

# **HORMEL FOODS CORPORATION**

## **AUDIT COMMITTEE CHARTER**

### **PURPOSE**

The purpose of the Audit Committee is to assist the Board of Directors in its oversight of the integrity of the Corporation's financial statements, the Corporation's compliance with legal and regulatory requirements, the independent auditor's qualifications, independence, and performance, the performance of the Corporation's internal audit function, the Corporation's risk management function, and the Corporation's compliance function; and to produce an annual report for inclusion in the Corporation's proxy statement, in accordance with applicable rules and regulations.

### **MEMBERSHIP**

The Committee will consist of three or more independent members of the Board appointed from time to time by the Board. The Committee will consist solely of nonemployee Directors who meet the independence and qualification requirements of Section 10A(m)(3) of the Securities Exchange Act of 1934, the Securities and Exchange Commission (the "Commission") and the New York Stock Exchange. At least one member of the Committee shall in the judgment of the Board of Directors be an audit committee financial expert as defined by the rules and regulations of the Commission. Members of the Committee are subject to removal at any time by a majority of the Board. Any resulting vacancy may be filled by the Board.

### **DUTIES AND RESPONSIBILITIES**

The Committee is not responsible for preparing financial statements or performing audits, and its members are not auditors or certifiers of the Corporation's financial statements.

The Committee will:

#### **Relationship with Independent Auditor and Independence**

1. Select the Corporation's independent auditor (subject to stockholder ratification of the selection, if such ratification is required or sought), approve the fees to be paid to such firm, and terminate such firm when circumstances warrant.
2. Review and discuss with the independent auditor the scope and plans for its audit examination, approve its services provided, its audit procedures, and the results of the annual audit examination, including any accompanying management letters.
3. Evaluate the independent auditor's qualifications, performance and independence on an ongoing basis, but no less frequently than once per year.
4. Review and evaluate the lead partner of the independent auditor team.
5. Oversee policies and procedures for, and, as appropriate, approve the engagement of, the independent auditor for any nonaudit service (to the extent such service is not prohibited by Section 10A(g) of the Securities Exchange Act of 1934, as amended) and

the fee for such service, and consider whether the independent auditor's performance of any nonaudit services is compatible with its independence.

6. At least annually, obtain and review a report by the independent auditor describing:
  - The independent auditor's internal quality-control procedures.
  - Any material issues raised by the most recent internal quality-control review, or peer review, of the independent auditor's firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with such issues.
  - All relationships between the independent auditor and the Corporation.
7. Establish clear hiring policies for employees or former employees of the independent auditor.
8. Regularly review with the independent auditor any audit problems or difficulties and management's response (including any restrictions on the scope of the independent auditor's activities or on access to requested information and any significant disagreements with management), and resolve disagreements between management and the independent auditor regarding financial reporting.
9. Meet separately with the independent auditor with and without management present, to discuss the results of their audits and examinations, including any problems or difficulties encountered during the course of the audit, management's responses and other matters the Committee or the independent auditor wish to discuss, and to review with the independent auditor the matters required to be discussed under generally accepted auditing standards relating to the conduct of the audit.

### Financial Statements & Disclosure Matters

10. Review and discuss with management and the independent auditor the Corporation's annual audited financial statements and quarterly financial statements, including the Corporation's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," prior to the filing or release of the related Form 10-K or Form 10-Q.
11. Recommend to the Board whether, based on the reviews and discussions described in paragraphs (6) and (10) above, the annual audited financial statements should be included in the Corporation's annual report on Form 10-K.
12. Review the means of safeguarding assets of the Corporation and verifying the existence of such assets.
13. Produce an annual report for inclusion in the Corporation's proxy statement, in accordance with applicable rules and regulations.
14. Generally discuss the types of information to be disclosed and the type of presentation to be made with respect to earnings press releases and financial information and earnings guidance provided to analysts and rating agencies.

15. Discuss with management and the independent auditor any issues as to the adequacy of the Corporation's internal controls and any special audit steps adopted in light of significant and material control deficiencies.
16. Review and discuss analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements, any significant change in the Corporation's selection or application of accounting principles, and any critical audit matters identified by the independent auditor.
17. Discuss with management and the independent auditor the effect on the financial statements of regulatory and accounting initiatives and off-balance sheet structures.
18. Generally discuss with management the presentation of any "pro forma" or "adjusted" non-GAAP information and any key performance indicators, including how such measures are calculated, determined and presented.

### Internal Audit Function Oversight

19. Approve the appointment and removal of the senior internal audit executive and ratify the compensation structure.
20. Oversee and review the results of the internal audits and discuss significant reports and audit issues with the senior internal audit executive and management.
21. Review and approve the annual audit plan, budget, and staffing of the internal audit function, as well as any changes to the audit plan.
22. Annually review the internal audit charter, staffing, and overall scope and responsibilities of the internal audit function.

### Risk Management Oversight

23. Review governance approach to risk management and the methods of identifying and managing risks, as well as enterprise risk management ("ERM") and other risk management policies.
24. Periodically review and discuss with management significant financial and operational risks identified from ERM program assessment and the mitigating actions deployed by the Corporation to monitor and manage such risks.
25. Review and discuss with management the assessment and management of cybersecurity and information technology risks.

### Compliance Function Oversight

26. Approve the appointment and removal of the Chief Compliance Officer and ratify the compensation structure as needed.
27. Exercise oversight of the compliance program through review and discussion with the Chief Compliance Officer regarding processes, policies, and programs deployed to

ensure an ethical culture and compliance with applicable laws and regulations, corporate policies and the Code of Ethical Business Conduct.

28. Review and oversee procedures for receiving retaining and handling complaints received by the Corporation regarding accounting, internal controls or auditing matters, as well as the confidential, anonymous submissions by employees of concerns regarding accounting, auditing, or other ethics and compliance matters. Review reports summarizing incident reports, results of investigations and disciplinary actions relating to the Code of Ethical Business Conduct violations.
29. Discuss with the Chief Compliance Officer compliance matters that may have a material impact on the Corporation's operations or financial statements.
30. Review and approve the annual compliance plan, budget, and staffing, as well as any changes to the compliance plan.
31. Oversee the Corporation's Code of Ethical Business Conduct, which will include (but not be limited to) a code of ethics for senior financial officers as contemplated by Section 406(c) of the Sarbanes-Oxley Act of 2002.

#### Other Matters

32. Oversee the Corporation's policies and procedures with respect to its Related Party Transaction Policy and review and approve or ratify all related party transactions in accordance therewith.
33. Meet at least quarterly with management, the senior internal audit executive, and the independent auditor in separate executive sessions.
34. Review and reassess the adequacy of this Charter at least annually and recommend any proposed changes to the Board for approval.
35. Conduct an annual performance evaluation of the Committee.
36. As appropriate, obtain advice and assistance from outside legal, accounting or other advisors.

The Committee will provide regular reports of its activities to the Board, specifically addressing any issues that arise with respect to the quality or integrity of the Corporation's financial statements, the Corporation's compliance with legal or regulatory requirements, the qualifications, performance and independence of the Corporation's independent auditors, the performance of the internal audit function, the Corporation's risk management, and the Corporation's compliance function.

#### **MEETINGS**

The Committee will meet five times annually, or more frequently as circumstances dictate. A majority of the members of the Committee will constitute a quorum for the transaction of business.

## **RESOURCES AND AUTHORITY**

The Committee will have the resources and authority to discharge its responsibilities, including sole authority to:

- Retain and terminate the independent auditor, which will be accountable to and report to the Committee.
- Conduct or authorize investigations into any matters within its scope of responsibilities.
- Engage outside auditors for special audits, reviews and other procedures.
- Retain and terminate special counsel and other experts and consultants to advise the Committee.
- Approve the fees and other retention terms for such parties.

The Corporation shall provide appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report or performing other audit, review or attest services for the Corporation and to any advisors employed by the Audit Committee, as well as funding for the payment of ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

The Committee may request any officer or employee of the Corporation or the Corporation's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Committee has the authority to use other resources either within or outside the Corporation to address special circumstances when appropriate.

The Committee may delegate its authority to the Audit Committee Chair or subcommittees established by the Committee from time to time, which subcommittees will consist of one or more members of the Committee and will report to the Committee.

## **ADOPTION OF CHARTER**

This amended and restated Charter was adopted by the Board of Directors on November 22, 2021.