[Hormel Foods Corporation: Rule 14a-8 Proposal, August 18, 2021]
[This line and any line above it – Not for publication.]

ITEM 4* – External Public Health Cost of Antimicrobial Resistance Disclosure

RESOLVED, shareholders ask that the board commission and disclose a study on the external environmental and public health costs created by the use of antibiotics in our company's ("Hormel") supply chain and the manner in which such costs affect the vast majority of its shareholders who rely on a healthy stock market.

Hormel says in its 2021 Antibiotic Stewardship Report that "building social value and creating economic value are not competing goals," and that it "never use[s] medically important antibiotics for growth promotion, feed efficiency or weight gain."

However, Hormel is a conventional Delaware corporation, so that directors' duties emphasize Hormel and its shareholders, strictly as defined by Hormel's internal financial returns to shareholders—even when such returns undercut those same shareholders' broader portfolio returns. Accordingly, when the financial return of Hormel to its shareholders and the interests of broader society and the economy clash, the directors must choose shareholder return. (Hormel could become a public benefit corporation[1] to prevent this.)

For Hormel, this may lead to overuse of antibiotics in raising livestock to increase profit, despite increasing antimicrobial resistance ("AMR"), or the ability of diseases to resist antibiotics. In addition to the resulting loss of life and increased poverty, AMR may decrease global GDP by 3% by 2030, and by almost 4% by 2050.[2] At an intermediate discount rate, this will amount to economic losses by 2050 with a current value of $54 trillion.

Hormel does not report such external costs and consequent economic harm to its supply chain. This information is essential to shareholders, who are almost all broadly diversified. Indeed, as of November 2020, the top three holders of our shares are Vanguard, BlackRock, and State Street—investment managers with indexed or otherwise broadly diversified investors.

Such shareholders and beneficial owners are materially harmed when companies impose external costs that lower GDP, which reduces equity market values.[3] While Hormel may profit by ignoring externalized costs, diversified shareholders ultimately pay these costs, and they have a right to ask what they are.

Hormel's prior disclosures and prior shareholder proposals do not address this issue, because they do not address the public health costs Hormel imposes on shareholders as diversified investors who must fund retirement, education, public goods, and other critical social needs. This is a separate social issue of

[1] 8 Del. Code Section 361.
[2] http://documents1.worldbank.org/curated/en/323311493396993758/pdf/final-report.pdf
[3] See, e.g., https://www.advisorperspectives.com/dshort/updates/2020/11/05/market-cap-to-gdp-an-updated-look-at-the-buffett-valuation-indicator (total market capitalization to GDP "is probably the best single measure of where valuations stand at any given moment") (quoting Warren Buffet).

great importance. A study would help shareholders determine whether to seek a change in corporate direction, structure, or form to better serve their interests.

Please vote for: External Public Health Cost of Antimicrobial Resistance Disclosure – Item 4*

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Number 4* to be assigned by the Company