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Company: Hormel Foods Corp.
Ticker: HRL
COMPANY PARTICIPANTS

James P. Snee - Hormel Foods Corp., Chairman, President & Chief Executive Officer
Unverified Participant

MANAGEMENT DISCUSSION SECTION

James P. Snee

Good evening and welcome to the Hormel Foods 2022 Annual Meeting of Stockholders. I am Jim Snee, Chairman of the Board, President and CEO. We would have enjoyed meeting with you in person. However, due to the ongoing COVID-19 pandemic, we are holding our meeting virtually again this year. In attendance for this meeting, our members of our board of directors and our leadership team. Also joining us are representatives of Ernst & Young, our independent registered public accounting firm. The agenda and the rules of conduct we will follow are posted on the online meeting portal.

Our Corporate Secretary, Brian Johnson, has confirmed proper notice of the meeting has been given and a quorum is present at this meeting. Please note the legal disclosure shown on the meeting screen as some of the comments tonight may be forward looking. Additionally, please note the disclosure shown on the meeting screen regarding the presentation of non-GAAP financial measures.

I declare the polls open for voting. The polls will remain open until all items of business have been presented. Any stockholder who has not voted by proxy and would like to vote online tonight may do so by clicking on the Voting button on the online portal.

The board of directors has elected Jana Haynes, Gary Jamison, and Nadia Braaten as inspectors of elections for this meeting. Our first item of business is the election of a board of 12 directors. In addition to me, the nominees for director are as follows: Prama Bhatt, Chief Digital Officer, Ulta Beauty; Gary Bhojwani, Chief Executive Officer of CNO Financial Chief Executive Officer of CNO Financial Group and Former Chairman of Allianz Life Insurance Company of North America; Terry Crews, Former Executive Vice President and Chief Financial Officer for Monsanto Company; Steve Lacy, former Chairman of the Board, President and Chief Executive Officer of Meredith Corporation; Dr. Elsa Murano, Associate Vice Chancellor for Academic Strategic Initiatives, Texas A&M University, and former undersecretary for food safety at the US

Department of Agriculture; Susan Westergaard, Former President, Global Health Care for Ecolab; Bill Newlands, President and Chief Executive Officer of Constellation Brands.

Our lead director, Chris Policinski, Former President and Chief Executive Officer of Land O'Lakes; Jose Luis Prado, former President, Quaker Oats North America and Global Baking for PepsiCo; Sally Smith, Former President and Chief Executive Officer of Buffalo Wild Wings; and Steve White, former President, Comcast West Division.

The second item of business is ratification of the audit committee's appointment of Ernst & Young as the company's independent registered public accounting firm for fiscal 2022. The third item of business is the say-on-pay advisory vote on executive compensation. The board believes our compensation programs have been effective and recommends a vote for adoption of the resolution to approve the compensation of the companies named executive officers. The fourth item of business is consideration of the stockholder proposal, which was included in the proxy statement for this meeting I believe we have a representative from the shareowner, Commons, joining us to make a statement.

The line is now open for a shareholder proponent.

Unverified Participant

Thank you. 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 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 uses medically important antibiotics for growth promotions, 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 costs under – 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. For Hormel, this may lead to overuse of antibiotics and raising livestock to create – to increase profit, despite increasing antimicrobial resistance or the ability of diseases to resist antibiotics. In addition to the resulting loss of life and increased poverty, antimicrobial resistance may

decrease global GDP by 3% by 2030 and by almost 4% by 2050. At an intermediate discount rate, this will amount to economic losses by 2050, with the current value of $54 trillion.

Hormel doesn't 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, after The Hormel Foundation, which owns almost 50% of our shares, the top three holders of our shares are Vanguard, BlackRock and State Street investment managers with index 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. Though 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 don't address this issue because they don't address the public health costs. Hormel imposes on shareholders as diversified investors who must fund retirement, education, public goods and other critical social needs.

A study would help our shareholders determine whether to seek a change in corporate direction, structure or form to better serve their interests. Please vote for Item Number 4. Thank you.

James P. Snee

I wanted to take a minute to share the industry leading antibiotic stewardship efforts we have been doing collaboratively with many stakeholders including NGOs, colleges and universities and the public sector. In 2018, Hormel Foods, along with retailers, producers and trade and professional associations, announced a National Comprehensive Framework to strengthen stewardship of antibiotic use. This national framework was part of a two-year dialog with stakeholders, moderated by the Farm Foundation and Pew Charitable Trusts to ensure that antibiotics are used judiciously throughout production to protect animal and public health.

With our leadership, the group helped to find 15 core components of the antibiotic stewardship framework including goals that have clear scientific basis, are transparent, minimize the risk of unintended consequences, encourage alternatives to antibiotics and focus on long-term sustainability. Hormel Foods took this work. And in collaboration with several NGOs and sustainable investors, we created our first antibiotic stewardship report, launched last January.

This report provides more details about our antibiotic stewardship program and metrics, and including antibiotic usage data, detailed information about management, preventive medicine, veterinary oversight and continuous improvement.

In addition to our ongoing stewardship efforts, we committed to additional steps in 2021, including striving for a 10% year-over-year reduction in medically important antibiotic use at our company-owned farms. And we committed to eliminate the routine use of medically important antibiotics at our Jennie-O Turkey Store farms in 2022, as well as a further study toward the elimination of one final, medically important antibiotic on our company-owned 00:09:50 farm by 2025. We are on track to achieve these important milestones.

And finally, we have recently begun working with the United Nations Business Council on Antibiotic Stewardship. They are grateful for our support to help create new avenues for private sector engagement in the United Nations Sustainable Development Goals, and for private sector action on antimicrobial resistance. We find these types of partnerships and dialogues to be incredibly beneficial and informative to our efforts.

The board believes that the company's antibiotic stewardship efforts are industry-leading and that the study requested by the proposal would incur unnecessary expense and divert management's attention from what the company is in the best position to control: ensuring stewardship of antibiotics within our control. The board thus recommends a vote against the proposal.

At this time, I declare the polls are now closed. Based on a preliminary vote tabulation, I am pleased to report each of the 12 director nominees has been elected by a majority vote. Items 2 and 3 have been approved by the required votes, and Item 4 has been defeated. The final vote tabulation will be included in a Form 8-K filed with the SEC in the next few days.

This concludes the business portion of the agenda, and I declare the formal meeting adjourned.

Next, I'd like to report on executive advancements and retirements since our last meeting. Glenn Leitch Executive Vice President Supply Chain retired in April after 25 years of outstanding service with the company. We thank Glenn for his distinguished leadership and wish him well in retirement. Succeeding Glenn is Mark Coffey who advance to Group Vice President Supply

Chain. Mark brings a wealth of operations and strategic business experience to his new position. In a related move, Jen Ehresmann was named Vice President of Supply Chain and we are already benefiting from her significant supply chain expertise. Luis Marconi recently announced his retirement as Group Vice President Grocery Products after 20 distinguished years of service with the company. Luis will officially retire this spring. We thank him for his inspiring leadership and wish him well in his upcoming retirement. Jeff Frank will succeed Luis as Group Vice President Grocery Products.

Early in the year, Jeff was named Vice President Grocery Products responsible for the strategic integration of the Planters snack nuts business into the company. After leading a successful integration of the largest acquisition the company has ever made, Jeff will now utilize his significant skillset to lead our grocery products business. Annemarie Vaupel succeeded Jeff as Vice President Foodservice Marketing. Annemarie brings significant innovation, marketing and sales acumen to her new position. Wendy Watkins advance to the new post of Senior Vice President and Chief Communications Officer. Wendy is continuing her outstanding stewardship of the company's corporate reputation, internal and external communications, corporate social responsibility and issues management.

Jim Sheehan, Executive Vice President and Chief Financial Officer, announced his retirement at the end of the calendar year after 43 years of distinguished service with the company. Jim's financial leadership throughout this pandemic has been particularly noteworthy. He's been a trusted advisor and a loyal steward for this company. On behalf of the board of directors, we thank Jim for his inspiring leadership and dedication to the company and wish him well in retirement.

Succeeding Jim is Jacinth Smiley, who advance to Executive Vice President and Chief Financial Officer on January 1. Jacinth joined Hormel Foods in April as Group Vice President of Corporate Strategy with more than 25 years of global finance and accounting leadership experience with other large, publicly traded corporations, including LyondellBasell and General Electric. She brings a strong finance background with significant experience in strategic planning, financial planning and analysis, mergers and acquisitions, and international operations to this position. I am confident Jacinth will continue our track record of financial excellence.

I wish all of the best to these retirees who now get to join our distinguished ranks of alumni and extend congratulations to all of our new appointees in 2021. This leadership team continues to be exceptional.

I will now share some highlights from our fiscal 2021 and then we'll have our question-and-answer session. The world has changed dramatically over these last couple of years. And your company has not only kept pace, it has set the pace as a food forward, responsible global branded food company. Our customers, our team members and our consumers continue to count on Hormel Foods to do what we say we're going to do. Our uncommon experience built over the past 130 years is what allows us to successfully navigate the rapidly changing business environment.

In 2021, we shifted our focus from solely managing the pandemic to finding ways to move onward from it. Armed with a playbook to strategically manage our business and accelerate our growth, we are moving onward with the same relentless focus on building a better, stronger, more agile and more balanced global branded food company. One that is vibrant, healthy and growing. Moving onward, because it is what we have always done, and we know no other way.

Since the onset of the pandemic, we never wavered on our commitment to team member safety. Our responsibility to the country's food supply or making disciplined and strategic investments that ensure we are positioned to deliver long-term sustainable growth. In 2021, we face virtually every type of challenge, from the continuing impact of the pandemic to labor shortages and supply chain challenges. And I am pleased to report that your company never lost its focus on delivering a year marked with numerous records.

We achieved record net sales in fiscal 2021, exceeding both $10 billion and $11 billion in sales for the first time.

For the full year, net sales were $11.4 billion, representing 19% sales growth. In fact, we reported the two largest net sales quarters in our company's history. Our top line growth was incredibly balanced as each of our go to market sales channels and business segments posted strong double-digit sales gains. Adjusted diluted earnings per share for the full year increased 4% to $1.73 in spite of significant inflationary pressure and supply chain challenges. In fiscal 2021, we invested more than $230 million into capital projects that expanded production capacity and enhanced our capabilities.

We opened Papillion Foods, a new state of the art manufacturing facility in Nebraska, and also started shipping product from our expanded pizza topping production area at our corporation manufacturing facility in Iowa. We also committed to a large expansion of our pepperoni production capacity to support further growth in our retail and food service businesses.

Additionally, in 2021, your company returned a record $523 million in dividends to shareholders, and we announced an increase of 6% to the dividend for fiscal 2022, which will represent the 56th consecutive year of dividend increases with the annualized rate of $1.04 per share. We remain one of about 30 companies with the designation of Dividend King, a special designation reserved for those companies that have increased their dividend for at least 50 consecutive years. And your company continues to have a strong balance sheet, one that's enviable among Fortune 500 companies and our peers. As a result, we were able to attain incredibly low interest rates to finance the acquisition of Planters. Our weighted average cost of debt is 1.6%, the lowest of our peer group. And we move into the future with a more efficient capital structure. We've been rewarded by the market for our long-term decision making. Over the past 10 calendar years, the total return to shareholders in both stock price and reinvested dividends has represented a 15% compound annual growth rate outpacing our peer group.

Our financial strength benefits our shareholders but also our team members. Last year, Hormel Foods celebrated its 83rd third consecutive year of sharing profits with its team members, a program started by Jay C. Hormel in 1938. Our team members are the backbone of this company and the reason behind our continued financial success. This company's financial strength is undeniable and certainly uncommon. As evidenced, the company's four business segments delivered strong results in fiscal 2021. And let me take just a few moments to highlight some of those successes.

Our Refrigerated Foods group experienced strong retail demand throughout the year, and also had a rapid recovery in the foodservice business during the second half of the year. Products such as Columbus grab-and-go items, Hormel Gatherings, Party Trays, Hormel Black Label Bacon, Hormel Pepperoni, and Applegate Natural and Organic Meats; all delivered impressive growth in 2021.

Our International segment had record results in 2021, led by our retail and foodservice businesses in China. The fourth quarter marked the seventh consecutive quarter of record earnings growth for the segment. Demand for brands such as SPAM and SKIPPY continue to be incredibly strong in Europe, the Philippines, and South Korea.

Our International business is important to our long-term growth goals, and we continue to invest in our key markets, including China where we are building a new R&D and innovation facility. When completed, this facility will serve as the innovation hub for our Asia-Pacific region. It is just one of the many investments we are making in our facilities around the world.

Our Grocery Products segment continued to prove that our brands are more relevant today than they've ever been. Perhaps, our most iconic brand, SPAM, celebrated yet another record year of sales growth, our seventh consecutive year. In fact, demand is so strong. We recently announced our plans for a fifth SPAM production line, which will provide our domestic and international teams with much needed capacity to continue this incredible growth.

And SPAM has been joined by yet another iconic brand. In June of last year, we made the largest acquisition in the company's history when we purchased Planters and its affiliated snack nuts brands. Planters is a great brand with nearly universal awareness in the snacking space. It is historic and iconic in the snacking space. It is historic and iconic and certainly beloved by its fans, and it has been for generations. Net sales for Planters Snack Nuts portfolio were $1 billion in 2020. And we fully expect to leverage our expertise and brand building to grow this portfolio to even greater heights in the future.

[Video Presentation] 00:24:03- 00:26:19

James P. Snee

Since acquiring the Planters snack nuts business six months ago, our sales, marketing, innovation, and R&D teams have been hard at work, developing new and innovative products, flavors, and packaging, many of which will be rolled out this coming year.

This year, 115-year0old Planters brand is continuing to build upon our purpose of bringing substance to fans, both in snacking and in life, through some exciting marketing initiatives. A few weeks ago, we put out a call for the next class of peanutters to chauffeur MR. PEANUT from coast to coast in his iconic NUTMOBILE. We are thrilled to welcome the new class to the Hormel Foods family and carry out the long-standing tradition of creating special in-person moments of substance with our consumers across the country.

The Planters brand will also be making a return to the Super Bowl, the biggest snacking occasion of the year. We are teaming up with comedic actors Ken Jeong and Joel McHale to take the debate of how fans eat their mixed nuts to the advertising world's biggest stage.

[Video Presentation] 00:27:36-00:28:05

The Planters snack nuts business is a big part of our six new strategic imperatives unveiled to the investor community at our virtual investor update in October of 2021. Over the past decade, Hormel Foods has deliberately evolved from a meat-centric, commodity-driven company to a global branded food company. Our company is more food forward than it's ever been with a sharp focus on the needs of our consumers, customers, and operators. These imperatives are an evolution of the successful agenda we outlined in 2019 and have executed against over the last two years.

First, we expect to expand our leadership position in the foodservice industry, and we have the portfolio, the expertise, team and partnerships to do so. This includes growth in the areas where we are strong, such as restaurants, hotels, colleges and universities, as well as emerging growth spaces for us, such as convenience stores.

The Planters snack nuts business provides us the necessary scale and gives us a leadership position in this very important convenience channel. In spite of the dramatic declines in 2020, our foodservice declines in 2020, our food service business has grown 10% over 2019 pre-pandemic levels. Second, we must continue to protect and grow our core brands. Our formula for success hasn't changed. Building brands, innovating, making strategic acquisitions and continuing to find balance across our entire organization. And while all elements of our formula are important, brand building is an uncommon skill set that is an undeniable competitive advantage for us.

We continue to hold an impressive number one or number two position in more than 40 categories, led by brands such as Spam, Skippy, Wholly, 00:30:21, Hormel Pepperoni, Planters, Columbus, Hormel Gatherings, Applegate and Jennie-O. And we plan to increase our advertising investments significantly from the $139 million we invested in 2021. Since the pandemic, our brands and products have been introduced to $2 million households. And now with Planters, approximately 87% of all households in the United States purchase products sold by your company.

Our research also shows that Hormel Foods consumers are buying our products more often and spending more on our leading brands. Consumers also pivoted to e-commerce for their food needs during the pandemic. Hormel Foods was well prepared to capitalize on the accelerated transition to online grocery shopping for pickup or delivery, leading to another record year of strong growth in our e-commerce business. Our e-commerce sales grew 20% Our e-commerce sales grew 20% after doubling in 2020 and now represents about 10% of our total retail sales.

Taken together, our domestic retail businesses have grown net sales 25% since the start of the pandemic.

As we move to our third strategic imperative, we need to aggressively develop and expand our global presence. We are a global branded food company. Our international business has a long runway for growth, but it currently represents less than 10% of total company sales. We are confident we can bring meaningful scale to select global markets and we are making the necessary investments to do that and succeed long term.

Our fourth initiative is to use our Planters Snack Nuts business as a springboard to amplify our scale and snacking and entertaining across the entire company. Snacking and entertaining cuts across all segments and channels and we are ideally positioned to leverage our powerful and complementary portfolio of brands such as Planters, Hormel Gatherings, Holy, Skippy and Columbus in this space. We believe this sector will be our next growth engine.

Our fifth initiative is to enhance the growth of our ethnic and food forward portfolios. We have been growing our on-trend businesses such as Mega Max and Applegate and we are continuing to evolve our portfolio to meet the changing needs of today's consumers. Finally, we need to continue to transform our company to enable future growth by modernizing our organization through process improvements, product and business innovations and groundbreaking technology, we will make evolutionary and revolutionary leaps in our company's processes and systems. This includes leveraging technology, AI, and automation in ways we never have before. All of these areas have the potential to make us even more efficient, safer and productive. These are the areas where we will focus and invest, but our investments go beyond those we are making in our brands and facilities. We are also investing in our communities and delivering on our commitment to ESG.

Hormel Foods purpose is clear: Inspired people, inspired food and our 20,000 team members are just as committed to making the world a better place as they are to making great food. Several years ago, we launched what we call Our Food Journey, our commitment to being a different type of company, one that understands its ability to positively impact social value as we create economic value. Our focus is on making a difference with our people, our communities and our products. It includes a defined set of goals that is in alignment with the United Nations' sustainability goals and includes commitments regarding environmental stewardship, food security, and diversity and inclusion. These 20 by 30 goals are substantial and meaningful, and most important, they are what is expected of a world-class company like Hormel Foods. These goals include important climate commitments, wellness efforts, and some

groundbreaking work to build food secure communities where we live and work, a mission that became even more important during the pandemic. These ambitious goals were announced last year to the public. And you can follow our progress on these goals at our website, www.hormel foods.com.

For us, it is just as much about the small acts. Acts such as ensuring homebound seniors receive food during the pandemic, and getting that food from local restaurants that needed a helping hand. As it is, the large efforts such as our Inspired Pathways program, a game changing initiative that provides the opportunity of a free two-year community college education to the dependent children of our team members. This year, we helped more than 200 young people realize their dream of a college education, and we had a good role model.

The Hormel Foundation created a similar program several years ago for students in Austin, Minnesota, and to-date, they've helped almost 450 students since the program has been in place. Our program received national attention, and a number of other companies have followed our effort, demonstrating once again our corporate citizenship leadership. In the last five years, Hormel Foods has donated more than $50 million to worthwhile causes.

More importantly, we are leading the food industry with our environmental, social and governance efforts. And our good work continues to be recognized. We have been named one of the World's Most Admired Consumer Food Companies by Fortune, one of America's Most Responsible Companies by Newsweek and one of the Top Companies in the World for Women by Forbes Magazine. And these are just a few of the honors and accolades for our good work.

We've always been a leader in our industry a difference maker in our communities. Our focus in areas such as environmental, social, governance and diversity and inclusion will only continue to grow in importance for our company, our consumers, our customers and our shareholders. Our team members have heard me say often, they are uncommon. And as a result, so is this company.

We have been through a great deal. The word unprecedented doesn't even begin to describe the reality of the past two years. And yet we have persevered together as one unified team committed to not letting anyone down and doing what we say we are going to do.

In the process, we have demonstrated a culture that values people, supports communities and delivers results. We have a lot to be proud of in 2021 and even more to look forward to in 2022. My sincere thanks to our team members for all they do and to our stockholders for your continued commitment to Hormel Foods. Thank you.

I'm now happy to take questions. To submit a question use the box in the lower left corner of the online meeting portal. We will answer as many of your questions as time allows. If we don't get to your question, feel free to follow up with our Investor Relations group through our corporate website. Assisting me with our Q&A are Nathan Annis, Director of Investor Relations; Wendy Watkins, Senior Vice President and Chief Communications Officer; and Brian Johnson Vice President and Corporate Secretary.

Our first question asks how the company continues to manage supply chain challenges with the Omicron surge. And COVID has certainly been incredibly difficult for us over the last several years. As we started our new fiscal year in November, our supply chain performance was getting better. However, as the Omicron surge started to ramp up in mid-December and January, you know, we really started experiencing increased supply chain disruptions and this has had a much larger impact on our ability to fully meet the demand that we are seeing from our customers both retail and foodservice. Our supply chain team has been extremely diligent throughout COVID and over the long term, we will continue to improve our performance over time. And as we have done throughout the entire pandemic, nothing has been more important than the safety of our team members.

We also received many questions asking whether we are going to bring back our Little Sizzlers sausage. You know, it just wouldn’t really be an annual meeting without this question. And while the year has changed, unfortunately the answer remains the same. While we don’t want to disappoint our loyal Little Sizzler fans, we don’t have any plans to bring the Little Sizzler products back. However, I do want to remind all of you that we’ve got some great pork sausage items under the Applegate brand available at retailers near you.

We’ve also received several questions about our board of directors, and the questions are pertaining to the board composition and the diversity of our directors. And we are incredibly fortunate. Hormel Foods has a world-class board of directors. Now, our board is made up of directors with significant business experience which we value greatly, and our board does have a policy that no person may stand for election to the board after reaching age 72. And equally as important is we have a very strategic board process which reviews director candidates each year to ensure that we have a robust slate of director candidates. And then in regard to the

diversity, you know, our board of directors and senior management team's been applauded for our diversity. And our current board is 67% male, 33% female and 42% racially or ethnically diverse. So really a compliment to to our board and the great work that they've done to support our company.

A number of questions wondering if Hormel plans to do a drive thru gift box or gift box pick up this year. Our annual meeting gift boxes will be available at the SPAM museum for the next week – all you need to do is simply show your proof of stock ownership, and you can pick up your box there. We extended the time to pick up those boxes in an effort to make it most convenient for all of you.

We've had a couple of questions about Hormel Foods commitment to animal welfare in our supply chain including one that was submitted by PETA regarding our Jennie-O Turkey Store location, as well as our continued focus on plant-based proteins. So let me start by saying that Hormel Foods meets regularly with animal welfare groups and in fact, we were recently sent a letter from PETA commending the company on its plant-based pizza toppings, a really great new product line that Hormel Foods has been working on for some time along with all of our Happy Little Plants line of plant-based proteins. We also received a letter from them congratulating us on our Planters acquisition. And as I said in my remarks, we are really excited about the company's continued evolution into plant-based protein throughout our portfolio and 25% of Hormel Foods portfolio is now non-meat. And so as we continue our evolution as a global branded food company, we've gone from being the meat-centric company to one that has a wide variety of non-meat products in our portfolio including Planters, Skippy, Justin's, Wholly Guacamole, you know as well as our continued investments in plant-based meat alternatives through Happy Little Plants and within our foodservice portfolio. And so just a lot of accolades for our portfolio being focused on where the consumer is going. As it relates to animal welfare, Hormel Foods has a strong animal welfare stewardship council that oversees and directs all animal welfare practices and principles within Hormel Foods. This group meets regularly and is guided by an unrelenting focus on ensuring that animals within our supply chain are treated humanely. We do have a zero-tolerance policy on animal mistreatment within our supply chain and any issues are fully investigated.

The next set of questions that we received is regarding our financial metrics, our stock performance, and our level of debt. And it won't come as any surprise that we continue to be focused on responsibly managing our company and our financials. We always take a long-term approach to our decision making to ensure superior returns for our shareholders. And we, like you, believe that the market will reward consistent sales and earnings growth as well as strong corporate citizenship over the long-term just as we've seen in the past. We continue to

prioritize returning cash to shareholders through increasing dividends and investing in growth of the business whether through M&A, investments in people, production capabilities, technology, innovation, automation and then we also understand the importance of corporate citizenship. And it's an increasing importance as shareholders continue to value companies with that as an important variable. Which is why the 20 by 30 challenge in Our Food Journey remains vitally important. And our disciplined approach to financial decision making was rewarded with the low interest rates at which we were able to secure debt to finance the Planters' acquisition.

And ESG does continue to be a topic of increasing importance to shareholders, and we saw that with the number of ESG questions that were submitted. We received questions and comments on our great corporate citizenship, the potential use of hydrogen power and the work we are doing in the area of diversity, equity, and inclusion. Several years ago, as I mentioned, we talked about Our Food Journey, which is all about our company's purpose, brands, and products. And we continue to be recognized as one of the world's most responsible companies. And this will continue to be an important area for us which is why our 20 by 30 goals are such an area of focus, which I referenced in my prepared remarks.

And we are incredibly proud of the diversity and inclusion efforts at Hormel Foods. Transcending from our board of directors and leadership team to our frontline team members where we have team members who speak dozens of languages and represent more than 30 countries. We embrace diversity because it makes us a better company. Over the last several years, we've made significant strides in increasing diversity and strengthening our culture of inclusion. This momentum is built on a strong foundation that intentional actions and discipline will create opportunities for growth. And it's for those reasons that Hormel Foods continues to receive such strong marks from so many organizations for its work. From being ranked as one of the world's most admired companies and a top female friendly workplace in the world. The work we are doing matters and will continue to matter as its not only expected by our stakeholders, it's the right thing to do.

And finally, we received a comment from Darlene Hardy who has been a shareholder for over 65 years. She wants to thank all Hormel employees for their dedication to excellence and strong leadership during a volatile time. She also has encouraged us to increase the level of exposure of our products throughout Minnesota. Darlene, we appreciate your comments, and I will personally make sure your feedback gets to the right people in the organization.

Well, that’s it for our question-and-answer period. I want to thank all of you for your great questions. We thank you for joining us tonight and for your continued support of Hormel Foods. Enjoy your evening and stay safe.