

**Corporate Human Rights Benchmark
2019 Company Scoresheet**

Company Name Hormel Foods Corporation
Industry Agricultural Products (Supply Chain and Own Operations)
Overall Score (*) 11.8 out of 100

Theme Score	Out of	For Theme
0.5	10	A. Governance and Policies
1.4	25	B. Embedding Respect and Human Rights Due Diligence
2.9	15	C. Remedies and Grievance Mechanisms
1.8	20	D. Performance: Company Human Rights Practices
2.4	20	E. Performance: Responses to Serious Allegations
2.9	10	F. Transparency

(*) Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2019 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: General HRs commitment: Hormel Foods states in its Human Rights engagement that it recognizes international principles and guidelines aimed at promoting and protecting human rights. However, to recognize the international principles does not describe a real commitment to respect the human rights in its operation. [Website, Human Rights engagement, 2019: hormelfoods.com] • Not met: UNGC principles 1 & 2 • Not met: UDHR: The Company discloses that recognizes the U.N. Declaration of Human Rights. However, does not describe a commitment to respect it. [Website, Human Rights engagement, 2019: hormelfoods.com] • Not met: International Bill of Rights: The Company discloses that recognizes the International Bill of Rights. However, does not describe a commitment to respect it. [Website, Human Rights engagement, 2019: hormelfoods.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: UNGPs: The Company discloses that recognizes the U.N. Guiding Principles on Business and Human Rights. However, does not describe a commitment to respect the guideline. [Website, Human Rights engagement, 2019: hormelfoods.com] • Not met: OECD: The Company discloses that recognizes the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. However, does not describe a commitment to respect the guideline. [Website, Human Rights engagement, 2019: hormelfoods.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.2	Commitment to respect the human rights of workers	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: ILO Core: The Company discloses that recognizes the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. However, does not describe an commitment to follow it. [Website, Human Rights engagement, 2019: hormelfoods.com] • Not met: UNGC principles 3-6: The Company discloses that recognizes the U.N. Global Compact's 10 Principles. However, does not describe a commitment respecting the guideline. [Website, Human Rights engagement, 2019: hormelfoods.com] • Not met: Explicitly list All four ILO for AG suppliers: Hormel Foods discloses in its Suppliers Code of Conduct about child labor, forced and involuntary labor, the worker's rights to exercise freedom of association and that discrimination at any instance is not tolerated. However, there is no further information about the right of collective bargaining. [Suppliers Responsibility Principles, 2010: hormelfoods.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Explicit commitment to All four ILO Core • Met: Respect H&S of workers: The Company discloses that has a "corporate safety department develops and administers company wide policies to ensure the safety of each employee and compliance with Occupational Safety and Health Administration (OSHA) standards". [Corporate Responsibility Report, 2017: csr.hormelfoods.com] • Met: H&S applies to AG suppliers: Hormel Foods states in the Supplier Code of Conduct that "supports a high standard for ensuring employee health and safety. Suppliers must be in compliance with applicable safety and health regulations, and applicable laws and regulations relating to working conditions. Suppliers should have appropriate controls, procedures and preventative training to ensure a safe work environment for employees". [Suppliers Responsibility Principles, 2010: hormelfoods.com]
A.1.3.AG.a	Commitment to respect human rights particularly relevant to the industry - land and natural resources (AG)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Respect land ownership and natural resources • Not met: Respecting the right to water: The Company states in its Environmental Policy that works to prevent pollution that could cause harm to water. However, there is no reference about commitment to respect the human right to water. [Environmental Policy Statement, 2017: hormelfoods.com] • Not met: Expecting suppliers to respect these rights: Although Hormel Foods discloses that requires suppliers and business partners to maintain the same high levels as Company's environmental performance, which includes the prevention of water pollution, there is no mention to respect the right to water. [Environmental Policy Statement, 2017: hormelfoods.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Voluntary Guidelines on Tenure Rights • Not met: IFC Performance Standards • Not met: FPIC for all • Not met: Zero tolerance for land grabs • Not met: Respecting the right to water: See above. [Environmental Policy Statement, 2017: hormelfoods.com] • Not met: Expecting suppliers to respect these rights: See above. [Environmental Policy Statement, 2017: hormelfoods.com]
A.1.3.AG.b	Commitment to respect human rights particularly relevant to the industry – people's rights (AG)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Women's rights • Not met: Children's rights • Not met: Migrant worker's rights • Not met: Expects suppliers to respect these rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: CEDAW/Women's Empowerment Principles • Not met: Child Rights Convention/Business Principles • Not met: Convention on migrant workers • Not met: Expecting suppliers to respect these rights
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Regular stakeholder engagement: Hormel Foods discloses in its Corporate Responsibility Report that it engages "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". In Company's view the stakeholders

Indicator Code	Indicator name	Score (out of 2)	Explanation
			groups are employees, customers, consumers, investors, suppliers, nongovernmental organizations, government agencies and communities. Also, Hormel Foods states that to understand stakeholders' view and interests conducts interviews, questionnaires, customer questionnaires, consumer feedback, meetings, conferences and media coverage. In addition, on the section stakeholders feedback, in the Corporate Responsibility Report, it is described how the Company engages with each group of stakeholder, what are their interests, how Hormel Foods respond to their interests and the ongoing results of engagement. [Corporate Responsibility Report, 2017: csr.hormelfoods.com & Corporate Responsibility Report, 2017: csr.hormelfoods.com] Score 2 <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits to remedy Score 2 <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with AG suppliers to remedy impacts
A.1.6	Commitment to respect the rights of human rights defenders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Zero tolerance attacks on HRs Defenders (HRDs) Score 2 <ul style="list-style-type: none"> • Not met: Expects AG suppliers to reflect company HRD commitments

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: CEO or Board approves policy • Not met: Board level responsibility for HRs Score 2 <ul style="list-style-type: none"> • Not met: Speeches/letters by Board members or CEO
A.2.2	Board discussions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Board/Committee review of salient HRs • Not met: Examples or trends re HR discussion Score 2 <ul style="list-style-type: none"> • Not met: Both examples and process
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Incentives for at least one board member • Not met: At least one key AG HR risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> • Not met: Performance criteria made public

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits to ILO core conventions • Not met: Senior responsibility for HR Score 2 <ul style="list-style-type: none"> • Not met: Day-to-day responsibility • Not met: Day-to-day responsibility for AG in supply chain
B.1.2	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Senior manager incentives for human rights • Not met: At least one key AG HR risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> • Not met: Performance criteria made public

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.3	Integration with enterprise risk management	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: HR risks is integrated as part of enterprise risk system Score 2 • Not met: Audit Ctte or independent risk assessment
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Commits to ILO core conventions: See indicator A.1.2 • Not met: Communicates its policy to all workers in own operations: Hormel Foods states that communicate the Company's values to the employees in their native languages. However, no evidence found on how the communication is made and includes human-rights related policies. [Website, Ethics, Governance and Risk, 2019: hormelfoods.com] Score 2 • Not met: Commits to all 4 ILO core conventions • Not met: Communication of policy commitments to stakeholder: The Company discloses that is opened to receive letter from the community, which will be directed to the lead director or the chair of one of the committees based on the subject matter of the communication. However, there is no evidence about how Hormel Foods communicates its policy to stakeholders and local communities. [Website, Ethics, Governance and Risk, 2019: hormelfoods.com] • Not met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Commits to all 4 ILO core conventions for suppliers: See indicator A.1.2 • Not met: Communicating policy down the whole AG supply chain: The Company states in its Suppliers Code of Conduct the principles that Hormel Foods is committed and the expectation for suppliers. However, there is no description about the steps to communicate its policy with suppliers. [Suppliers Responsibility Principles, 2010: hormelfoods.com] • Not met: Requiring AG suppliers to communicate policy down the chain Score 2 • Not met: How HR commitments made binding/contractual • Not met: Including on AG suppliers
B.1.5	Training on Human Rights	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Scores at least 1 on A.1.2 • Not met: Trains all workers on HR policy commitments: Hormel Foods discloses in its Corporate Responsibility Report that employees are trained on policies and procedures concerning aspects of human rights. The Company assert that in 2017, around 4,900 hours were spent on human rights training. However, there is no description if all workers are trained on human rights policy. [Corporate Responsibility Report, 2017: csr.hormelfoods.com] • Not met: Trains relevant AG managers including procurement Score 2 • Not met: Score of 2 on A.1.2 • Not met: Both requirements under score 1 met
B.1.6	Monitoring and corrective actions	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Scores at least 1 on A.1.2 • Not met: Monitoring implementation of HR policy commitments • Not met: Monitoring AG suppliers: Hormel Foods states in its Corporate Responsibility Report on the supplier assessment that requires third-party safety audits of all suppliers to monitor food quality services. However, there is no mention to monitoring suppliers on human rights issues. [Corporate Responsibility Report, 2017: csr.hormelfoods.com] Score 2 • Not met: Score of 2 on A.1.2 • Not met: Describes corrective action process • Not met: Example of corrective action • Not met: Discloses % of AG supply chain monitored
B.1.7	Engaging business relationships	1	The individual elements of the assessment are met or not as follows: Score 1 • Not met: HR affects AG selection of suppliers [Suppliers Responsibility Principles, 2010: hormelfoods.com] • Met: HR affects on-going AG supplier relationships: Hormel Foods states in its Supply Code of Conduct that will suspend or discontinue purchases from a supplier if an audit or other creditable source reveals the supplier is violating the

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			requirements in the Code of Conduct. [Suppliers Responsibility Principles, 2010: hormelfoods.com] Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met • Not met: Working with AG suppliers to improve performance
B.1.8	Approach to engagement with potentially affected stakeholders	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Stakeholder process or systems • Met: Frequency and triggers for engagement: The Company describe in its Corporate Responsibility Report what are the ways of engagement with each group of stakeholders, the frequency, if its daily, monthly, annually or ongoing, also the Stakeholder interests and how Hormel Foods answers to its interests. In addition, the Company explicitly states suppliers and suppliers' employees are part of the stakeholder group to which the Company focuses on engagement. [Corporate Responsibility Report, 2017: csr.hormelfoods.com] • Met: Workers in AG SC engaged: See above. [Suppliers Responsibility Principles, 2010: hormelfoods.com] Score 2 <ul style="list-style-type: none"> • Met: Analysis of stakeholder views and company's actions on them: Hormel Foods discloses in its Corporate Responsibility Report about the interests of each stakeholders group and how the Company respond to their interests. [Corporate Responsibility Report, 2017: csr.hormelfoods.com]

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Identifying risks in own operations • Not met: Identifying risks in AG suppliers: Hormel Foods discloses that continuously look for ways to assess the supplier relationships to ensure that environmental/social risks are addressed and mitigated. Also informs that in 2014 completed a category-level assessment process to identify risks and as a next step is working with suppliers in categories where risks have been identified. However, there is no description about how this assessment is implemented and whether risk identification has taken place more recently. [Corporate Responsibility Report, 2017: csr.hormelfoods.com] Score 2 <ul style="list-style-type: none"> • Not met: Ongoing global risk identification • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances • Not met: Explains use of HRIAs or ESIA (inc HR)
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Salient risk assessment (and context) • Not met: Public disclosure of salient risks Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks • Not met: Including in AG supply chain • Not met: Example of Actions decided Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met

Indicator Code	Indicator name	Score (out of 2)	Explanation
	human rights risks and impacts		
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans • Not met: Including AG suppliers Score 2 <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Channel accessible to all workers: The Company discloses that provides a hotline number and a specific website operated by an independent third-party organization to facilitate anonymous employee feedback and concerns, in which any worker can make complaints. Both mechanisms can be used to report a range of issues, including corruption and discrimination. [Website, Ethics, Governance and Risk, 2019: hormelfoods.com & Code of Ethical Business Conduct, 1/31/2019: investor.hormelfoods.com] Score 2 <ul style="list-style-type: none"> • Met: Number grievances filed, addressed or resolved: The Company states in its Website that in 2016, there were no human rights incidents. [Website, Human Rights engagement, 2019: hormelfoods.com] • Met: Channel is available in all appropriate languages: The specific website to make complaints and feedbacks is available in all the languages that the Company operates. [Code of Ethical Business Conduct, 1/31/2019: investor.hormelfoods.com & Hormel Foods Alert Line, 2019: hormelfoods.alertline.com] • Not met: Expect AG supplier to have equivalent grievance systems • Not met: Opens own system to AG supplier workers
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Grievance mechanism for community: The website operated by a third party that the Company provides is accessible to anyone who wants to make a complaint. [Code of Ethical Business Conduct, 1/31/2019: investor.hormelfoods.com & Hormel Foods Alert Line, 2019: hormelfoods.alertline.com] Score 2 <ul style="list-style-type: none"> • Met: Describes accessibility and local languages: The website can be accessed in all the languages in which Hormel Foods has companies. [Code of Ethical Business Conduct, 1/31/2019: investor.hormelfoods.com & Hormel Foods Alert Line, 2019: hormelfoods.alertline.com] • Not met: Expects AG supplier to have community grievance systems • Not met: AG supplier communities use global system
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Engages users to create or assess system • Not met: Description of how they do this Score 2 <ul style="list-style-type: none"> • Not met: Engages with users on system performance • Not met: Provides user engagement example on performance • Not met: AG suppliers consult users in creation or assessment
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Response timescales • Not met: How complainants will be informed Score 2 <ul style="list-style-type: none"> • Not met: Escalation to senior/independent level

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.5	Commitment to non-retaliation over complaints or concerns made	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Public statement prohibiting retaliation: The Company states in its Ethical Code of Conduct that "do not allow retaliation for reports of misconduct by others made in good faith by employees". However, there is no mention about external stakeholders. [Code of Ethical Business Conduct, 1/31/2019: investor.hormelfoods.com] Met: Practical measures to prevent retaliation: The grievance mechanisms are operated by a third party organization and all feedbacks and concerns can be made anonymously. [Code of Ethical Business Conduct, 1/31/2019: investor.hormelfoods.com] Score 2 <ul style="list-style-type: none"> Not met: Has not retaliated in practice Not met: Expects AG suppliers to prohibit retaliation
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Won't impede state based mechanisms Not met: Complainants not asked to waive rights Score 2 <ul style="list-style-type: none"> Not met: Will work with state based or non judicial mechanisms Not met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Describes how remedy has been provided Not met: Says how it would remedy key sector risks Score 2 <ul style="list-style-type: none"> Not met: Changes introduced to stop repetition Not met: Approach to learning from incident to prevent future impacts Not met: Evaluation of the channel/mechanism

D. Performance: Company Human Rights Practices (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.1.a	Living wage (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Pays living wage or sets target date Not met: Describes how living wage determined Score 2 <ul style="list-style-type: none"> Not met: Paying living wage Not met: Definition of living wage reviewed with unions
D.1.1.b	Living wage (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Living wage in supplier code or contracts: The Company discloses in its Supplier Code of Conduct that "suppliers must provide fair and equal compensation in accordance with applicable laws and standards". However, no evidence found in relation to living wage. [Suppliers Responsibility Principles, 2010: hormelfoods.com] Score 2 <ul style="list-style-type: none"> Not met: Improving living wage practices of suppliers Not met: Both requirements under score 1 met Not met: Provides analysis of trends demonstrating progress
D.1.2	Aligning purchasing decisions with human rights	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Avoids business model pressure on HRs (purchasing practices) Not met: Positive incentives to respect human rights (purchasing practices) Score 2 <ul style="list-style-type: none"> Not met: Both requirements under score 1 met
D.1.3	Mapping and disclosing the supply chain	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Identifies suppliers back to manufacturing sites (factories or fields) Score 2 <ul style="list-style-type: none"> Not met: Discloses significant parts of SP and why

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.4.a	Prohibition on child labour: Age verification and corrective actions (in own agricultural operations)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Does not use child labour: Hormel Foods states in the Suppliers Responsibility that the document outlines the principles Hormel Foods is committed to and the expectations for all suppliers. The Company states using child labour goes against its human rights principles. Moreover it prohibits child labour in own operations and in its supply chain. [Suppliers Responsibility Principles, 2010: hormelfoods.com] Met: Age verification of job applicants and workers: Hormel Foods states on its website that verifies if the workforce is of appropriate and legal age. [Website, Human Rights engagement, 2019: hormelfoods.com] Score 2 <ul style="list-style-type: none"> Not met: Remediation if children identified
D.1.4.b	Prohibition on child labour: Age verification and corrective actions (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Child Labour rules in codes or contracts: The Company discloses in its Supplier Code of Conduct that does not tolerate and do not work with suppliers that use child labor. However, there is no evidence that exists remediation programmes and if verification age is required. [Suppliers Responsibility Principles, 2010: hormelfoods.com] Score 2 <ul style="list-style-type: none"> Not met: How working with suppliers on child labour Not met: Both requirements under score 1 met Not met: Analysis of trends in progress made
D.1.5.a	Prohibition on forced labour: Debt bondage and other unacceptable financial costs (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Pays workers in full and on time Not met: Payslips show any legitimate deductions Score 2 <ul style="list-style-type: none"> Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters
D.1.5.b	Prohibition on forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Debt and fees rules in codes or contracts: Hormel Foods discloses in its Supplier Code of Conduct that "suppliers must ensure that no fees or costs have been charged, directly or indirectly, in whole or in part, to job-seekers and employees for the services directly related to recruitment for temporary or permanent job placement". [Suppliers Responsibility Principles, 2010: hormelfoods.com] Score 2 <ul style="list-style-type: none"> Not met: How working with suppliers on debt & fees Not met: Both requirements under score 1 met Not met: Analysis of trends in progress made
D.1.5.c	Prohibition on forced labour: Restrictions on workers (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Does not retain documents or restrict movement Score 2 <ul style="list-style-type: none"> Not met: How these practices are monitored for agencies, labour brokers or recruiters
D.1.5.d	Prohibition on forced labour: Restrictions on workers (in the supply chain)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Free movement rules in codes or contracts: The Company states in its Suppliers Code of Conduct that suppliers must not retain any documents such as identification cards, passports or other travel documents, or personal belongings without their consent. [Suppliers Responsibility Principles, 2010: hormelfoods.com] Score 2 <ul style="list-style-type: none"> Not met: How working with suppliers on free movement Not met: Both requirements under score 1 met Not met: Provides analysis of trends demonstrating progress

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.6.a	Freedom of association and collective bargaining (in own agricultural operation)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits not to interfere with union rights / Steps to avoid intimidation or retaliation: Hormel Foods adheres that is committed to respects the rights of employees to choose whether or not they want to organize a collective bargaining unit. In addition, the Company discloses that do not have any operations in which the right to exercise freedom of association and collective bargaining is at significant risk. However, there is no description about practical measures to prohibit retaliation against workers who seeks to exercise these rights. [Corporate Responsibility Report, 2017: csr.hormelfoods.com] • Met: Discloses % covered by collective bargaining agreements: The Company discloses in its Corporate responsibility report the percentage of employees covered by collective bargain agreements. [Corporate Responsibility Report, 2017: csr.hormelfoods.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
D.1.6.b	Freedom of association and collective bargaining (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: FoA & CB rules in codes or contracts: Hormel Foods present in its Supply Code of Conduct that values suppliers that protect workers' rights to exercise freedom of association. However, it is not explicitly if it is a requirement of the contract and there is no mention about collective bargaining . [Suppliers Responsibility Principles, 2010: hormelfoods.com] • Not met: How working with suppliers on FoA and CB <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends demonstrating progress
D.1.7.a	Health and safety: Fatalities, lost days, injury rates (in own agricultural operations)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Injury Rate disclosures: The Company reports its injury rates in its Corporate Responsibility Report. [Corporate Responsibility Report, 2017: csr.hormelfoods.com] • Met: Lost days or near miss disclosures: The Company discloses data about lost days from work injury and illness in its Corporate Responsibility Report. [Corporate Responsibility Report, 2017: csr.hormelfoods.com] • Not met: Fatalities disclosures <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Set targets for H&S performance: The Company states that it aims "to promote a more diverse and inclusive workplace, provide a safe workplace for all employees, and reduce our injury/illness rates each year". However, there is no description of the target the Company aims to. [Corporate Responsibility Report, 2017: csr.hormelfoods.com] • Not met: Met targets or explains why not
D.1.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Sets out clear Health and Safety requirements: Hormel Foods discloses in its Supply Code of Conduct that "suppliers must be in compliance with applicable safety and health regulations, and applicable laws and regulations relating to working conditions. Suppliers should have appropriate controls, procedures and preventative training to ensure a safe work environment for employees". [Suppliers Responsibility Principles, 2010: hormelfoods.com] • Not met: Injury Rate disclosures • Not met: Lost days or near miss disclosures • Not met: Fatalities disclosure <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How working with suppliers on H&S • Not met: Provides analysis of trends demonstrating progress
D.1.8.a	Land rights: Land acquisition (in own agricultural operations)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Approach to identification of land tenure rights holders • Not met: Approach to doing so if no recent land deals <p>Score 2</p> <ul style="list-style-type: none"> • Not met: How valuation and compensation works • Not met: Follows IFC5 in any state land deals • Not met: Describes approach if no recent land deals

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.1.8.b	Land rights: Land acquisition (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Rules on land & owners in codes or contracts • Not met: How working with suppliers on land issues Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends demonstrating progress
D.1.9.a	Water and sanitation (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Action to prevent water and sanitation risks Score 2 <ul style="list-style-type: none"> • Not met: Water targets considering local factors • Not met: Reports progress and shows trends in progress made
D.1.9.b	Water and sanitation (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Rules on water stewardship in codes or contracts • Not met: How working with suppliers on water stewardship issues Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends demonstrating progress
D.1.10.a	Women's rights (in own agricultural operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Process to stop harassment and violence against women • Not met: Working conditions take account of gender • Not met: Equality of opportunity at all levels of employment: Although the Company discloses in its Code of Conduct that is committed to providing the same opportunities for success to all individuals, there is no explicit mention about how Hormel Foods provides equality of opportunity for women. [Code of Ethical Business Conduct, 1/31/2019: investor.hormelfoods.com] Score 2 <ul style="list-style-type: none"> • Not met: Meet all requirements under score 1
D.1.10.b	Women's rights (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Women's rights in codes or contracts • Not met: How working with suppliers on women's rights Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provides analysis of trends demonstrating progress

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		No allegations meeting the CHRB severity threshold were found, and so the score of 9.44 out of 80 points scored in themes A-D & F has been applied to produce a score of 2.36 out of 20 points for theme E.

F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	0.94 out of 4	Out of a total of 51 indicators assessed under sections A-D of the benchmark, Hormel Foods Corporation made data public that met one or more elements of the methodology in 12 cases, leading to a disclosure score of 0.94 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> • Met: Company reports on GRI: Hormel Foods follows the GRI Standards established by the Global Reporting Initiative (GRI). [Corporate Responsibility Report, 2017] • Not met: Company reports on SASB • Not met: Company reports on UNGPRF
F.3	Key, High Quality Disclosures	0 out of 4	Hormel Foods Corporation met 0 of the 10 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples

Indicator Code	Indicator name	Score	Explanation
			<ul style="list-style-type: none"> • Not met: Score 2 for A.2.2 : Board discussions • Not met: Score 2 for B.1.6 : Monitoring and corrective actions • Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers • Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) Discussing challenges openly • Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts • Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned Demonstrating a forward focus • Not met: Score 2 for A.2.3 : Incentives and performance management • Not met: Score 2 for B.1.2 : Incentives and performance management • Not met: Score 1 for D.1.1.a: Living wage (in own agricultural operations) • Not met: Score 2 for D.1.7.a : Health and safety: Fatalities, lost days, injury rates (in own agricultural operations)

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2019 Key Findings report and technical annex for more details of the research process.

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As CHRB Ltd, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.