

## **HORMEL FOODS CORPORATION COMPENSATION COMMITTEE CHARTER**

### **PURPOSE**

The purposes of the Compensation Committee are to discharge the responsibilities of the Board of Directors relating to compensation of the corporation's Chief Executive Officer and other members of the corporation's senior management, to establish compensation programs that comply with the corporation's compensation philosophy, and to produce an annual report on executive compensation for inclusion in the corporation's proxy statement, in accordance with applicable rules and regulations.

### **MEMBERSHIP**

The Committee will consist of three or more members of the Board appointed from time to time by the Board. The Committee will consist solely of non-employee directors who meet the independence requirements of the New York Stock Exchange. 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 will:

1. review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer;
2. evaluate the Chief Executive Officer's performance in light of approved goals and objectives and establish the Chief Executive Officer's compensation level based on this evaluation;
3. review and approve the cash and non-cash compensation provided to senior management;
4. at least once annually, meet with a compensation consultant to review the corporation's compensation programs and policies;
5. make recommendations to the Board with respect to incentive compensation plans and equity-based plans;
6. administer incentive compensation plans and equity-based plans in which senior management participate;
7. evaluate compliance with the corporation's compensation plans and policies;
8. produce an annual report on executive compensation for inclusion in the corporation's proxy statement, in accordance with applicable rules and regulations;

9. evaluate any revisions to the compensation program for the corporation's non-employee directors that are recommended by the Executive Committee, and recommend revisions to the Board for ratification, as appropriate; and
10. conduct an annual evaluation of the Committee's performance in carrying out these duties and responsibilities.

The Committee will provide regular reports of its activities to the Board.

## **MEETINGS**

The Committee will meet twice 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 appropriate to discharge its responsibilities, including the authority to use internal personnel and sole authority to retain and terminate external compensation consultants and to approve the fees and other retention terms related to the appointment of such consultants.

The Committee may delegate its authority in accordance with the Delaware General Corporation Law to 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, *except* that the Committee will not delegate its authority with respect to compensation matters involving any persons subject to Section 16 of the Securities and Exchange Act of 1934, as amended.

## **ADOPTION OF CHARTER**

This Charter was originally adopted by the Board of Directors on November 25, 2002.