress • Questionnaires/inquiries • Data from analysts compiling rankings and indices 	<ul style="list-style-type: none"> • Better understanding of our practices and processes • Benchmark data • Correct information • Feedback for future initiatives
Consumers	<ul style="list-style-type: none"> • Consumer hotline (daily) • Consumer research (ongoing) • Social media (daily) • Websites (daily) 	<ul style="list-style-type: none"> • Animal care and antibiotics • Consumer education and information • Consumer health and safety • Environmental sustainability • Food access • Food safety and quality • Genetically modified organisms (GMOs) • Nutrition and wellness • Safe packaging 	<ul style="list-style-type: none"> • Animal care standards and antibiotic stewardship efforts • Questions through hotline and social media channels • Corporate responsibility goals and progress • Proactive information and acceptance of suggestions • Robust food safety program and training • Sodium reduction and simplified ingredients initiatives • Insights for new product development 	<ul style="list-style-type: none"> • Better understanding of our consumers' concerns and interests to help provide the best products on the market • Correct information • Helpful suggestions for how to improve our business/products • Improved consumer loyalty

Stakeholder Group	How Hormel Foods Engages	Stakeholder Interests	How We Respond to Their Interests	Ongoing Results of Engagement
Government	<ul style="list-style-type: none"> • Engagement in associations and subcommittees (ongoing) • One-on-one meetings with elected officials and regulatory agencies (ongoing) • Public forums via panels (ongoing) • Plant tours for elected officials (ongoing) • Reports and regulatory filings (ongoing) 	<ul style="list-style-type: none"> • Animal care and antibiotics • Community impacts • Environmental sustainability • Food safety and quality • Lobbying and political contributions disclosure • Safe packaging 	<ul style="list-style-type: none"> • Animal care standards and antibiotic stewardship guidelines • Ongoing dialogue about these issues • Corporate responsibility goals and progress • Robust food safety program and training • Updates to management about key issues 	<ul style="list-style-type: none"> • Better understanding of our practices and processes • Communication of our culture, commitment to communities and the impact we have on the industry and in communities • Responsible business policies
Nongovernmental Organizations	<ul style="list-style-type: none"> • Meetings (ongoing) • Response to questions/concerns (ongoing) • Questionnaires/surveys (ongoing) 	<ul style="list-style-type: none"> • Animal care and antibiotic stewardship • Business ethics • Community impacts • Corporate responsibility and governance • Distribution of profits • Environmental sustainability • Food relief • Nutrition and wellness • Human rights • Lobbying disclosures and political contributions • Philanthropy • Responsible sourcing and supply chain management • Safe packaging • Stakeholder engagement • Sustainable agriculture • Transparency and reporting 	<ul style="list-style-type: none"> • Animal care standards and antibiotic stewardship efforts • Charitable giving • Consider topics raised in our reporting and operating practices • Formal hunger-relief and community giving strategy • Development of company policies • Through our corporate responsibility goals and progress • Maintain ongoing dialogue to incorporate a variety of changes to business practices and explain business practices 	<ul style="list-style-type: none"> • Identification of risks to the business or larger issues in the industry • Improved two-way conversation about the industry and business practices

Stakeholder Group	How Hormel Foods Engages	Stakeholder Interests	How We Respond to Their Interests	Ongoing Results of Engagement
Communities	<ul style="list-style-type: none"> Charitable giving (ongoing) Community events (ongoing) Local media relations (ongoing) Representation and participation in community organizations (ongoing) Sponsorships (ongoing) Volunteer efforts (ongoing) 	<ul style="list-style-type: none"> Community impacts Distribution of profits Environmental sustainability Team member recruitment and retention Food relief Philanthropy Sustainable agriculture 	<ul style="list-style-type: none"> Charitable giving Consider topics raised in our reporting and operating practices Formal hunger-relief and community giving strategy Through our corporate responsibility goals and progress Meetings to discuss local concerns Invest in community infrastructure 	<ul style="list-style-type: none"> Team member engagement Large number of community groups engaged Positive community relations Positive corporate reputation
Industry Associations	<ul style="list-style-type: none"> Representation and participation in trade and industry associations at global, national and local levels (ongoing) 	<ul style="list-style-type: none"> Animal care and antibiotic stewardship Environmental sustainability Farmer livelihoods Food safety and quality Sustainable agriculture 	<ul style="list-style-type: none"> Public policy advocacy on agriculture, food labeling, health and labor/workplace issues and U.S. trade policies Participate in ongoing dialogue to create transparency and accurate information 	<ul style="list-style-type: none"> Improved two-way conversation about industry and business practices Engagement activities and discussions to influence legislation

Hormel Foods engages with a variety of nonprofit, academic institutions and industry consortiums, and team members serve as members, officers and directors of the boards of many organizations, including:

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| <ul style="list-style-type: none"> Alliance for the Future of Agriculture in Nebraska American Association of Poultry Pathologists American College of Poultry Veterinarians (and its Continuing Education Committee) American Meat Science Association American Veterinary Medical Association (and its Agricultural Liaison Committee and Clinical Practitioners Advisory Committee) Animal Agriculture Alliance Association of Avian Pathologists (and its Animal Welfare Committee, and Drugs and Therapeutics Committee) Association of Veterinarians in Turkey Production | <ul style="list-style-type: none"> Business for Social Responsibility Colorado Farm Bureau Colorado Livestock Association Colorado Pork Producers Association (and its board of directors) Consumer Brands Association Foundation of Meat and Poultry Research and Education Global Food Safety Initiative Institute of Food Technologists International Association of Food Protection Midwest Poultry Research Committee Minnesota Board of Animal Health (and its Emergency Disease Management Committee) | <ul style="list-style-type: none"> Minnesota Agricultural Utilization Research Institute Minnesota AgriGrowth Council (and its board of directors) Minnesota Poultry Federation Minnesota Turkey Growers Association (and its board of directors) Minnesota Turkey Research and Promotion Council National Grain and Feed Association National Pork Board National Pork Producers Council (and its Animal Health and Food Security Policy Committee) National Restaurant Association | <ul style="list-style-type: none"> Meat Institute (and its board of directors, Animal Welfare Committee and Scientific Affairs Committee) National Turkey Federation (Board of Directors, Executive Committee, Health and Welfare Committee, Live Production Committee, Technical and Regulatory Affairs Committee and its Turkey Health Task Force) National Peanut Council National Young Farmers Coalition Peanut and Tree Nut Processors Association Poultry Science Association Professional Animal Auditor Certification Organization | <ul style="list-style-type: none"> Protein PACT (and its State of Wisconsin Livestock Facility Siting Review Board) Southwest Meat Association The National Institute of Antimicrobial Resistance Research and Education United States Animal Health Association University of Wisconsin (and its Meat Science Advisory Board and Poultry Science Advisory Committee) U.S. Poultry & Egg Association (and its Research Advisory Committee) Wisconsin Poultry & Egg Association Women's Foodservice Forum World Poultry Association |
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For more information, please visit [HormelFoods.com](https://www.HormelFoods.com).

Appendix B: Global Reporting Initiative (GRI) Index

Statement of use	Hormel Foods Corporation has reported the information cited in this GRI content index for the period from Oct. 31, 2022, to Oct. 29, 2023, with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Report Location and Response
GRI 2: General Disclosures 2021	2-1 Organizational details	2023 Annual Report
	2-2 Entities included in the organization’s sustainability reporting	About This Report
	2-3 Reporting period, frequency and contact point	About This Report
	2-4 Restatements of information	We have restated 2022 data of environmental and water noncompliance events to conform with the SASB standard of formal enforcement actions
	2-5 External assurance	Our report has been reviewed by our internal audit department. Information presented within this report is not externally assured.
	2-6 Activities, value chain and other business relationships	About Hormel Foods; 2023 Annual Report
	2-7 Employees	About our Team; Appendix D
	2-8 Workers who are not employees	Appendix D We employ temporary workers to support production demand at our manufacturing facilities.
	2-9 Governance structure and composition	Corporate Governance; Proxy Statement
	2-10 Nomination and selection of the highest governance body	Proxy Statement
	2-11 Chair of the highest governance body	Proxy Statement
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance; Proxy Statement
	2-13 Delegation of responsibility for managing impacts	Corporate Governance
	2-14 Role of the highest governance body in sustainability reporting	About This Report

GRI Standard	Disclosure	Report Location and Response
	2-15 Conflicts of interest	Ethics and Compliance
	2-16 Communication of critical concerns	Ethics and Compliance
	2-17 Collective knowledge of the highest governance body	Corporate Governance
	2-18 Evaluation of the performance of the highest governance body	Proxy Statement
	2-19 Remuneration policies	Corporate Governance; Proxy Statement
	2-20 Process to determine remuneration	Corporate Governance; Proxy Statement
	2-21 Annual total compensation ratio	Proxy Statement
	2-22 Statement on sustainable development strategy	Message From Our CEO
	2-23 Policy commitments	Ethics and Compliance; Supply Chain; Human Rights
	2-24 Embedding policy commitments	Ethics and Compliance; Supply Chain; Human Rights
	2-25 Processes to remediate negative impacts	Ethics and Compliance; Code of Ethical Business Conduct
	2-26 Mechanisms for seeking advice and raising concerns	Ethics and Compliance; Code of Ethical Business Conduct
	2-27 Compliance with laws and regulations	Appendix D
	2-28 Membership associations	Appendix A
	2-29 Approach to stakeholder engagement	Stakeholder Engagement; Appendix A
	2-30 Collective bargaining agreements	About Our Team; Appendix D
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Key Topics Assessment
	3-2 List of material topics	Key Topics Assessment
	3-3 Management of material topics	Throughout the report

GRI Standard	Disclosure	Report Location and Response
GRI 201: Economic Performance 2016	3-3 Management of material topics	2023 Annual Report
	201-1 Direct economic value generated and distributed	2023 Annual Report
	201-2 Financial implications and other risks and opportunities due to climate change	2023 Annual Report; CDP Climate Change Questionnaire
	201-3 Defined benefit plan obligations and other retirement plans	2023 Annual Report
GRI 301: Materials 2016	3-3 Management of material topics	Packaging
	301-1 Materials used by weight or volume	Appendix D
	301-2 Recycled input materials used	Packaging; Appendix D
GRI 302: Energy 2016	3-3 Management of material topics	Energy
	302-1 Energy consumption within the organization	Energy; Appendix D; CDP Climate Change Questionnaire
	302-3 Energy intensity	Energy; Appendix D
	302-4 Reduction of energy consumption	Energy; Appendix D
GRI 303: Water and Effluents 2018	3-3 Management of material topics	Water
	303-1 Interactions with water as a shared resource	Water
	303-2 Management of water discharge-related impacts	Water
	303-3 Water withdrawal	Water; Appendix D; CDP Water Security Questionnaire
	303-4 Water discharge	Water; Appendix D; CDP Water Security Questionnaire
	303-5 Water consumption	Water; Appendix D; CDP Water Security Questionnaire

GRI Standard	Disclosure	Report Location and Response
GRI 305: Emissions 2016	3-3 Management of material topics	Greenhouse Gas Emissions
	305-1 Direct (Scope 1) GHG emissions	Appendix D; CDP Climate Change Questionnaire
	305-2 Energy indirect (Scope 2) GHG emissions	Appendix D; CDP Climate Change Questionnaire
	305-4 GHG emissions intensity	Greenhouse Gas Emissions; Appendix D; CDP Climate Change Questionnaire
	305-5 Reduction of GHG emissions	Greenhouse Gas Emissions; Appendix D; CDP Climate Change Questionnaire
GRI 306: Waste 2020	3-3 Management of material topics	Waste
	306-1 Waste generation and significant waste-related impacts	Waste
	306-2 Management of significant waste-related impacts	Waste
	306-3 Waste generated	Appendix D
	306-4 Waste diverted from disposal	Appendix D
	306-5 Waste directed to disposal	Appendix D
GRI 308: Supplier Environmental Assessment 2016	3-3 Management of material topics	Supply Chain
	308-2 Negative environmental impacts in the supply chain and actions taken	Supply Chain
GRI 401: Employment 2016	3-3 Management of material topics	Learning and Development
	401-1 New employee hires and employee turnover	About Our Team; Appendix D
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Learning and Development

GRI Standard	Disclosure	Report Location and Response
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	Safety, Health and Wellness
	403-1 Occupational health and safety management system	Safety, Health and Wellness
	403-2 Hazard identification, risk assessment and incident investigation	Safety, Health and Wellness
	403-3 Occupational health services	Safety, Health and Wellness
	403-4 Worker participation, consultation and communication on occupational health and safety	Safety, Health and Wellness
	403-5 Worker training on occupational health and safety	Safety, Health and Wellness
	403-6 Promotion of worker health	Safety, Health and Wellness
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety, Health and Wellness
	403-8 Workers covered by an occupational health and safety management system	Safety, Health and Wellness
	403-9 Work-related injuries	Safety, Health and Wellness
GRI 404: Training and Education 2016	3-3 Management of material topics	Learning and Development
	404-1 Average hours of training per year per employee	Learning and Development; Appendix D
	404-2 Programs for upgrading employee skills and transition assistance programs	Learning and Development
	404-3 Percentage of employees receiving regular performance and career development reviews	Learning and Development; Appendix D
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	Inclusion and Diversity
	405-1 Diversity of governance bodies and employees	Corporate Governance; Inclusion and Diversity; Appendix D
GRI 406: Non-discrimination 2016	3-3 Management of material topics	Inclusion and Diversity

GRI Standard	Disclosure	Report Location and Response
GRI 407: Freedom of Association and Collective Bargaining 2016	3-3 Management of material topics	Human Rights
	407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Rights
GRI 408: Child Labor 2016	3-3 Management of material topics	Human Rights
	408-1: Operations and suppliers at significant risk for incidents of child labor	Human Rights
GRI 409: Forced or Compulsory Labor 2016	3-3 Management of material topics	Human Rights
	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights
GRI 414: Supplier Social Assessment 2016	3-3: Management approach	Supply Chain
	414-2: Negative social impacts in the supply chain and actions taken	Supply Chain
GRI 415: Public Policy 2016	3-3 Management of material topics	Public Policy
	415-1 Political contributions	Public Policy; Appendix D
GRI 416: Customer Health and Safety 2016	3-3 Management of material topics	Food Safety and Quality
	416-1: Assessment of the health and safety impacts of product and service categories	The percentage of products assessed for safety improvements is currently not tracked. Food safety is a top priority in everything we do and is built into our Cultural Belief of Safety First. Our approach to product safety is constantly evolving, and it is built into our practices of incident prevention and continuous improvement. For more information about our food safety strategy, please refer to the Food Safety and Quality section of this report.
	416-2: Incidents of noncompliance concerning the health and safety impacts of products and services	Food Safety and Quality; Appendix D

GRI Standard	Disclosure	Report Location and Response
GRI 417: Marketing and Labeling 2016	3-3 Management of material topics	Consumer Education and Information; Responsible Marketing
	417-1: Requirements for product and service information and labeling	Consumer Education and Information
	417-2: Incidents of noncompliance concerning product and service information and labeling	Appendix D
	417-3: Incidents of noncompliance concerning marketing communications	Responsible Marketing; Appendix D
GRI 418: Customer Privacy 2016	3-3 Management of material topics	Cybersecurity and Data Privacy
	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no incidents in 2023.

Appendix C: Sustainability Accounting Standards Board (SASB) Index

Below are the Hormel Foods responses to the SASB Processed Foods and Meat, Poultry & Dairy Standards.

Topic	Metric	Code	Response
Energy Management	(1) Total energy consumed (2) percentage grid electricity and (3) percentage renewable	FB-PF-130a.1 FB-MP-130a.1	(1) 11,306,401 gigajoules (2) 99% (3) <1%
Greenhouse Gas Emissions	Gross global Scope 1 emissions	FB-MP-110a.1	625,338 metric tons of carbon dioxide equivalent (CO2e)
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets and an analysis of performance against those targets	FB-MP-110a.2	Hormel Foods actively pursues opportunities to reduce emissions through renewable energy sourcing and energy efficiency improvements. For more information, please refer to the Greenhouse Gas Emissions and Energy sections of this report.
Water Management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	FB-PF-140a.1 FB-MP-140a.1	(1) 17,165 thousand cubic meters, 4.2% was from areas with high water stress (2) 17,165 thousand cubic meters, 4.2% was from areas with high water stress
	Number of incidents of noncompliance associated with water quality permits, standards, and regulations	FB-PF-140a.2 FB-MP-140a.3	Hormel Foods received one wastewater-related notice in 2023. Corrective actions were promptly made after the issue was discovered.
	Description of water management risks and discussion of strategies and practices to mitigate those risks	FB-PF-140a.3 FB-MP-140a.2	Water management risks are assessed annually by third-party experts and included in the enterprise risk management review process. Hormel Foods engages top suppliers through surveys to gather water risk information. For more information, please refer to our most recent CDP Water Security questionnaire.
Land Use & Ecological Impacts	Amount of animal litter and manure generated, percentage managed according to a nutrient management plan	FB-MP-160a.1	Hormel Foods has a robust manure and litter management plan in place that the company is required to follow by law. Our grower partners are encouraged to follow a nutrient management plan through our contractual agreements.
	Percentage of pasture and grazing land managed to conservation plan criteria	FB-MP-160a.2	Data is not available at this time of disclosure.
	Animal protein production from confined animal feeding operations	FB-MP-160a.3	Data is not available at this time of disclosure.

Topic	Metric	Code	Response
Food Safety	Global Food Safety Initiative (GFSI) audit (1) nonconformance rates and (2) associated corrective action rates for (a) major and (b) minor nonconformances	FB-PF-250a.1 FB-MP-250a.1	Nonconformance and corrective action rates are considered confidential to our business. We provide audit reports to our customers upon request for the purchased product items. For more information about our food safety assurance programs, please visit the Food Safety and Quality section of this report.
	Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	FB-PF-250a.2	Data is not available at this time of disclosure.
	Percentage of supplier facilities certified to a Global Food Safety Initiative (GFSI) food safety certification program	FB-MP-250a.2	Data is not available at this time of disclosure.
	(1) Total number of notices of food safety violation received and (2) percentage corrected	FB-PF-250a.3	(1) Instances of regulatory noncompliance are publicly available. These findings are primarily used to communicate opportunities for improvement by our respective regulatory authorities, and the vast majority are not representative of an imminent food safety risk to our operations or products. All instances of citation are remediated to meet or exceed all regulatory guidelines and requirements. (2) 100%
	(1) Number of recalls issued and (2) total amount of food product recalled	FB-PF-250a.4 FB-MP-250a.3	(1) 1 (2) 10,642 pounds MegaMex Foods recalled 10,642 pounds of a limited number of <i>Don Miguel</i> ® carne asada burritos due to a supplier-related issue. We proactively issued the recall to ensure consumers were aware of the issue. There were no consumer complaints or filed safety concerns associated with the case. The MegaMex Foods laboratory detected the issue.
	Discussion of markets that ban imports of the entity's products	FB-MP-250a.4	At any time throughout any given year, countries may issue import bans due to tariff concerns or the outbreak(s) of animal disease such as highly pathogenic avian influenza. Hormel Foods consistently monitors and seeks to comply with all pertinent import rules, restrictions and regulations in the United States as well as the receiving countries.

Topic	Metric	Code	Response
Health & Nutrition	Revenue from products labeled or marketed to promote health and nutrition attributes	FB-PF-260a.1	Data is considered confidential to our business.
	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	FB-PF-260a.2	Hormel Foods is dedicated to helping consumers address and manage nutritional and health concerns related to food products. To enable consumers to make better food decisions, we have boosted efforts to simplify the ingredient statements of our retail and foodservice products through the removal or replacement of ingredients, all while delivering the great taste shoppers expect. Through this initiative, our products are evaluated for opportunities to shorten ingredient lists, use ingredients that are familiar to consumers and remove artificial colors and flavors to provide clearer and easy-to-follow product information to inform decision-making. Based on consumer research and feedback, we actively initiate sodium-reduction research and product-reformulation initiatives to reach the preferred sodium levels in our products. For more information, please refer to the Nutrition and Wellness section of this report.
Product Labeling & Marketing	Percentage of advertising impressions (1) made on children and (2) made on children promoting products that meet dietary guidelines	FB-PF-270a.1	Hormel Foods is committed to marketing our products responsibly.
	Revenue from products labeled as (1) containing genetically modified organisms (GMOs) and (2) non-GMO	FB-PF-270a.2	Data is considered confidential to our business.
	Number of incidents of noncompliance with industry or regulatory labeling and/or marketing codes	FB-PF-270a.3	Hormel Foods had no U.S. Food and Drug Administration (FDA), U.S. Department of Agriculture (USDA) or U.S. Federal Trade Commission warnings, penalties or fines associated with product labeling and/or marketing regulations during 2023. We take compliance seriously, and have internal teams that evaluate our labels and marketing for compliance with all relevant legal and regulatory requirements.
	Total amount of monetary losses as a result of legal proceedings associated with labeling and/or marketing practices	FB-PF-270a.4	Hormel Foods is and has been a party to legal proceedings challenging various product claims made in its product labeling and/or marketing. We may, from time to time, agree to a settlement of certain of those legal proceedings solely for the purposes of avoiding the burden, expense, risk and uncertainty of litigation.

Topic	Metric	Code	Response
Packaging Lifecycle Management	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials and (3) percentage that is recyclable, reusable, or compostable	FB-PF-410a.1	(1) 348,007,099 pounds (2) 32% (3) 82%
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	FB-PF-410a.2	Hormel Foods invests in weight-reduction and sustainable packaging projects to reduce the environmental impacts of product packaging. For more information, please refer to the Packaging section of this report.
Antibiotic Use in Animal Production	Percentage of animal production that received (1) medically important antibiotics, and (2) not medically important antibiotics, by animal type	FB-MP-260a.1	Please refer to the Metrics section within our Antibiotic Stewardship Report .
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	FB-MP-320a.1	(1) 2.2 (2) 0
	Description of efforts to assess, monitor, and mitigate acute and chronic respiratory health conditions	FB-MP-320a.2	Hormel Foods currently does not offer specific programs around chronic respiratory health conditions. Through our Hormel Foods Health Center, team members have access to a wide variety of health and wellness services, including primary care, acute care, annual physicals, preventive exams and condition management. For more information, please refer to the Safety, Health and Wellness section of this report.

Topic	Metric	Code	Response
Animal Care & Welfare	Percentage of pork produced without the use of gestation crates	FB-MP-410a.1	<p>Hormel Foods made a commitment to transition its company-owned sow farm to open sow housing by 2018. It met this commitment early, and today the company's farm operations use open sow-housing technology.</p> <p>The Hormel Foods wholly owned subsidiary Applegate has committed to 100% open sow housing in its supply chain. Applegate farmers use an open-pen system that allows for free movement. Pigs raised organically have outdoor access.</p>
	Percentage of cage-free shell egg sales	FB-MP-410a.2	We do not engage in direct sales of eggs. However, we are committed to purchasing cage-free egg parts in the use of our products.
	Percentage of production certified to a third-party animal welfare standard	FB-MP-410a.3	<p>The applicable Hormel Foods company-owned properties and Applegate subsidiary, as well as all applicable facilities throughout our supply chain, are 100% certified to animal welfare standards through National Pork Board's Pork Quality Assurance (PQA) Plus program, Transport Quality Assurance (TQA) certification and/or National Turkey Federation (NTF) guidelines. Additionally, Applegate supply is audited by a third-party animal welfare verification program: Certified Humane or Global Animal Partnership.</p> <p>All individuals who transport hogs to Hormel Foods must have the National Pork Board's TQA certification. All sites where a producer raises hogs supplied to Hormel Foods must achieve PQA Plus Site Status as defined by the National Pork Board's PQA Plus program. This is attained through an on-farm assessment that evaluates compliance with welfare and well-being principles as part of the PQA Plus framework. All team members at our company-owned hog farm are required to comply with qualifications outlined in our quality management system, which includes standard operating procedures, a personal pledge of proper conduct and certifications in the National Pork Board's PQA Plus and TQA programs.</p> <p>For turkeys specifically, we require all independent and contract suppliers to follow a two-step process to ensure the highest animal welfare standards, as described in our Animal Stewardship Policy, are applied when handling turkeys. Results of internal and third-party audits conducted at company hatcheries, grower farms and processing facilities show adherence to NTF's animal welfare guidelines.</p>
Environmental & Social Impacts of Ingredient Supply Chain	Percentage of food ingredients sourced that are certified to third-party environmental or social standards, and percentages by standard	FB-PF-430a.1	<p>At our wholly owned Justin's subsidiary, 100% of the cocoa used is Rainforest Alliance Certified, and 100% of the palm used oil is certified through the Roundtable on Sustainable Palm Oil (RSPO). At Hormel Foods, we have established a goal to achieve 100% palm oil traceability to the plantation level by the end of 2025. In 2023, we continued to make progress toward this commitment by purchasing 100% RSPO-certified sustainable palm oil from our suppliers.</p> <p>Hormel Foods will continue to review additional sourcing certifications and plans to provide further information in subsequent Global Impact Reports.</p>
	Suppliers' social and environmental responsibility audit (1) nonconformance rate and (2) associated corrective action rate for (a) major and (b) minor nonconformances	FB-PF-430a.2	While Hormel Foods does not publish data on nonconformance in this space, the company has a Supplier Code of Conduct that all suppliers within the global supply chain must follow. Issues that arise in violation of the company's policies pertaining to social or environmental responsibility are investigated and, where deemed appropriate, could result in disciplinary action up to and including termination of any agreements.

Topic	Metric	Code	Response
Environmental & Social Impacts of Animal Supply Chain	Percentage of livestock from suppliers implementing conservation plan criteria	FB-MP-430a.1	Data is not available at this time of disclosure.
	Percentage of supplier and contract production facilities verified to meet animal welfare standards	FB-MP-430a.2	The applicable Hormel Foods company-owned properties, and Applegate and Jennie-O subsidiaries, as well as all applicable facilities throughout our supply chain, are 100% certified to animal welfare standards through National Pork Board's PQA Plus and TQA programs, NTF guidelines or higher standards.
Ingredient Sourcing	Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	FB-PF-440a.1	Zero percent of the company's pork, turkey and domestic peanut supplies came from areas identified as high or extremely high water risk in 2023. Data concerning other ingredients was not available at this time of disclosure.
	List of priority food ingredients and discussion of sourcing risks due to environmental and social considerations	FB-PF-440a.2	Hormel Foods assesses key-ingredient suppliers that are most significant to our global impact profile for risks pertaining to performance and disclosure. Those ingredients are: pork, beef, broiler chickens, liquid and shell eggs, peanuts, cocoa and palm oil.
Animal & Feed Sourcing	Percentage of animal feed sourced from regions with High or Extremely High Baseline Water Stress	FB-MP-440a.1	Zero percent of animal feed sourcing for Jennie-O was from high or extremely high baseline water stress regions in 2023. Data is not available at this time of disclosure for pork, beef or chicken.
	Percentage of contracts with producers located in regions with High or Extremely High Baseline Water Stress	FB-MP-440a.2	Zero percent of contract growers and grower partners were located in high or extremely high baseline water stress regions in 2023. Data was not available at this time of disclosure for pork, beef or chicken.
	Discussion of strategy to manage opportunities and risks to feed sourcing and livestock supply presented by climate change	FB-MP-440a.3	The goals for purchasing regenerative agricultural products are to increase soil biodiversity and improve water-holding capacity of soil.
Activity Metrics	Weight of products sold	FB-PF-000.A	2,001,131 metric tons
	Number of processing and manufacturing facilities	FB-PF-000.B FB-MP-000.A	Hormel Foods owns 41 manufacturing facilities, including processing and production sites.
	Animal protein production, by category; percentage outsourced	FB-MP-000.B	Hormel Foods owns and operates only one sow farm, with the majority of protein supplies being outsourced. The Jennie-O subsidiary uses a variety of contract growers in addition to company-owned turkey farms and facilities. Our Applegate subsidiary uses 100% third-party-supplied proteins in its products.

Appendix D: Performance Data

Business Profile

Metric	2022	2023
Number of manufacturing facilities	40+	40+
Weight of products sold (metric tons)	2,092,800	2,001,131
Net sales (U.S. dollars)	\$12.5 billion	\$12.1 billion
Number of retail categories in which Hormel Foods brands held the No.1 or No. 2 position	40+	40+

Products

Food Safety and Quality

Metric	2022	2023
Number of product recalls	1	1
Amount of products recalled (pounds)	161,692	10,642
Total number of incidents of noncompliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services, by: ⁴⁶		
Number of incidents of noncompliance with regulations resulting in a fine or penalty	0	0
Number of incidents of noncompliance with regulations resulting in a warning	0	0
Number of incidents of noncompliance with voluntary code	0	0
Percentage of food safety violations corrected	100%	100%

Consumer Education and Information

Metric	2022	2023
Total number of incidents of noncompliance with regulations and/or voluntary codes concerning product and service information and labeling, by: ⁴⁷		
Number of incidents of noncompliance with regulations resulting in a fine or penalty	0	0
Number of incidents of noncompliance with regulations resulting in a warning	0	0
Number of incidents of noncompliance with voluntary code	0	0

⁴⁶ We define noncompliance events as any incidents that result in fines or penalties issued by U.S. regulatory agencies. Hormel Foods did not have any FDA, USDA or U.S. Federal Trade Commission warnings, penalties or fines associated with product labeling regulations during 2023.

⁴⁷ We define noncompliance events as any incidents that result in fines or penalties issued by U.S. regulatory agencies. Hormel Foods did not have any FDA, USDA or U.S. Federal Trade Commission warnings, penalties or fines associated with marketing regulations during 2023.

Responsible Marketing

Metric	2022	2023
Number of noncompliance incidents related to product marketing	0	0

Supply Chain

Supplier Base and Diversity

Metric	2022	2023
Diverse supplier spend (U.S. dollars) ⁴⁸	\$1.5 billion	\$1.3 billion
Number of ingredient supplier food safety audits	17	5

Animal Care

Metric	2022	2023
Total audits conducted ⁴⁹	2,800 ⁵⁰	2,600 ⁵¹
Hog Audits		
Total audits conducted	1,100+	1,000+
External audits performed	53	45
Internal formal audits performed	1,072	1,046
Internal unannounced, random audits performed	54	48
Number of notices of intended enforcement from the Food Safety and Inspection Service as a result of noncompliance with laws and regulations related to transportation, handling and processing practices	0	0
Turkey Audits		
Total audits conducted	1,600+	1,500+
Internal audits conducted by the quality assurance department – live production	1,328	1,215
National Turkey Federation audits performed by managers and supervisors – live production	302	328
External audits performed – live production	0	14
Internal formal audits performed – processing	8	8
Internal unannounced, random audits performed – processing	61	46
External audits performed – processing	0	8
Number of notices of intended enforcement from the Food Safety and Inspection Service as a result of noncompliance with laws and regulations related to transportation, handling and processing practices	0	0

⁴⁸ Includes suppliers of applicable vendor categories in the company's evolving tracking system. Represents total spend with Tier 1 and Tier 2 suppliers.

⁴⁹ Includes all audits in our evolving corporate tracking systems.

⁵⁰ Includes hog and turkey audits.

⁵¹ Includes hog, turkey, beef and chicken audits. For beef and chicken, does not include third-party audits.

Environment

Environmental Compliance

Metric	2022	2023
Number of environmental noncompliance incidents ⁵²	3	1

Greenhouse Gas (GHG) Emissions

Metric	2022	2023
Direct (Scope 1) GHG emissions (metric tons CO2e)	635,226	625,338
Energy indirect (Scope 2) GHG emissions (metric tons CO2e) (location-based)	444,707	437,394
Energy indirect (Scope 2) GHG emissions (metric tons CO2e) (market-based)	22,680	40,770
Total Scope 1 and 2 (location-based) GHG Emissions (metric tons CO2e)	1,079,933	1,062,732
Total Scope 1 and 2 (market-based) GHG Emissions (metric tons CO2e)	657,906	666,108
Percentage of direct (Scope 1) GHG emissions out of total Scope 1 and 2 (location-based) emissions	59%	59%
Percentage of indirect (Scope 2) GHG emissions out of total Scope 1 and 2 (location-based) emissions	41%	41%
Percentage of indirect (Scope 2) GHG emissions out of total Scope 1 and 2 (market-based) emissions	3%	6%
GHG emissions reduction from manufacturing facilities (metric tons CO2e)	13,316	22,160
Normalized Scope 1 and 2 (market-based) GHG emissions (metric tons CO2e per thousand U.S. dollars of revenue)	0.053	0.055

Energy

Metric	2022	2023
Total energy use (gigajoules)	13,082,252	12,607,250
Total direct energy use (gigajoules)	9,469,071	9,052,878
Total indirect energy use (gigajoules)	3,613,181	3,554,372
Normalized energy use (gigajoules per thousand U.S. dollars of revenue)	1.05	1.04
Normalized direct energy use (gigajoules per thousand U.S. dollars of revenue)	0.76	0.75
Normalized indirect energy use (gigajoules per thousand U.S. dollars of revenue)	0.29	0.29
Efficiency gain percentage, total energy	-	1%
Efficiency gain percentage, direct energy	-	1.3%
Efficiency gain percentage, indirect energy	-	0%
Energy savings (gigajoules)	111,128	58,000
Percentage of grid electricity	99%	99%
Percentage of on-site renewable energy	<1%	<1%
Percentage of renewable energy consumed out of total energy use	26%	23%
Percentage of power use offset with renewable sourcing	96%	85%

⁵² Formal notices of noncompliance issued by state or federal agencies.

Water

Metric	2022	2023
Water Use		
Total water use (thousand cubic meters)	17,585	17,165
Total water use from areas with water stress (thousand cubic meters)	717	191
Percentage of water consumed from areas with water stress	4%	4.2%
Water reduction project savings (thousand cubic meters)	352	283
Normalized usage (thousand cubic meters per thousand U.S. dollars of revenue)	0.001	0.001
Efficiency gain percentage	-	0%
Water Withdrawal		
Total water withdrawal (thousand cubic meters)	17,585	17,165
Total water withdrawal from areas with water stress (thousand cubic meters)	717	191
Percentage of water withdrawn from areas with water stress	4%	1%
Water withdrawal by source (%)		
Surface water	17%	16%
Groundwater	83%	84%
Water withdrawal – groundwater by source (%)		
Prairie Du Chien-Jordan Aquifer	46%	45%
Quaternary Buried Artesian Aquifer	14%	15%
Other	40%	40%
Water Discharge		
Total water discharge (thousand cubic meters)	15,748	15,760
Wastewater distribution by location (%)		
Upper Mississippi	81%	80%
Texas Gulf	2%	2%
Arkansas White Red	3%	3%
Other watersheds	14%	15%
Water Compliance		
Number of incidents of noncompliance associated with water quantity and/or quality permits, standards and regulations ⁵³	1	1

⁵³ Formal notices of noncompliance issued by state or federal agencies.

Waste

Metric	2022	2023
Solid waste total (tons)	43,945	39,172
Solid waste savings (tons)	135	4,773
Percentage reduction of solid waste sent to landfills	1%	11%
Efficiency gain percentage	6%	0%
Normalized total solid waste (tons sent to landfills per thousand U.S. dollars of revenue)	0.003	0.003
Waste sent to landfills (tons)	41,226	35,920
Waste to energy (tons)	2,719	3,252
Waste recycled (tons)	42,223	41,362
Waste for beneficial use (tons)	122,018	138,360

Packaging

Metric	2022	2023
Packaging reduction (pounds) ⁵⁴	1,500,000+	1,700,000
Number of unique items to package and produce products ⁵⁵	79,700+	5,800+
Percentage of packaging by weight that is recyclable ⁵⁶	84%	82%
Percentage of packaging made from recycled materials	34%	32%
Total weight of packaging (pounds)	388,666,368	348,007,099
Total weight of nonrenewable materials used to produce or package products (pounds) ⁵⁷	163,367,243	198,520,803
Total weight of renewable materials used to produce or package products (pounds) ⁵⁸	225,299,125	149,486,296

⁵⁴ Packaging purchased by Hormel Foods includes its subsidiaries and its joint venture but does not include co-manufacturers.

⁵⁵ Includes packaging materials only for 2023 reporting.

⁵⁶ Product packaging that is recyclable and/or made from recycled materials includes strategic suppliers in the company's evolving tracking system.

⁵⁷ Including plastic, metal, labels and other materials.

⁵⁸ Including corrugated, paperboard and glass.

About Our Team⁵⁹

Team Member Demographics

Metric	2022	2023
Number of team members globally	20,000+	20,000+
Team Members by Employment Contract		
Salaried team members	17%	19%
Hourly team members	83%	81%
Part-time team members	1%	1%
Temporary team members	7%	4%
Team Members by Region		
United States	92%	92%
Asia	5%	5%
Other Countries	3%	3%

Board Diversity

Metric	2022	2023
Board of Directors by Age		
Under age 30	0%	0%
Between ages 30-50	0%	0%
Over age 50	100%	100%
Between ages 50-60	27%	33%
Between ages 60-65	55%	50%
Over age 65	18%	17%
Board Diversity		
Female	36%	25%
Male	64%	75%
U.S. team members from underrepresented groups	45%	50%

⁵⁹ Unless otherwise noted, employment data (employment type, gender, tenure, age and underrepresented groups) presented in this report does not include international team members.

Team Member Diversity

Metric	2022	2023
Team Members by Age		
Under age 30	21%	20%
Between ages 30-50	49%	49%
Over age 50	30%	31%
Team Member Diversity		
All team members		
Female	38%	39%
Male	62%	61%
U.S. team members from underrepresented groups	59%	59%
Salaried team members		
Female	34%	35%
Male	66%	65%
U.S. team members from underrepresented groups	20%	24%
Of salaried team members, managers	57%	57%
Female	29%	30%
Male	71%	70%
U.S. team members from underrepresented groups	20%	24%
Of salaried team members, directors	4%	4%
Female	29%	27%
Male	71%	73%
U.S. team members from underrepresented groups	8%	9%
Officer team		
Female	27%	29%
Male	73%	71%
U.S. team members from underrepresented groups	11%	15%
Hourly team members		
Female	39%	39%
Male	61%	61%
U.S. team members from underrepresented groups	65%	68%

Race/Ethnicity Representation of our U.S. Team Members		
White	41%	41%
Hispanic or Latino	27%	30%
Black or African American	14%	14%
Asian	8%	7%
Native Hawaiian or other Pacific Islander	1%	1%
American Indian or Alaska Native	-	<1%
Two or More Disclosed Races	8%	<1%
Not Disclosed	1%	6%

Tenure

Metric	2022	2023
Tenure of the Board of Directors		
0-5 years on Board	27%	42%
6-10 years on Board	46%	33%
11-15 years on Board	27%	25%
Team Members		
Percentage of team members with five-plus years of service	49%	51%
Female	37%	38%
Male	63%	62%
Salaried team members	24%	25%
Hourly team members	76%	75%
Of the team members with five-plus years of service, percentage of team members with 20-plus years of service	30%	31%
Female	37%	37%
Male	63%	63%
Salaried team members	27%	28%
Hourly team members	73%	72%
Of the team members with five-plus years of service, percentage of team members with 30-plus years of service	9%	8%
Female	33%	31%
Male	67%	69%
Salaried team members	29%	29%
Hourly team members	71%	71%

Turnover Rate

Metric	2022	2023
Salaried team members	11%	7%
Hourly team members	44%	34%

Safety, Health and Wellness⁶⁰

Metric	2022	2023
Total case incident rate (TCIR) ⁶¹	2.6	2.2
Days Away from Work Injury and Illness (DAFWII) ⁶²	0.7	0.5
Days Away, Restricted or Transferred (DART) ⁶³	1.7	1.3
Number of fatalities from work-related injuries	0	0
Number of safety assessments completed each month companywide	1,085	1,200
Number of team members required to complete safety training each month	17,043	17,000+
Average number of lockout inspections conducted per quarter	8,445	8,000

Learning and Development

Metric	2022	2023
Average annual training hours per salaried team member	58	19 ⁶⁴
Total training hours	1,160,000+	351,400+
Percentage of team members receiving performance reviews		
Salaried team members	98%	99%
Office hourly team members	94%	98%
Hourly team members in production facilities ⁶⁵	100%	100%

Human Rights

Metric	2022	2023
Percentage of total employees covered by collective bargaining agreements (U.S. only)	20%	20%
Number of worker stoppages or strikes	1	0

⁶⁰ Safety training and inspections data is for U.S.-based owned operations.

⁶¹ Number of recordable incidents per 100 full-time team members.

⁶² Number of cases that involve days away from work per 100 full-time team members.

⁶³ Number of injuries or illnesses resulting in days away from work, restricted work activity or job transfer per 100 full-time team members.

⁶⁴ The decrease in the average training hours from 2022 to 2023 can be attributed to improved calculations of training data.

⁶⁵ Data includes formal and informal performance reviews and feedback for hourly team members in production facilities.

Community⁶⁶

Metric	2022	2023
Total cash and in-kind donations (U.S. dollars)	\$11.4 million	\$12.5 million
Number of local food-related organizations supported with monetary donations	42	46
Amount donated to local food-related organizations (U.S. dollars)	\$345,000	\$360,000
Amount donated for hunger-relief efforts (U.S. dollars)	\$9.3 million	\$10.0 million
Number of SPAMMY® units donated within the reporting period	496,000	1.2 million ⁶⁷
Number of SPAMMY® units donated since the inception of Project SPAMMY®	26.7 million	27.3 million
Number of individual meals donated	9.4 million	9.2 million
Amount donated for educational support (U.S. dollars) ⁶⁸	\$862,000+	\$819,000+
Inspired Pathways Program		
Number of students supported through the program	177	202

Public Policy

Metric	2022	2023
Spend on public advocacy and lobbying (U.S. dollars)	\$597,000	\$550,000

Cybersecurity

Metric	2022	2023
Number of complaints or noncompliance incidents concerning customer privacy and data breaches	0	0

⁶⁶ Amounts reported are from corporate donation records, which may not capture all donations.

⁶⁷ In 2023, our donation of the SPAMMY® product was in the form of 4 oz. pouches instead of 3 oz. cans reported for 2022.

⁶⁸ This figure does not include the company's expense for Inspired Pathways, a tuition reimbursement program, which is considered an employee benefit.