

California Voluntary Carbon Market Disclosures Act (VCMDA) Disclosure

Hormel Foods Corporation (Hormel) is providing the following response to California's VCMDA (also known as AB 1305)¹:

The information presented in this disclosure is provided to be responsive to the requirements of the VCMDA. The following information reflects Hormel's good faith effort to provide information complying with such requirements. In light of the general lack of applicable guidance, Hormel intends to monitor developments to assess the impact of any new and/or amended protocol, methodology, guidance, legislation, regulation, enforcement memorandum, and applicable law in connection with the VCMDA and reserves the right to modify the information included in this disclosure.

The information provided herein pertains directly to, and only to, current claims and statements set forth in Hormel's climate-related data and disclosures most recently published by Hormel and available on its website. Although Hormel first established emissions reductions goals in 2012 for achievement by 2020, information for earlier periods is no longer posted on the website and not provided as new goals have been established and Hormel believes historical data (i.e., earlier than 2021) is neither required nor meaningful to an understanding of Hormel's current emissions reductions goals and achievements.

VCMDA Section / Requirements	Relevant Claims	Disclosure
§ 44475 requires disclosure for an entity that is marketing or selling voluntary carbon offsets within the State of California.	N/A ²	N/A ³
§ 44475.1 requires disclosure for an entity that purchases or uses voluntary carbon offsets and that makes claims regarding the achievement of net zero emissions, claims implying the entity does not add net carbon dioxide or GHGs to the climate, or claims that the entity has made significant reductions to	N/A ⁴	N/A ⁵

¹ See Part 10 of Division 26 of the Cal. Health & Safety Code § 44475 et seq.

² Hormel does not market or sell voluntary carbon offsets.

³ § 44475 is not applicable to Hormel.

⁴ Hormel does not purchase or use voluntary carbon offsets.

⁵ § 44475.1 is not applicable to Hormel.

its carbon dioxide or GHG emissions.		
§ 44475.2 requires disclosure for entities making claims regarding achievement of net zero emissions, claims implying the entity does not add net carbon dioxide or GHGs to the climate, or claims that the entity has made significant reductions to its carbon dioxide or GHG emissions.	<ul style="list-style-type: none"> • Hormel commits to reduce absolute scope 1 and 2 GHG emissions 50% by 2030 from a 2019 base year. • Hormel also commits to reduce absolute scope 3 GHG emissions 27.5% within the same timeframe. • Each year we aim to achieve a 1% reduction in GHG emissions. • Reduction of 22,000 metric tons of GHG emissions in 2023. 	<p>Hormel measures, calculates, and reports on its GHG emissions in accordance with The Climate Registry, The Greenhouse Gas Protocol, and US EPA Center for Corporate Climate Leadership.⁶</p> <p>As of 2023, Hormel's near-term absolute scope GHG emissions reductions targets have been validated by the Science Based Targets initiative (SBTi).⁷</p> <p>We have reported against the progress of our GHG emission reduction goals in our [Global Impact Reports].⁸</p> <p>Outside of SBTi's validation of Hormel's near-term absolute scope GHG emissions reductions targets, there is no other independent third-party verification of the claims referenced in this disclosure.</p>

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⁶ Scope 1 and scope 2 GHG emissions were calculated in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition). Scope 3 GHG emissions were calculated in accordance with WRI/wbcsd Technical Guidance for Calculating Scope 3 Emissions (v. 1.0) with sourcing from United States Environmentally-Extended Input-Output factors, UK Department for Environment factors, Food and Rural Affairs factors, International Energy Agency factors, and US Environment Protection Agency Emissions Factors.

⁷ See [Hormel 2023 Global Impact Report](#), pg. 40, 42.

⁸ See [Hormel 2023 Global Impact Report](#), pg. 43.