The 2013 Hormel Foods Corporate Responsibility Report provides information useful to our stakeholders, which include customers, employees, consumers, investors, communities, government agencies and non-profit organizations. It covers anecdotal and benchmark data from fiscal year 2013 (November 2012 to October 2013), unless otherwise noted. Our previous reports covered fiscal years 2006 to 2012.

2020 Goals
Water, solid waste, air and energy goals were established in fiscal year 2012 and are being measured against base year 2011 at company-owned and international manufacturing locations. Our packaging minimization goal was established in fiscal year 2012 and is to reduce packaging by 25 million pounds by 2020.

Progress Made

Goal: Energy
Reduce 10 percent of non-renewable energy use by 2020
2013 Progress:
Reduced 204,000 MMBtu; 45 percent of goal when combined with our 2012 progress

Goal: Air
Reduce 10 percent of greenhouse gas emissions by 2020
2013 Progress:
Reduced 17,000 metric tons CO2-e; 22 percent of goal when combined with our 2012 progress

Goal: Water
Reduce 10 percent of water use by 2020
2013 Progress:
Reduced 0.154 billion gallons of water; 56 percent of goal when combined with our 2012 progress

Goal: Solid Waste
Reduce 10 percent of solid waste sent to landfill by 2020
2013 Progress:
Reduced 1,000 tons; 81 percent of goal when combined with our 2012 progress

Goal: Packaging Minimization
Reduce product packaging by 25 million pounds by 2020
2013 Progress:
Reduced packaging by 4.72 million pounds; 35 percent of goal when combined with 2012 progress

Goal: Sodium Reduction
Reduce sodium levels in select products within branded retail product portfolio by an average of 15 percent by 2020
2013 Progress:
Hormel® Cure 81® retail hams: 14 percent reduction
Hormel® chili with beans: 18 percent reduction
Hormel® Compleats® microwave meals: 16 percent reduction
Hormel® Canadian bacon: 23 percent reduction
CHI-CHI’S and Herdez® branded tortillas: 32 percent reduction
Hormel® Always Tender® marinated meats: 17 percent reduction
CHI-CHI’S and Herdez® branded tortillas and Hormel® Always Tender® marinated meats have been added to the list of selected products for the sodium reduction initiative since the 2012 CR Report

Goal: Innovation
Earn $3 billion in total sales from products created since 2000 by the year 2016
2013 Progress:
On track to meet this goal

Goal: Diversity and Inclusion
Promote a more diverse and inclusive workplace
2013 Progress:
Employee resource group membership increased to approximately 800 members (up from approximately 200 in 2012), and we piloted an efficacy training program for women

Goal: People Safety
Perform better than the Bureau of Labor Statistics (BLS) industry average for Total Case Incident Rate (TCIR), Days Away from Work Injury Illness (DAPWI) and Days Away Restricted Transfer (DART) each year
2013 Progress:
TCIR: Outperformed the BLS industry average by 39.6 percent with a rate of 3.8
DAPWI: Outperformed the BLS industry average by 50 percent with a rate of 0.5
DART: Outperformed the BLS industry average by 39.5 percent with a rate of 2.6
Percentage calculated using 2012 BLS industry average for NACE 3116

2020 Goals
Water, solid waste, air and energy goals were established in fiscal year 2012 and are being measured against base year 2011 at company-owned and international manufacturing locations. Our packaging minimization goal was established in fiscal year 2012 and is to reduce packaging by 25 million pounds by 2020.

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Percentage calculated using 2012 BLS industry average for NACE 3116
Boundary and Measurement

The boundary of the report includes all entities that Hormel Foods "exercises control or significant influence with regard to financial and operating policies and practices," as defined by the Global Reporting Initiative (GRI) Boundary Protocol, unless otherwise indicated. Water use, greenhouse gas (GHG) emissions and energy use data are from Hormel Foods manufacturing facilities in the U.S. and China. Employee data is from all U.S. manufacturing locations and corporate and research and development offices, but not international operations.

For our environmental data, we report the information by normalization on tons of production from each location in which we are gathering this information. Normalization helps account for variations in size and production at different facilities, and it provides an accurate picture of our efficiency improvements.

MORE IN THIS REPORT | Stakeholder Feedback

The information within this report covers topics based on GRI indicators and relevancy to our business and our stakeholders. As we selected content, we assessed key issues in our industry and engaged with stakeholders to understand their concerns, questions and feedback. This dialogue gives us a picture of future topics of interest to our stakeholder groups and helps us understand which issues to anticipate or address and which questions we can help answer. We engage with stakeholders who have an active role or stake in our business, as well as those who help us improve as a company and are looking to engage in constructive dialogue.

To decide which information to report, we conducted a process to identify topics based on the interest of our stakeholders—a group that includes employees, customers, consumers, investors, suppliers, government officials and communities. The analysis included interviews, SRI (socially responsible investor) inquiries/questionnaires, meetings, conferences and media coverage, by which we determined the main topics of interest to stakeholders. From there, we prioritized the topics based on their importance to the business (i.e., would a topic affect whether or not we were able to operate).

View the materiality matrix on page 9 for the results of our analysis.

Employees (current, prospective, and retired)

<table>
<thead>
<tr>
<th>How Hormel Foods engages</th>
<th>Stakeholder interests</th>
<th>How we respond to their interests</th>
<th>Ongoing results of engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biennial engagement survey</td>
<td>Company information</td>
<td>Improved safety</td>
<td>Increase in employee retention rate</td>
</tr>
<tr>
<td>Intranet (daily)</td>
<td>Strategic vision, employee and retiree benefits</td>
<td>Improved engagement</td>
<td>Communication and engagement</td>
</tr>
<tr>
<td>Newsletters (inside Hormel Foods magazine)</td>
<td>Compensation</td>
<td>Improved communications</td>
<td>Connected to company vision and motivated employees</td>
</tr>
<tr>
<td>Annual town hall meetings with the CEO and senior executives at various plants</td>
<td>Diversity</td>
<td>Community support and engagement</td>
<td>Involvement</td>
</tr>
<tr>
<td>Departmental meetings</td>
<td>Employee safety</td>
<td>Participation in ongoing dialogue</td>
<td>Improvement of supply base</td>
</tr>
<tr>
<td>Annual performance reviews</td>
<td>Community outreach</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recruitment tours (college campuses, job fairs)</td>
<td>Taste tests</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retiree website</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Retailers

<table>
<thead>
<tr>
<th>How Hormel Foods engages</th>
<th>Stakeholder interests</th>
<th>How we respond to their interests</th>
<th>Ongoing results of engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conferences</td>
<td>Food safety</td>
<td>Integrate customer feedback</td>
<td>Increased understanding of the business and practices</td>
</tr>
<tr>
<td>One-on-one meetings</td>
<td>Healthy food</td>
<td>into product development</td>
<td>Demonstration of best practices</td>
</tr>
<tr>
<td>Facility and farm tours</td>
<td>Innovation</td>
<td>Provide relevant information</td>
<td>Identification of risks and opportunities</td>
</tr>
<tr>
<td>Sales meetings</td>
<td>Food prices</td>
<td>through quarterly</td>
<td>Development of retailer relationship</td>
</tr>
<tr>
<td></td>
<td>Animal care</td>
<td>Responsibility Post newsletters</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Respond to questionnaires</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Connect customers with</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>internal experts</td>
<td></td>
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</tbody>
</table>

Suppliers

<table>
<thead>
<tr>
<th>How Hormel Foods engages</th>
<th>Stakeholder interests</th>
<th>How we respond to their interests</th>
<th>Ongoing results of engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>One-on-one meetings</td>
<td>Standards required to</td>
<td>Created Supplier</td>
<td>Improvement of quality from suppliers</td>
</tr>
<tr>
<td>Supplier Quality Management System</td>
<td>remain/become a supplier of Hormel Foods</td>
<td>Responsibility Principles</td>
<td>More accountability for suppliers</td>
</tr>
<tr>
<td>Supplier site tours</td>
<td>Recognize top suppliers</td>
<td></td>
<td>Improvement of supplier relations</td>
</tr>
<tr>
<td>Supplier site audits</td>
<td>Participate in ongoing dialogue</td>
<td></td>
<td>Improvement of supply base</td>
</tr>
</tbody>
</table>

Investors/analysts

<table>
<thead>
<tr>
<th>How Hormel Foods engages</th>
<th>Stakeholder interests</th>
<th>How we respond to their interests</th>
<th>Ongoing results of engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rankings, questionnaires</td>
<td>New product development</td>
<td>Respond to multiple</td>
<td>Correct information Benchmark data</td>
</tr>
<tr>
<td>One-on-one meetings</td>
<td>Food prices</td>
<td>questionnaires or verification of data from analyst</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Commodity costs</td>
<td>compiling rankings and indices</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Code of ethics</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Governance</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Environmental impact</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Consumers

- How Hormel Foods engages: Consumer hotline, Consumer research, Twitter handles, Facebook pages; brand sites
- Stakeholder interests: Food safety, Healthy food, Food prices
- How we respond to their interests: Answer questions through hotline, Twitter handles, Provide more proactive information and take suggestions through Twitter handles
- Ongoing results of engagement: Improved consumer loyalty, Correction of misinformation, Helpful suggestions for how to improve our business

Government

- How Hormel Foods engages: One-on-one meetings with members of Congress and staff, regulatory agencies, Public forums via panels, Plant tours for elected officials, Engagement in associations, subcommittees, Reports and regulatory filings, Hormel Political Action Committee
- Stakeholder interests: Commodity costs, Animal care, Food safety, Local community concerns, Regulatory climate
- How we respond to their interests: Updates to management on key issues, Engage in ongoing dialogues on these issues
- Ongoing results of engagement: Better understanding of our practices and processes, Communication of our culture, commitment to community and impact we have on the industry and in communities, Positive business policies

Philanthropic partners

- How Hormel Foods engages: Charitable Trust Committee, Conferences, Disaster response, matching gifts, Plant community donations, One-on-one meetings and visits
- Stakeholder interests: Hunger relief in local communities where we have operations
- How we respond to their interests: Developed more formal hunger and community giving strategy, Provide resources to plant managers to give to local hunger relief efforts, Engage in social media to support partners
- Ongoing results of engagement: Formal hunger strategy, Employee engagement, Community involvement, Relationship building in communities

NGOs

- How Hormel Foods engages: Annual meetings with the Consumer Federation of America, Biannual meetings with Interfaith Center on Corporate Responsibility (ICCR)
- Stakeholder interests: Animal care, Water, Standards for suppliers, Human rights, Food deserts, Cost of rising food prices, Global food system, Food safety
- How we respond to their interests: Consider topics raised in our reporting and operating practices, Maintain ongoing dialogue to incorporate a variety of changes to business practices and explain business practices
- Ongoing results of engagement: Improved two-way conversation about industry and business practices, Identification of risks to the business or larger issues in the industry

Communities where manufacturing facilities are located, and international communities suffering from malnutrition

- How Hormel Foods engages: Representation and participation in community organizations (meetings, volunteering), Sponsorships, Plant community donations, Community events, Local media relations, Visits to Guatemala
- Stakeholder interests: Community involvement, Philanthropy, Environmental impact from operations
- How we respond to their interests: Hold meetings to discuss local concerns, Invest in community infrastructure, Discuss food safety and health and nutrition during trips to Guatemala, Developed product to help address malnutrition in children internationally
- Ongoing results of engagement: Relationship building in communities, Employee engagement, Positive corporate reputation, Larger number of community groups engaged

In addition, Hormel Foods participates in an advisory group commenting on a Global Social Compliance Program (GSCP) from The Consumer Goods Forum. Through the GSCP, our company and our fellow members have the opportunity to leverage our efforts to increase the impact of our responsible sourcing programs, achieve greater scale and advance the industry as a whole, boosting supplier and factory/farm development across the board. We decided to actively engage in the development of its framework and contribute to building the GSCP reference tools and processes. Their fundamental aim is to provide a common interpretation of working and environmental requirements across geographies and sectors.
CEO LETTER

Jeffrey M. Ettinger
Chairman of the Board, President and Chief Executive Officer

Thank you for your interest in corporate responsibility at Hormel Foods and for visiting our 2013 Corporate Responsibility Report. I am happy to share the progress we have made as we work to be a leading corporate citizen within our industry.

Environment

We are well on our way to meeting our second round of environmental goals by 2020. These goals were established in 2012 and were set against a baseline of 2011. At the end of fiscal year 2013, we reached more than one-third of our target reduction goals in each of the following categories: energy, water use and solid waste. Additionally, we exceeded our goal to reduce packaging by 4 million pounds a year.

Nutrition and Wellness

Our goal is to reduce sodium in select products by an average of 15 percent by 2020. We have already exceeded this goal in five out of six categories and are exploring additional opportunities for sodium reduction. We also added two new healthy options to our SKIPPY® peanut butter business and has fully integrated the operations, logistics and sales of our WERTER® and WASTE® peanut, a shelf-stable poultry product fortified with vitamins and minerals that is distributed to malnourished children in Guatemala. This year we donated 2.4 million cans of SPAM® through our partnership with Food for the Poor and Caritas Arquidiocesana.

Annual data that measures progress and goals in corporate responsibility can easily be identified throughout this online report as well as in a fully downloadable PDF, which can be found at HormelFoods.com/csr. Information about our corporate responsibility initiatives that remains consistent year after year — such as our industry-leading animal care practices, environmental policies and information about our corporate governance — continues to be located within the corporate responsibility section of www.hormelfoods.com.

We have made significant strides and our stakeholders can be assured that we will continue our corporate responsibility efforts in concert with our internal principles platform, Our Way, which helps to emphasize corporate responsibility in the fabric and strategy of our business. Please share feedback on our report to help us continue to improve and expand upon our efforts each year.

Sincerely,

Jeffrey M. Ettinger
Chairman of the Board, President and Chief Executive Officer

MATERIALITY MATRIX

Overview

To decide what information to report, we listened to stakeholders and prioritized topics based on the topic’s importance to stakeholders and importance to the business, i.e., would a topic affect whether or not we were able to operate? Our stakeholders are employees, customers, consumers, investors, suppliers, government officials and communities. For this report, we analyzed “materiality” as defined by GRI to report on its indicators.

A materiality assessment was conducted to further review feedback from stakeholders, internal and external inputs and insights from subject-matter experts in various departments throughout the company. The materiality assessment shows our analysis by subject area and priority.

PEOPLE/WORKPLACE

Diversity

Diversity among our employee workforce and Hormel Foods Board of Directors is a relatively high concern to stakeholders who see diversity as a global strategic issue, with focus on minorities and women in management.

Employee Safety

Employee safety affects employees’ livelihood, productivity and safety of products; also impacted by national and state laws. Customers are interested in how to minimize safety risks, and investors believe health and safety risks are important.

Employee Benefits / Compensation

The company’s competitiveness and success is influenced by the talent at Hormel Foods, and it is ethical and lawful to pay employees fairly and good business for professional development to be a priority. For these reasons, benefits, development and compensation are business issues important to the company and of interest to stakeholders.

Human Rights

Consistent policies of human rights, in alignment with international standards and national laws, are of interest and concern for stakeholders.

CONSUMERS

Quality Food

Quality, nutritious food and meat products are important to the health of the population and continued sales of products from Hormel Foods.

Innovation

Product innovation is key to continued sales and growth for Hormel Foods. The company monitors consumer trends and demands and continues to challenge itself to grow sales, which is spurred by new products.

Food Safety

Food safety is important to the company’s performance and financial results. Food safety is also influenced by national and state laws.

ECONOMICS/GOVERNANCE

Compensation

The company’s competitiveness and success is influenced by the talent at Hormel Foods, and it is ethical and lawful to pay employees fairly and good business for professional development to be a priority. For these reasons, benefits, development and compensation are business issues important to the company and of interest to stakeholders.

Ethics

Ethical management, as it relates to business oversight and ethical business practices, is of importance to stakeholders.

Financial Contributions Disclosure

Of interest to stakeholders is transparency of financial contributions, especially related to political contributions.

Food Safety

Food safety directly affects the safety of our customers and integrity of our products; also influenced by national and state laws.

ENVIRONMENT

Energy Consumption

Energy consumption continues to be one of the most material topics, with investors and customers all asking for disclosure and performance.

Water Use

Operations in which Hormel Foods has significant (or majority) control are under the company’s water use reduction goal, as is part of the company’s direct environmental footprint. Stakeholders are increasingly concerned about companies’ use of water, especially in water scarce or stressed regions.
OVERVIEW

The 2013 Hormel Foods Corporate Responsibility Report uses the G3 Guidelines developed by the Global Reporting Initiative (GRI), the internationally recognized standard for responsibility reporting. We use the Food Processing Sector Supplement, which is part of the G3 Guidelines but also includes other topics specific to our sector. The GRI Guidelines help us determine material issues not addressed by stakeholder feedback and best practices research. This chart explains which indicators are included in the report and where they are located online. The 2013 Hormel Foods Corporate Responsibility Report is self-declared Application Level B as confirmed by the Global Reporting Initiative (GRI). We plan to report against the G4 guidelines for our 2014 report, released May 2015. At this time, our report is not externally assured.

GRI CONTENT INDEX

Profile Disclosure / Description | Reported
--- | ---
Strategy and Analysis
1.1 Statement from the most senior decision maker of the organization. | Letter from the CEO
1.2 Description of key impacts, risks and opportunities. | Letter from the CEO

Profile Disclosure / Description
Organizational Profile
2.1 Name of the organization. | About Hormel Foods
2.2 Primary brands, products and/or services. | About Hormel Foods
2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries and joint ventures. | About Hormel Foods
2.4 Location of organization’s headquarters. | About Hormel Foods
2.5 Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report. | About Hormel Foods
2.6 Nature of ownership and legal form. | Corporate Profile
2.7 Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries). | About Hormel Foods
## Profile Disclosure / Description

### Organizational Profile

| 2.8 | Scale of the reporting organization. | About Hormel Foods 2013 Annual Report, page 1-22 |
| 2.9 | Significant changes during the reporting period regarding size, structure or ownership. | Letter from the CEO About Hormel Foods |
| 2.10 | Awards received in the reporting period. | About This Report |

### Report Parameters

| 3.1 | Reporting period (e.g., fiscal/calendar year) for information provided. | About This Report |
| 3.2 | Date of most recent previous report (if any). | Past Reports |
| 3.3 | Reporting cycle (annual, biennial, etc.). | About This Report |
| 3.4 | Contact point for questions regarding the report or its contents. | Feedback |
| 3.5 | Process for defining report content. | Materiality Matrix Stakeholder Feedback |
| 3.6 | Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). | About This Report |
| 3.7 | State any specific limitations on the scope or boundary of the report. | About This Report |
| 3.8 | Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations. | About This Report |

### Government, Communities and Engagement

| 4.1 | Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight. | Ethics and Conduct, Corporate Governance Corporate Governance |
| 4.2 | Indicate whether the chair of the highest governance body is also an executive officer. | Corporate Governance |
| 4.3 | For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members. | Corporate Governance Director Independence Standards |
| 4.4 | Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body. | Board Communication |
| 4.5 | Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization’s performance (including social and environmental performance). | Corporate Governance |
### Profile Disclosure / Description | Reported
--- | ---
**Government, Communities and Engagement** |  
4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided. | Corporate Governance  
4.7 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization’s strategy on economic, environmental and social topics. | Corporate Governance  
2013 Proxy, pages 2-3  
4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental and social performance and the status of their implementation. | Ethics and Conduct  
Principles Platform  
Supplier Responsibility Principles  
Environmental Policy  
4.9 Procedures of the highest governance body for overseeing the organization’s identification and management of economic, environmental and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct and principles. | Risk Management  
2013 Annual Report, pages 27-29  
4.10 Processes for evaluating the highest governance body’s own performance, particularly with respect to economic, environmental and social performance. | 2013 Proxy, pages 6-7  
4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization. | N/A. Does not exist. We evaluate risks using an Enterprise Risk Management system.  
4.12 Externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or endorses. | Animal Care  
Food Safety and Quality  
4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic. | Industry Representation  
4.14 List of stakeholder groups engaged by the organization. | Stakeholder Feedback

### Profile Disclosure / Description | Reported
--- | ---
**Government, Communities and Engagement** |  
4.15 Basis for identification and selection of stakeholders with whom to engage. | Stakeholder Feedback  
4.16* Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group. | Stakeholder Feedback  
We report on the frequency of meetings with several stakeholders (CCFR, CFPB, employees), but the frequency of meetings with each and every stakeholder is considered proprietary information.  
4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. | Stakeholder Feedback  
4.18 All Aspects of Sourcing |  
**FP1** Percentage of purchased volume from suppliers compliant with company’s sourcing policy. | Supply Chain  
We purchase the majority of our raw materials, equipment and services domestically within the regions where we manufacture our products.  
**FP2** Percentage of purchased volume that is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard. | Supply Chain  
We purchase the majority of our raw materials, equipment and services domestically within the regions where we manufacture our products.  
Additional information is not available in how to track progress.  
100 percent of purchased hogs come from independent farms that are PQA Plus Certified.

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* [Learn More](https://www hormelfoods.com/csr)  
For more information about Hormel Foods visit hormelfoods.com/csr
### Profile Disclosure / Description

#### Economic

**EC1** Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.

- **Reported**
  - Communities
  - 2013 Annual Report, page 13-18, 24, 58-59

**EC2** Financial implications and other risks and opportunities for the organization’s activities due to climate change.

- **Reported**
  - 2013 Annual Report, page 28

**EC3** Coverage of the organization’s defined benefit plan obligations.

- **Reported**
  - Annual Report page 45

**EC4** Significant financial assistance received from government.

- **Reported**
  - We did not receive significant assistance from the government; therefore, this indicator is not applicable

**EC5** Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.

- **Reported**
  - Compensation
  - Ratio of standard entry-level wage compared to local minimum wage is not reported. To report the ratio would be proprietary information; rather, we report the measures we take to ensure fair wages are given to all employees as part of our commitment to our employees.

**EC6** Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.

- **Reported**
  - Supply Chain
  - Supply Chain: We purchase the majority of our raw materials, equipment and services domestically within the regions where we manufacture our products.

**EC7** Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.

- **Reported**
  - People

**EC8** Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagement.

- **Reported**
  - Communities

**EC9** Understanding and describing significant indirect economic impacts, including the extent of impacts.

- **Reported**
  - Risk Management

### Profile Disclosure / Description

#### Environmental

**EN1** Materials used by weight or volume.

- **Reported**
  - Not available: Due to the breadth of our operations and amount of materials used, we do not have an exact measurement of all materials used by weight. We estimate more than 4,600 types of materials are used in our operations, so we work to reduce packaging through our packaging minimization initiative.

**EN2** Percentage of materials used that are recycled input materials.

- **Reported**
  - Packaging Minimization

**EN3** Direct energy consumption by primary energy source.

- **Reported**
  - Energy
  - We report our direct energy consumption at our U.S. manufacturing facilities, which is the amount of natural gas, fuel oil and propane used, in MMBtu which equates to 4,428,890 gigajoules. Our indirect energy consumption, which is the amount of electricity we use, is reported in kWh, which equates to 2,628,000 gigajoules.

**EN4** Indirect energy consumption by primary source.

- **Reported**
  - Energy
  - Indirect energy consumption is not applicable to our business because we do not produce products or services that meet this criteria (i.e., that provide energy-efficient or renewable energy based products and services.)

**EN5** Energy saved due to conservation and efficiency improvements.

- **Reported**
  - Best of the Best Awards
  - Energy

**EN6** Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.

- **Reported**
  - N/A: This is not applicable to our business because we do not produce products or services that meet this criteria (i.e., that provide energy-efficient or renewable energy based products and services.)

**EN7** Initiatives to reduce indirect energy consumption and reductions achieved.

- **Reported**
  - Energy
  - Best of the Best Award Winner
  - Best of the Best

**EN8** Total water withdrawal by source.

- **Reported**
  - Water

**EN9** Water sources significantly affected by withdrawal of water.

- **Reported**
  - Not Material: Not material because our operations are not in areas that significantly affect water sources with our withdrawal.

**EN10** Percentage and total volume of water recycled and reused.

- **Reported**
  - Water
  - The term “recycled” and “reused” do not sufficiently describe our operations. We reuse water in our manufacturing operations.
Environmental

**EN11** Location and size of land owned, leased, managed in or adjacent to, protected areas and areas of high biodiversity value outside protected areas.

N/A: We do not report on this issue since the disclosure does not relate to our business because we do not have significant operations located in land designated as protected areas of high biodiversity.

**EN12** Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.

N/A: We do not report on this issue since the disclosure does not relate to our business because we do not have significant operations (thus, no products) that impact protected areas high in biodiversity.

**EN13** Habitats protected or restored.

N/A: We do not operate in areas where habitats are in need of being protected or restored.

**EN14** Strategies, current actions and future plans for managing impacts on biodiversity.

N/A: We do not operate in areas where habitats are in need of being protected or restored.

**EN15** Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.

N/A: We do not operate in areas where habitats are in need of being protected or restored.

**EN16** Total direct and indirect greenhouse gas emissions by weight.

Air

**EN17** Other relevant indirect greenhouse gas emissions by weight.

Air

**EN18** Initiatives to reduce greenhouse gas emissions and reductions achieved.

Air

**EN19** Emissions of ozone-depleting substances by weight.

Not material. Our primary refrigeration is ammonia based (not a GHG or ODS). We do have some ODS in use, such as R-22 (a Class II ODS), but its use is very minor by comparison and therefore is not material. The capture of the refrigerant is highly regulated, and we employ practices to minimize the risk of ODS losses related to equipment failure and incidental loss. Our organization does not produce ODS.

**EN20** NOx, SOx and other significant air emissions by type and weight.

Air

Our operations track and record criteria air pollutant emissions, including NOx (Nitrogen oxides), SO2 (Sulfur dioxide), CO (Carbon monoxide) and PM (particulate matter). These emissions are reported as required by local, state, and federal requirements.

**EN21** Total water discharge by quality and destination.

Water

**EN22** Total weight of waste by type and disposal method.

Solid Waste Management

**EN23** Total number and volume of significant spills.

We did not have any significant spills for this reporting period.

**EN24** Weight of transported, imported, exported or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.

We have zero international shipments of hazardous waste.

**EN25** Identity, size, protected status and biodiversity value of water bodies and related habitats significantly affected by the reporting organization’s discharges of water and runoff.

The majority of our water is discharged to publicly owned treatment works, which in turn discharge in combination with other treated water to typically larger rivers. We do not discharge to wetlands or other highly sensitive water bodies.

**EN26** Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.

Packaging Minimization

**EN27** Percentage of products sold and their packaging materials that are reclaimed by category.

N/A: We report the amount of our product packaging materials that are recyclable or recycled and the amount of solid waste we prevent from going to the landfill through recycling or land spreading application. We do not have the exact total of products sold and packaging materials that are reclaimed as we do not have a process in place to capture this.

**EN28** Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.

Data Summary, Environmental noncompliance line

**EN29** Significant environmental impacts of transporting products and other goods and materials used for the organization’s operations, and transporting members of the workforce.

Logistics

**EN30** Total environmental protection expenditures and investments by type.

Environment

**Profile Disclosure / Description**

**Reported**

**Profile Disclosure / Description**

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Logistics

**EN30** Total environmental protection expenditures and investments by type.

Environment

**Social: Labor Practices and Decent Work**

**LA1** Total workforce by employment type, employment contract and region.

About Our Employees (see Job Type Chart)

**LA2** Total number and rate of employee turnover by age group, gender and region.

Tenure

**LA3** Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.

Benefits
About

Profile Disclosure / Description  Reported

Social: Labor Practices and Decent Work

LA4 Percentage of employees covered by collective bargaining agreements.  About Our Employees (see Job Type Chart)

LA5 Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.  About Our Employees

FP3 Percentage of working time lost due to industrial disputes, strikes and/or lock-outs by country.  About Our Employees

LA6* Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.  Safety and Well-Being

LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.  Safety

LA8 Education, training, counseling, prevention and risk control programs in place to assist workforce members, their families or community members regarding serious diseases.  Benefits

LA9 Health and safety topics covered in formal agreements with trade unions.  Safety & Well-Being

LA10 Average hours of training per year per employee by employee category.  Training

LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.  Professional Development

LA12 Percentage of employees receiving regular performance and career development reviews.  Performance Review Program

Profile Disclosure / Description  Reported

Social: Labor Practices and Decent Work

LA13* Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity.  Diversity

Diversity

Report BOD by women and minority and companywide minority numbers. We report women and minority group of our Board of Directors, but we do not report according to hourly and salaried employees.

LA14 Ratio of basic salary of men to women by employee category.  Not material: We do not report on the ratio, but we do report on how we employ an independent third party analysis to statistically review pay differences by gender, minority and age to ensure non-discriminatory pay practices.

Profile Disclosure / Description  Reported

Social: Human Rights

HR1 Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.  Human Rights

HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.  Not available: While we do not report human rights screening of suppliers, we have developed the Supplier Responsibility Principles, which will detail standards for suppliers related to environment, safety, human rights, etc. In fiscal year 2011, we rolled out these principles to some of our key suppliers.

HR3* Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.  People

HR4 Total number of incidents of discrimination and actions taken.  About Our Employees

HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.  About Our Employees

HR6 Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.  Fair Employment Practices and Workplace Conduct
## Social: Human Rights

<table>
<thead>
<tr>
<th>Profile Disclosure / Description</th>
<th>Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR7 Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.</td>
<td>Fair Employment Practices and Workplace Conduct</td>
</tr>
<tr>
<td>HR8 Percentage of security personnel trained in the organization’s policies or procedures concerning aspects of human rights that are relevant to operations.</td>
<td>Not material: We do not report on security practices because it is not material to our operations, which are largely in the United States and under the regulations of the USDA and federal agencies.</td>
</tr>
<tr>
<td>HR9 Total number of incidents of violations involving rights of indigenous people and actions taken.</td>
<td>Not material: We do not report on this because Hormel Foods does not operate in areas at significant risk to indigenous rights. See Human Rights section.</td>
</tr>
</tbody>
</table>

## Social: Society

<table>
<thead>
<tr>
<th>Profile Disclosure / Description</th>
<th>Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>SO1 Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting.</td>
<td>Human Rights: We do not have a management system for entering, existing and operating.</td>
</tr>
<tr>
<td>FP4 Nature, scope and effectiveness of any programs and practices (in-kind contributions, volunteer initiatives, knowledge transfer, partnerships and product development) that promote healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need.</td>
<td>Products in Emerging Markets Sodium Reduction Hunger</td>
</tr>
<tr>
<td>SO2 Percentage and total number of business units analyzed for risks related to corruption.</td>
<td>Risk Management and Ethics &amp; Conduct</td>
</tr>
<tr>
<td>SO3 Percentage of employees trained in organization’s anti-corruption policies and procedures.</td>
<td>Ethics &amp; Conduct</td>
</tr>
</tbody>
</table>

## Social: Product Responsibility

<table>
<thead>
<tr>
<th>Profile Disclosure / Description</th>
<th>Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.</td>
<td>Innovation Sodium Reduction</td>
</tr>
<tr>
<td>PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.</td>
<td>Food Safety and Quality</td>
</tr>
<tr>
<td>FP5 Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.</td>
<td>Food Safety and Quality Sodium Reduction</td>
</tr>
<tr>
<td>FP6 Percentage of total sales volume of consumer products, by product category, that contain increased fiber, vitamins, minerals, phytochemicals or functional food additives.</td>
<td>Not material: 77 percent of our products are meat, which are not allowed to be fortified according to USDA guidelines.</td>
</tr>
<tr>
<td>FP7 Percentage of total sales volume of consumer products, by product category, that contain increased fiber, vitamins, minerals, phytochemicals or functional food additives.</td>
<td>Packaging and Labeling</td>
</tr>
<tr>
<td>PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.</td>
<td></td>
</tr>
</tbody>
</table>
### Profile Disclosure / Description

#### Social: Product Responsibility

**FP8** Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements.

**PR6** Programs for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship.

**PR9** Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.

**FP9** Percentage and total of animals raised and/or processed, by species and breed type.

**FP10** Policies and practices, by species and breed type, related to physical alterations and the use of anesthetic.

**PR7** Total number of incidents of non-compliance with regulations and voluntary codes related to marketing communications, including advertising, promotion and sponsorship by type of outcomes.

**PR8** Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.

#### Reported

- **Packaging and Labeling**
- **Food Safety and Quality**
- **Innovation**
- **Responsible Marketing**
- **We did not have any incidents to report.**

### DATA SUMMARY

#### All Numbers from 2013

<table>
<thead>
<tr>
<th></th>
<th>Unit</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees worldwide</td>
<td>Number (approximate)</td>
<td>19,700</td>
<td>19,800</td>
</tr>
<tr>
<td>Countries where our</td>
<td>Number (approximate)</td>
<td>More than 40</td>
<td>More than 40</td>
</tr>
<tr>
<td>products are</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>marketed</td>
<td>Number</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Countries where our</td>
<td>Number</td>
<td></td>
<td></td>
</tr>
<tr>
<td>products are</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>manufactured</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Manufacturing</td>
<td>Number</td>
<td>41</td>
<td>44</td>
</tr>
<tr>
<td>facilities</td>
<td>U.S. dollars, millions</td>
<td>8,230</td>
<td>8,751</td>
</tr>
<tr>
<td>Net sales</td>
<td>U.S. dollars, millions</td>
<td>34</td>
<td>35</td>
</tr>
<tr>
<td>Brands that hold No. 1 or No. 2 market share</td>
<td>Number (as of October 2013)</td>
<td>253,374</td>
<td>268,431</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>U.S. dollars, thousands</td>
<td>132,303</td>
<td>106,762</td>
</tr>
<tr>
<td>Income taxes</td>
<td>U.S. dollars, thousands</td>
<td>7,600</td>
<td>9,100</td>
</tr>
<tr>
<td>Community investments</td>
<td>U.S. dollars, thousands</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Profile Disclosure / Description

#### Social: Product Responsibility

**FP11** Percentage and total of animals raised and/or processed, by species and breed type, per housing type.

**FP12** Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type.

**FP13** Total number of incidents of non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic animals.

**Hogs and Turkeys**

**Raising our Animals**

**Medications**

**Animal Care**
## Data Summary

<table>
<thead>
<tr>
<th>All Numbers from 2013</th>
<th>Unit</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy use</td>
<td>Direct: MMRule per ton of production kWh per ton of production</td>
<td>Direct energy: 1.68</td>
<td>Direct: 1.69</td>
</tr>
<tr>
<td></td>
<td>Indirect: Kilowatt hours (kWh) per thousand pounds of production</td>
<td>Indirect energy: 292</td>
<td>Indirect energy: 294</td>
</tr>
<tr>
<td>Water use</td>
<td>Cubic meters/ton of production</td>
<td>7.7</td>
<td>7.3</td>
</tr>
<tr>
<td>Solid waste</td>
<td>Pounds per ton production sent to landfill</td>
<td>24.4</td>
<td>24.2</td>
</tr>
<tr>
<td>Air emissions</td>
<td>Metric tons CO2-e</td>
<td>Direct: 227,000</td>
<td>Direct: 223,000</td>
</tr>
<tr>
<td></td>
<td>Indirect: Kilowatt hours (kWh) per thousand pounds of production</td>
<td>Indirect: 530,000</td>
<td>Indirect: 544,000</td>
</tr>
<tr>
<td>Packaging reduction</td>
<td>Pounds, thousands</td>
<td>4,050</td>
<td>4,720</td>
</tr>
<tr>
<td>Environmental noncompliance</td>
<td>Number of individual findings</td>
<td>1*</td>
<td>2*</td>
</tr>
<tr>
<td>Sodium reduction</td>
<td>% reduction</td>
<td>Hormel® Canadian bacon: 22</td>
<td>Hormel® Canadian bacon: 23</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hormel® Cure 81® retail hams: 14</td>
<td>Hormel® Cure 81® retail hams: 15</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hormel® chili with beans: 18</td>
<td>Hormel® chili with beans: 18</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hormel® Compleats® microwave meals: 16</td>
<td>Hormel® Compleats® microwave meals: 16</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CHI-CHI’S® and Herdez® branded tortillas: 32</td>
<td>CHI-CHI’S® and Herdez® branded tortillas: 32</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hormel® Alakys Tende® marinated meats: 17</td>
<td>Hormel® Alakys Tende® marinated meats: 17</td>
</tr>
<tr>
<td>TCIR</td>
<td>Number of recordable incidents per 100 full-time employees</td>
<td>4.6</td>
<td>3.8</td>
</tr>
<tr>
<td>DAFWII</td>
<td>Number of cases that involve days away from work per every 100 full-time employees</td>
<td>0.6</td>
<td>0.5</td>
</tr>
<tr>
<td>DART</td>
<td>Number of injuries or illnesses resulting in days away from work, restricted work activity or job transfer per every 100 full-time employees</td>
<td>3.0</td>
<td>2.6</td>
</tr>
</tbody>
</table>

1 Measurement has changed from reporting normalized for production numbers to metric tons.
2 One Notice of Violation (NOV) at the state level was received relating to wastewater pretreatment operations. The NOV did not result in a monetary fine. All issues raised by the NOV have been addressed and the plant is currently in compliance with all requirements.
3 Two non-monetary sanctions were received at the state level. One was administrative in nature for a late compliance report that was promptly resolved. The second action was a negotiated compliance schedule that will result in an upgraded wastewater pretreatment system. The upgrade is scheduled for completion in 2014.

## CR Awards

### OVERALL CR RANKINGS AND AWARDS

- **100 Best Corporate Citizens (No. 31, U.S. list)**
- **50 Best Companies to Sell For (No. 13)**
- **Men’s Health 125 Best Packaged Foods for Men**
- **Best Places to Work for Recent Grads**

### PRODUCTS

- **Men’s Health 125 Best Packaged Foods for Men**

### WORKPLACE

- **50 Best Companies to Sell For (No. 13)**
- **Best Places to Work for Recent Grads**
- **Best Employers for Veterans (No. 33)**
- **Top 100 Military Friendly Employers (No. 59)**

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For more information about Hormel Foods visit hormelfoods.com/csr
About Hormel Foods

Based in Austin, Minn., Hormel Foods is a multinational manufacturer and marketer of high-quality, brand name food and meat products for consumers throughout the world.

Financials & Governance

At Hormel Foods, we align our sustainability practices with our financial goals to guide our day-to-day business operations. In this way, we excel as a company and improve our sustainability performance while adhering to the highest standards of ethics.

Supply Chain

At Hormel Foods, our multifaceted supply chain includes suppliers of hogs, turkeys, ingredients, packaging materials and transportation. We recognize the crucial role of the supply chain in our ability to operate responsibly, and in 2011, we introduced our Supplier Responsibility Principles to our key suppliers.

We expect our suppliers to operate according to our ethical business practices. We have established Supplier Quality Management (SQM), which evaluates our suppliers based on quality, delivery, service, technology and price. Our ingredient suppliers are subject to additional measurements to further ensure the quality and food safety of our supply chain. In fiscal year 2013, we conducted 104 audits of our ingredient suppliers based on food safety standards that are recognized by the Global Food Safety Initiative (GFSI), an internationally recognized, third-party food safety management system. If suppliers are found to be non-compliant, appropriate action is taken — up to and including termination of partnership. Suppliers that exceed our established standards are eligible for our annual Hormel Foods Spirit of Excellence Awards. In 2013, we awarded 90 suppliers for their performance.

Furthermore, we are beginning to develop a formal supplier assessment process and will report on our progress in future reports.

In addition to ensuring our suppliers comply with the food safety standards recognized by GFSI, we make a concerted effort to give diverse companies such as women-owned and minority-owned businesses the opportunity to supply quality product options that meet our company's growing business needs. As a result of our supplier diversity program, in fiscal year 2013, we purchased 20 percent of our resources from diverse businesses (small businesses, women-owned businesses and minority-owned businesses). Of these diverse businesses, approximately 2 percent were women-owned or minority-owned businesses. This data includes the independent family-owned hog barrows.

In 2013, Hormel Foods also implemented a sustainable palm oil policy. Hormel Foods recognizes the unique environmental and social risks associated with palm oil. These risks require additional due diligence in sourcing, education and training to ensure the palm oil in our supply chain is not associated with deforestation, child or forced labor, or plantation expansion on carbon-rich peatlands.

Hormel Foods shares the goal of our suppliers of developing a sustainable palm oil policy in order to:
- Protect rainforests;
- Protect ecosystems;
- Protect peatlands;
- Protect high carbon stock forests;
- Protect human rights;
- Improve social standards; and
- Help feed the world in a sustainable way.

While Hormel Foods is a relatively minor user of palm oil, we realize that responsible sourcing of even small amounts of this ingredient can make a difference. Therefore, we purchase 100 percent of our palm oil from Roundtable on Sustainable Palm Oil (RSPO) certified sources. In addition, we are committed to purchasing only fully traceable palm oil by the end of 2014 and will report our progress toward this goal in our future corporate social responsibility reports. For more information, read our full palm oil policy found on hormelfoods.com.

Learn more about Supply Chain on hormelfoods.com.

Learn More For more information about Hormel Foods visit hormelfoods.com/csr

For more information about our products, please visit hormelfoods.com.
Environment

Hormel Foods is dedicated to producing products in a sustainable and responsible manner. This principle continues to guide our company as it has for more than 120 years, since George A. Hormel founded Hormel Foods.

Our goals are established on absolute reductions. To help meet these environmental goals across the company, we invest in our facilities and establish specific metrics to improve the efficiency of our operations. We will report our goal progress and will continue to report normalized results.

Environment Goals and Progress

- **2011**: We completed our first set of environmental goals, which commenced five years earlier.
- **2012**: We invested more than $3.4 MILLION in environmental and facility improvements.
- **2013**: We announced our second set of environmental goals, which span from 2012-2020, using 2011 as a benchmark.
- **2020 Goals**: We continued to work toward our environmental goals and implemented $8.6 MILLION more in environmental and facility improvements.

The Weifang SKIPPY® Foods Plant Team Focuses on the Environment

Following the acquisition of SKIPPY® peanut butter, continuing to encourage employee engagement in the area of environmental impact awareness at the plant in Weifang, China was a priority for the company. The plant team held several activities to raise awareness of “greener” living and production within their facilities. Events included team activities, a poster display and brainstorming activities about how to live/work better, and plant personnel were trained on carbon dioxide, water, waste and energy reduction within their facilities.
Environment

AIR

2013 Progress:
As established from our 2011 base year, our target is to reduce greenhouse gas (GHG) emissions by 17,000 metric tons of carbon dioxide equivalent (CO2-e) by 2020. In fiscal 2013, we implemented projects that resulted in a reduction of 17,000 metric tons of GHG emissions from our manufacturing operations, reaching 22 percent of our goal when combined with our 2012 progress. Of the total GHG emissions, direct GHG emissions were approximately 30 percent and indirect GHG emissions were approximately 70 percent. Normalized GHG emissions for manufacturing plants were .31 metric tons CO2-e per ton of production, down 1.5 percent from the prior year level. We are currently on pace to reach our 2020 goal.

Recent projects to reduce air emissions include the following:

Converting farms from LP to natural gas:
Our Jennie-O Turkey Store live production team implemented an initiative to convert several farms from liquid propane (LP) to cleaner burning natural gas. In 2013, 22 farms and one feed mill were converted from LP to natural gas, which included 122 individual buildings, 12,000 heaters, and the installation of approximately 81 miles of underground pipeline. By converting these farms, the team lowered emissions by 979kg CO2-e / 1,000 gallons of LP converted to natural gas. The anticipated emissions reduction from this project will be equivalent to taking more than 675 cars off the road.

Implementing heat recovery technology:
The team at the Fremont (Neb.) Plant identified an opportunity to recover waste heat from the cooking and cooling process of select products. Water and heat recovery equipment were integrated into the recently installed retort cooker addition. This project reduced GHG emissions by 2,300 metric tons CO2-e in 2013.

LOGISTICS

Hormel Foods sells products worldwide and relies on transportation via truck, train and ship to deliver our products to customers. To minimize our impact on air quality, we transport our products as efficiently as possible by structuring pallet loads, reviewing product mixes and improving route planning. Load factors averaged approximately 36,930 pounds (or 88 percent) of vehicle weight capacity in 2013. We will continue to assess our practices in the method of intermodal shipments (combining the best attributes of both truck and rail shipping) and maximize use of them when possible. We do this because it helps reduce greenhouse gas emissions by 65 percent.

In fiscal year 2013, we had approximately 5,600 intermodal shipments. These shipments accounted for 7.4 million miles and saved more than 760,000 gallons of diesel fuel versus shipping solely by truck.

1 According to the U.S. Environmental Protection Agency Office of Transportation and Air Quality, intermodal shipments can cut fuel use and greenhouse gas emissions by 65 percent compared to truck-only moves. In fiscal year 2013, we had approximately 5,600 intermodal shipments. These shipments accounted for 7.4 million miles and saved more than 760,000 gallons of diesel fuel versus shipping solely by truck.
2013 Progress:
During 2013 we implemented projects that reduced energy use by 204,000 MMBtu, which, when combined with our 2012 results, fulfills 45 percent of our target of 664,000 MMBtu by 2020. Normalized direct energy (MMBtu/ton production) in 2013 was 1.69 and normalized indirect energy (kWh/ton production) in 2013 was 294.

Recent projects to reduce energy consumption:

Energy conservation project:
The team at the Austin (Minn.) Plant uncovered an opportunity to reduce the energy required to operate its ammonia refrigeration system by reducing ammonia discharge pressure, as well as determining various obstacles to fully utilize the condensing capacity that had been previously installed. In order to solve this problem, the team implemented a new condenser that utilized only 33 percent of capacity and lowered the discharge pressure. This project resulted in reduced compressor horsepower and associated electrical savings of approximately 2.9 kWh.

Gas conservation project:
The team at Progressive Processing (Dubuque, Iowa) identified an opportunity to reduce gas usage. Oven gas usage made up 11 percent of plant total usage, and by optimizing product output temperatures and burner use the team captured roughly 8 percent of the process savings, and will realize another 12 to 15 percent improvement in 2014. These improvements are expected to lower the overall plant gas usage by 2 percent.

Efficiency improvement project:
When it was time to make equipment replacements, the team at the Jennie-O Turkey Store Willmar Ave. Plant (Willmar, Minn.) assessed the plant’s efficiency and processes to determine opportunities for improvement. The team installed more efficient equipment as replacements were made, and implemented process and procedure changes to ensure ongoing improvements within the plant. Overall the plant’s efficiency improvements resulted in electrical savings of more than 162,000 kWh, as well as natural gas savings of more than 3,000 MMBtu.

WATER

Monitoring and improving our water usage practices continues to be a priority for Hormel Foods. Our water sources include municipal utilities and company-owned wells. Water reduction achievements are accomplished through ongoing equipment improvements and behavior-based initiatives with employees at our operations. Normalized usage (cubic meters/tons of production) for 2013 was 7.3, a five percent reduction from the prior year level.

Aside from water usage, scarcity and sourcing from water stressed regions is a growing concern across all industries — including the food industry. In addition to monitoring our water usage, we also evaluated our operations to determine the business risk associated with water scarcity. After careful evaluation, we learned that Hormel Foods does not have manufacturing operations in areas defined as water scarce regions by the World Resource Institute (annual renewable water supply per person < 1,700 cubic meters/person/year). Hormel Foods does have manufacturing locations in California that are identified as overall high risk using the World Resources Institute Aquaduct Water Risk Atlas. Hormel Foods continues to drive water reduction and efficiency improvements at these and all manufacturing locations.

Our target is to reduce total water use by 0.5 billion gallons by 2020. During 2013 we implemented projects that reduced water use by 0.154 billion gallons or 56 percent of our goal when combined with our 2012 progress. Total water use during 2013 was 4.8 billion gallons. We are currently on pace to achieve our water reduction goal prior to 2020.
Environment

2013 Progress:
Our target is to reduce total water use by 0.5 billion gallons by 2020. During 2013 we implemented projects that reduced water use by 0.154 billion gallons or 56 percent of our goal when combined with our 2012 progress. Total water use during 2013 was 4.8 billion gallons. We are currently on pace to achieve our water reduction goal prior to 2020.

Recent projects to reduce water consumption have included:
Implementing new spray nozzles:
At the Jennie-O Turkey Store Faribault (Minn.) Plant, the team reduced water use while maintaining a priority of food safety by implementing new nozzle types. The new nozzles provided the best performance while saving water. By implementing these new nozzles, the projected water savings is more than 22,000,000 gallons per year.

Reducing total water usage:
Our Beloit (Wis.) Plant reduced the amount of water needed to cool product in a stork cooler. The team installed piping and equipment from an under-utilized cooling tower and added a closed loop cooling system with the existing cooling system as a back-up. These improvements reduced water usage by more than 38,000,000 gallons in 11 months.

At Hormel Foods, we understand the importance of minimizing the amount of solid waste sent to landfills through our operations.

In addition to solid waste generation, a growing environmental concern is food waste. Food waste contributes to unnecessary resource use and the resulting environmental impact, including contribution to greenhouse gas emissions, worldwide. On the manufacturing side, a report conducted by Business for Social Responsibility and commissioned by the Food Waste Reduction Alliance found that food waste generated through manufacturing tends to be unused ingredients, unfinished product, or trimmings, peels and other unavoidable food waste.1 Hormel Foods makes every effort to divert food waste to the most beneficial end use possible. Depending on the nature of the food waste and the location of the generation, our food waste can be used as animal feed, a feedstock for anaerobic digestion, a composting substrate, or as a synthetic nutrient substitute.

2013 Progress:
In 2013, our operations implemented projects that reduced the amount of solid waste sent to landfill by 1,000 tons. Our 2020 goal is to reduce solid waste to landfills by 3,300 tons, and with this year’s progress we have achieved 81 percent of our total goal. We are on track to achieve our 2020 goal sooner than anticipated. Normalized total solid waste (pounds/ton production) for 2013 was 24.2, improving slightly from the prior year level.

Recent projects to reduce solid waste sent to landfills include:
Achieving zero waste to landfill:
Century Foods International (Sparta, Wis.) was selected as the 2013 Environmental Sustainability Best of the Best champion for reaching a recycling rate of 93 percent and achieving zero percent waste to landfill status at all four plant locations by the end of 2013.

WASTE

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Hormel Foods has a group of employees dedicated to packaging design who continuously look for minimization opportunities, and each member participates in an initiative to reduce materials in packaging. In 2013, each member of the team had a goal to identify 500,000 pounds of materials savings, amounting to a group goal to reduce packaging by 4 million pounds a year. The packaging team works with all departments and examines the entire supply chain for initiatives related to sustainability that will benefit all divisions. In 2013, this team initiated more than 60 total projects and completed 37 projects. Combined, these projects resulted in 4.72 million pounds in savings.

### Packaging

Hormel Foods uses approximately 4,600 unique items to package and produce our products, including corrugated paperboard, labels, films, cans, plastic bags, displays, glass containers, metal closures, and plastic closures. Approximately 80 percent of our product packaging by weight is recyclable and/or made from recycled materials.

#### Examples of successful projects

- **Excess space was eliminated inside the brown carton of our Hormel® Natural Choice® deli meat packaging.** By reducing the packaging from roughly 8 inches wide to 6.55 inches wide, we were able to reduce the amount of paperboard, film, zipper and corrugated used, which resulted in a savings of roughly 800,000 pounds of packaging material.

- **We optimized the shipping case design for our retail 1 lb. Hormel® bacon by changing from a full overlap case to a 1-inch overlap case.** This resulted in a savings of more than 364,000 pounds.

- **We introduced a machine set up caser and palletizer for our Hormel® cooked hams line.** Our cases were redesigned to run on the automated line, which resulted in an annual savings of 596,000 pounds.

- **We switched to an industry standard tote bin design and eliminated an internal insert, which amounted to a savings of more than 1,279,000 pounds.**

- **We eliminated j-board (paper carrier board) by moving to a fully printed film for our 1 lb. retail turkey bacon.** This resulted in a savings of 314,132 pounds.

Due to the breadth of input materials used in production and packaging, we cannot report on the total weight of materials used throughout the company until we have a reliable process to measure and track this information.

### Recognition

#### Internal Recognition

Annually, Hormel Foods rewards and recognizes internal teams that have identified areas for efficiency improvements and implemented changes through the internal Environmental Sustainability Best of the Best annual competition. In 2013, there were 59 entries generated entries throughout all Hormel Foods business segments. The winner was Century Foods International (Sparta, Wis.) for projects that reached a recycle rate of 93 percent and zero waste to landfill status at all four of their plants.

To learn more about the other finalists, please visit the environmental section of hormelfoods.com. Also see our environmental sustainability policy for more information about the commitment our company has made toward environmental sustainability objectives.

#### External Recognition

In 2013, we continued our dedication to improving our environmental footprint and were recognized by a number of independent sources for these achievements in environmental sustainability:

- **American Meat Institute (AMI) Environmental Recognition Awards:** Twenty-six (96 percent) of our eligible manufacturing sites received an American Meat Institute (AMI) Environmental Recognition Award for the development and implementation of a formal Environmental Management System.

- **Polar Bears International (PBI) Paw of Approval Award:** Polar Bears International (PBI) and the Sparta High School Earth Club honored Century Foods International (Sparta, Wis.) with a Paw of Approval award. PBI awards the Paw of Approval to a company or organization that works to reduce its impact on the environment, especially in the areas of greenhouse gas and carbon reducing strategies.

The Century Foods environmental team began a landfill waste reduction project in 2008, and in 2013, set the goal to have operation of all four plants at 100 percent recycling or a zero carbon footprint.

![Image of reduced solid waste sent to landfill](image1)

260 TONS

**Reduced solid waste sent to landfill:**

Solid waste reduction:
The team at the Atlanta Plant (Tucker, Ga.) implemented a “think green” campaign to reduce the amount of recyclables and compostable items that were being thrown away in the trash. Using pictures, video and meetings, the plant team reduced 260 tons of solid waste to landfills.

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For more information about Hormel Foods visit hormelfoods.com/csr

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Since our founding in 1891, Hormel Foods has been committed to the highest standards for animal care and handling. We uphold these standards through means such as on-site assessments that help us ensure our employees are practicing safe and ethical animal care. They also help us formulate the animal care portion of our Supplier Responsibility Principles, which encourage our suppliers to follow our commitment to responsible environmental and social performance.

All hog producers and the employees who care for hogs participate in the Hormel Foods Quality Assurance Program. As part of this program, suppliers are certified in the proper way to transport animals and the proper way to treat animals on their farms. Their farms are subject to random audits by third parties.

Through our annual Spirit of Excellence Awards, we recognize hog producers that exemplify the commitment to quality at Hormel Foods. In 2013, we awarded 90 suppliers with a Spirit of Excellence Award for their roles in the company’s continuous improvement process throughout the last year. This includes 40 awards in the pork procurement category and one award in the provisions category.

We perform daily internal audits in our processing facilities that are conducted by quality assurance and operations personnel to maintain the highest animal care practices. In fiscal year 2013, 12 external audits were performed by outside auditors in our processing facilities. Internally, we participated in 1,148 formal audits and 123 audits were conducted by company management at our processing facilities on an unannounced, random basis. In 2013, we received no incidents of noncompliance with laws and regulations and voluntary standards related to transportation, handling and slaughtering practices.

To learn about animal care at Hormel Foods, visit the Animal Care section of hormelfoods.com.

We use the National Turkey Federation animal welfare guidelines and the Global Food Safety Initiative guidelines for food safety as the audit criteria for our hatcheries, grower farms and processing plants, and we consistently score in the highest category.

In fiscal year 2013, 903 internal audits were conducted by the Jennie-O Turkey Store live production quality assurance department, as well as 55 production National Turkey Federation audits by live production managers and supervisors. We perform daily internal audits in our processing facilities that are conducted by quality assurance and operations personnel to maintain the highest animal care practices. In fiscal year 2013, four external audits were performed by outside auditors in our processing facilities. Internally, we participated in eight formal audits and 109 audits were conducted by company management at our processing facilities on an unannounced, random basis.

To learn more about animal care at Hormel Foods, visit the Animal Care section of hormelfoods.com.

To Suppliers for Pork Procurement

To Suppliers for Pork Procurement
By 2020, we aim to reduce sodium levels in select products within our branded retail portfolio by an average of 15 percent.

In January, Hormel Foods acquired the iconic SKIPPY® peanut butter business and has fully integrated the operations, logistics and sales of the brand into its Grocery Products division domestically.

Sodium Reduction Initiatives

2011 BASELINE

2020 GOAL

23% REDUCTION
Hormel® Canadian bacon

16% REDUCTION
Hormel® Compleats® microwave meals

14% REDUCTION
Hormel® Cure 81® retail hams

18% REDUCTION
Hormel® chili with beans

32% REDUCTION
CHI-CHI’S® and Herdez® branded tortillas

17% REDUCTION
Hormel® Always Tender® marinated meats

15% REDUCTION
For more information about Hormel Foods visit hormelfoods.com/csr

2013 PROGRESS
Our business can be categorized under five product platforms and many of our new products can be grouped under those platforms:

- **Convenience meals**
- **Value-added protein products**
- **Value-added fresh meat**
- **Solution products aimed at the foodservice deli market**
- **Snacking**

To help drive strategic innovation, Jeffrey M. Ettinger, chairman of the board, president and chief executive officer, issued the Billion Dollar Challenge to all Hormel Foods employees. The goal of the challenge was for Hormel Foods to generate $1 billion in sales from new products launched between fiscal year 2000 and fiscal year 2009. The company met the Billion Dollar Challenge in fiscal year 2007, announcing this achievement in the fourth quarter of 2007 and year-end earnings releases.

Following the completion of the Billion Dollar Challenge, a goal was set to achieve $2 billion in sales by 2012 from new products created since 2000. This goal was also successfully met, and our current challenge – $3B by 2016 – was developed.

The $3B by 2016 Challenge, to achieve $3 billion in total sales of products created since 2000 by the end of 2016, is underway and we are on track to achieve this goal.

In January 2013, Hormel Foods acquired the iconic SKIPPY® peanut butter products and has fully integrated the operations, logistics and sales of the brand into its Grocery Products division domestically, where it has performed well. The SKIPPY® brand will be a key driver of our international growth plans, especially in China.

As part of our product innovation approach, we have a team dedicated to innovation management. They are responsible for major new product development projects in our company, and we have a system for measuring key indicators to help manage the new product innovation process. Additionally, we have formalized an organization-wide governance system to maintain the necessary checks and balances.

Our consumer response team interacts directly with our customers on a daily basis to address product questions and gain valuable insight regarding consumer preferences. In 2013, the team fielded more than 124,000 contacts via email, toll-free lines and postal mail. These insights help us respond to changing consumer tastes and information needs appropriately.
Hormel Foods has implemented robust food safety and sanitation systems based on Hazard Analysis and Critical Control Points (HACCP) principles to ensure the safety of every product produced. Company personnel, independent third parties, the U.S. Department of Agriculture and the Food and Drug Administration oversee these food safety systems. As a result of these efforts, in 2013 we did not issue any product recalls.

All employees receive food safety training appropriate for their responsibilities within the company.

Read more about Food Safety and Quality at hormelfoods.com.

Products

Food Safety and Quality

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Sodium Reduction

Our wellness taskforce meets quarterly and has set an important sodium reduction goal: by 2020, we aim to reduce sodium levels in select products within our branded retail portfolio by an average of 15 percent. The graphic below identifies the results from the 2013 Sodium Reduction Analysis:

2020 Goal

15% REDUCTION

Reduce sodium levels in select products by an average of 15%

2013 Progress

We have reached a 15% sodium reduction in many categories and continue to explore additional categories to reduce sodium.

New Options

In 2013, we added two healthy options to our tortilla portfolio:

CHI-CHI’S® high fiber fajita style tortillas are high in fiber, are made from whole wheat flour plus a blend of multigrains, and meet FDA standards for “healthy.”

CHI-CHI’S® 100 calorie fajita style tortillas are high in fiber and meet Food and Drug Administration (FDA) standards for “healthy.”

Portion Control and Minimizing Food Waste

Hormel Foods offers a variety of products to help consumers with portion control, while at the same time minimizing the amount of food waste from leftover food. Examples include our Dinty Moore® microwave cups, Hormel® microwave cups, Hormel® Compleats® microwave meals and Hormel® Kids Kitchen® microwave cups.

Sodium reduction by product category

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Sodium Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian Bacon</td>
<td>23%</td>
</tr>
<tr>
<td>Cure 81® Hams</td>
<td>14%</td>
</tr>
<tr>
<td>Chill with beans</td>
<td>18%</td>
</tr>
<tr>
<td>Chili with beans</td>
<td>16%</td>
</tr>
<tr>
<td>Beefsteak</td>
<td>32%</td>
</tr>
<tr>
<td>Always Tender®</td>
<td>17%</td>
</tr>
<tr>
<td>Compleats®</td>
<td></td>
</tr>
<tr>
<td>Scientist®</td>
<td></td>
</tr>
<tr>
<td>Rolloir®</td>
<td></td>
</tr>
</tbody>
</table>

Percent of sodium reduced products by category

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian Bacon</td>
<td>62%</td>
</tr>
<tr>
<td>Cure 81® Hams</td>
<td>66%</td>
</tr>
<tr>
<td>Chill with beans</td>
<td>86%</td>
</tr>
<tr>
<td>Chili with beans</td>
<td>69%</td>
</tr>
<tr>
<td>Always Tender®</td>
<td>96%</td>
</tr>
<tr>
<td>Compleats®</td>
<td>92%</td>
</tr>
</tbody>
</table>

Percent of items within category with a sodium reduction or developed with decreased sodium parameters
Hormel Foods recognizes the importance and impact that employees have on all areas of our business. That is why we place priority in ensuring the growth, development and engagement of our employees. More information on our employees, benefits, fair employment practices and employee engagement, can be found on hormelfoods.com.

### Diversity

**2011**
We hired a new corporate manager of diversity and inclusion.

**2012**
- We implemented two additional employee resource groups.
- We piloted an efficacy training program for women.

**2013**
- Employee resource group membership increased to approximately 800 members (up from approximately 200 in 2012).

**Ongoing Goal**
Promote a more diverse and inclusive workplace.

For more information about Hormel Foods visit hormelfoods.com/csr.
At Hormel Foods, our people are the driving force behind our innovation, improvement and success. We consider the tenure of our employees an important indicator of our overall success. We’re proud of our employee tenure numbers, because they tell us that Hormel Foods is not only a great place to work, but also a corporation that offers professional opportunities and challenges for employees to grow. In 2013 our turnover rate for all employees was 13.3 percent. Also, we are proud to report that 63 percent of our employees had five or more years of service, and our 32-person officer team has an average of 27 years of service.

For more information about our people, please visit hormelfoods.com and review our employee engagement, human rights and immigration information.

Years of Service
63% of employees have five years or more of service. Of those, 22% have 20 years or more and 14% have 30 years or more of service.

Male/Female
Of those with five years or more of service, 36% were female and 64% were male.

Hourly/Salaried
Of those with five years or more of service, 81% were hourly and 19% were salaried.

Covered by collective bargaining
About 28 percent of our employees are covered by collective bargaining agreements. We adhere to the National Labor Relations Act and respect the right of employees to choose whether or not they want to organize a collective bargaining unit. There are no operations in which the right to exercise freedom of association and collective bargaining may be at significant risk.

Discrimination
Hormel Foods employs an independent third-party analysis to statistically review pay information by gender, minority and age to ensure nondiscriminatory pay practices, of which none were found.

In 2013, there were zero incidents of discrimination. There were also no industrial disputes, strikes and/or lock-outs. Therefore, we did not lose any hours of working time.

Part-Time
1% of workers are part-time.
SAFETY

Hormel Foods is known for its award-winning safety programs. Our dedicated corporate safety department develops and administers companywide safety policies to ensure the safety of each employee and compliance with Occupational Safety and Health Administration (OSHA) standards. The corporate safety department also conducts annual safety audits of our manufacturing plants to ensure compliance with company safety policies.

Injury/Illness Rates

Our commitment to safety is evidenced by our injury/illness incident rates, which perform better than the Bureau of Labor Statistics (BLS) industry average for North American Industry Classification System (NAICS) 3116 Animal Slaughtering and Processing.

Total Case Incident Rate

OSHA calculates the Total Case Incident Rate (TCIR) as the number of OSHA recordable incidents multiplied by 200,000 hours and divided by the total hours worked that year. In 2013, the TCIR at Hormel Foods of 3.8, indicated we performed better than the BLS industry average for TCIR. Since 2006, we have reduced our TCIR by 58 percent.

Injury and Illness

Days Away from Work Injury and Illness (DAFWII) measures an injury or illness that involves one or more days away from work. In 2013, the DAFWII rate at Hormel Foods of 0.5, indicated we performed better than the BLS industry average. Since 2006, we have reduced our DAFWII rate by 44 percent.

Days Away, Restricted or Transfer

Days Away, Restricted or Transfer (DART) measures the days an employee has restricted work activity or job transfer, or both. In 2013, our DART rate was 2.6, meaning that we performed better than the BLS industry average. Since 2006, we have reduced our DART rate by 50 percent.

Safety Training

Hormel Foods conducts safety training for an average of 15,870 employees and supervisors in our locations each month, and completes more than 1,072 safety assessments each month companywide. In 2013, Hormel Foods conducted an average of 7,203 lockout-tagout (LOTO) inspections per quarter, and held bi-monthly, companywide safety conference calls with plant safety personnel.

Industry-Recognized Safety

Our meat processing plants annually receive recognition for their outstanding safety performance from the American Meat Institute (AMI). The National Safety Council, a non-government, not-for-profit public service organization, develops and administers the program for the AMI Foundation.

For more information about Hormel Foods visit hormelfoods.com/csr
PROFESSIONAL DEVELOPMENT

Performance Review Program
We understand how important it is for our employees to feel both valued and challenged, so we conduct regular performance reviews annually with more than 92 percent of salaried employees; 80 percent of office hourly employees; and 63 percent of plant hourly employees. Reviews for salaried and office hourly employees include an assessment of current job performance and mutual employee/supervisor goal-setting for the next year. The process also considers work-life balance, career development, training needs and opportunities and current job performance.

Training
To support our tradition of fostering long-term careers, employees receive formal training throughout their career at Hormel Foods, applicable to their levels of responsibility and expertise. The total hours spent on training in fiscal year 2013 was 295,813. This equaled about 14.9 hours of training per employee. You can find an in-depth analysis of training hours per employee group at hormelfoods.com.

Our employees are also trained on policies and procedures concerning aspects of human rights that are relevant to our operations at Hormel Foods. In fiscal year 2013, the total hours spent on human rights training was 4,000.

DIVERSITY

Hormel Foods has demonstrated its commitment to fostering diversity by including it among the company’s key strategies. In total, we have implemented seven employee resource groups: Hormel African American Resource Group, Hormel Asian American Professionals Association, Nuestra Gente: Hormel Foods Hispanic Resource Group, Hormel Foods Women Our Way, Hormel Professionals Representing Out and United Individuals, Hormel Young Professionals Enterprise, and Hormel Military Veterans Engagement Team. Read about these employee resource groups on hormelfoods.com.

Women
Companywide, women represented 34% of our workforce in fiscal year 2013.

Ethnic Minority
Our ethnic minority workforce represented 48% in fiscal year 2013.

Board of directors
Of our 12-member Board of Directors in 2013, there were four women and three persons of color.
We believe in making our communities better — they are our neighborhoods, and we invest in making them great places to live, work and play. This is our responsibility, intrinsic to our culture and our heritage.

2013 Community Donations

- **$782,000**
  - **Education Donations**
    - including cash donations made through the Hormel Foods Charitable Trust Matching Gifts Program to eligible educational institutions

- **$9.1 MILLION**
  - **Hunger Donations**
    - including products we donated to food banks and disaster relief

- **$6.5 MILLION**
  - **2.4 MILLION CANS**
    - **SPAMMY®**
      - shelf-stable poultry product donations

Learn More   For more information about Hormel Foods visit hormelfoods.com/csr2013

Hormel Foods Corporate Responsibility Report
HUNGER

In 2013, we continued our domestic and international commitment to doing our part to end hunger, what we call the "On Our Way to Ending Hunger" program. Within the pillars of Nourish, Collaborate and Motivate, we forged important partnerships that provided local assistance through donations to hunger relief organizations.

Donated 52 million individual meals
Hormel Foods donated an estimated 52 million individual meals through 2013 On Our Way to Ending Hunger efforts (using the Feeding America estimation of $1 donated = 8 meals).

Contributed 2.4 million pounds of product
Hormel Foods contributed 2.4 million pounds of product to food banks, local food shelves and feeding programs in 2013.

Donated 3,456 cans of Hormel® chili with beans, Stagg® chili and Hormel® Mary Kitchen® roast beef hash
Hormel Foods contributed 3,456 cans of Hormel® chili with beans, Stagg® chili and Hormel® Mary Kitchen® roast beef hash to the American Institute of Architects (AIA) Honolulu eighth annual Canstruction competition. All product was donated to the Hawaii Foodbank after the event.

Donated 1,440 pounds of product as part of Chilimania
The Beloit (Wis.) Plant sponsored the 24th annual Chilimania festival in Edgerton, Wis., an event that attracts 3,000-4,000 spectators and 60 cooks. Plant representatives offered Hormel® chili samples and CHI-CHI’S® chips and salsa throughout the event, and the plant matched public donations from the festival’s canned food drive, sending 1,440 pounds of product to the Outreach Community Food Pantry.

Donated more than $220,000 to local plant communities
As part of the Hormel Foods Plant Community Donation program, the company donated more than $220,000 to local charities in 21 communities.

Project SPAMMY® employee engagement trips

Since 2012, Hormel Foods employees have traveled to Guatemala to participate firsthand in Project SPAMMY®, the company’s effort to help malnourished children in Guatemala in partnership with Food for the Poor and Caritas Arquidiocesana. As part of the effort, Hormel Foods provides SPAMMY®, a shelf-stable poultry product fortified with vitamins and minerals. During their time in Guatemala, employees and their families have learned more about the Guatemalan culture, interacted with the children involved in Project SPAMMY® and participated in project operations.

In fiscal year 2013, we donated 2.4 million cans of SPAMMY® through our partnership with Food for the Poor and Caritas Arquidiocesana, and 44 employees made the journey to Guatemala.

EDUCATION

For the 47th consecutive year, Hormel Foods awarded more than a dozen undergraduate college scholarships to children of full-time, retired and deceased employees of Hormel Foods and its subsidiaries. Recipients receive awards amounting to $2,000 per year for four years. These students showed exemplary scholastic abilities and leadership qualities, outstanding standardized test scores and significant involvement in their school and community.

Jennie-O Turkey Store also awarded education scholarships to employees, their dependents and graduating seniors who plan to attend an accredited two-year technical/vocational college or a four-year college or university to obtain a bachelor’s degree.

DISASTER RELIEF

In November 2012, we donated approximately 110,400 Hormel® Compleats® microwave meals and approximately 156,000 packs of Hormel® pizza toppings white chicken cuts to Feeding America to aid in relief efforts for areas affected by Hurricane Sandy.

Read more about our community involvement on hormelfoods.com.

HURRICANE SANDY RELIEF

110,400 HORMEL® COMPLEATS® MICROWAVE MEALS
156,000 HORMEL® PIZZA TOPPINGS WHITE CHICKEN CUTS