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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><div style="text-align: center; font-size: 24pt; font-weight: bold;">2017</div><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                          |                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                                                                                                                           |
| For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</u> |                                                                                                                                                                                                                                                                                                                                           |
| <b>A</b> This return/report is for:                                                                      | <input type="checkbox"/> a multiemployer plan <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)<br><input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a DFE (specify) ____ |
| <b>B</b> This return/report is:                                                                          | <input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report<br><input type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months)                                                                                                     |
| <b>C</b> If the plan is a collectively-bargained plan, check here. . . . .                               | <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                  |
| <b>D</b> Check box if filing under:                                                                      | <input checked="" type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> the DFVC program<br><input type="checkbox"/> special extension (enter description)                                                                                                                                    |

|                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                          |            |                                                       |  |                                                                     |  |                                                                  |  |                                                             |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|------------|-------------------------------------------------------|--|---------------------------------------------------------------------|--|------------------------------------------------------------------|--|-------------------------------------------------------------|--|
| <b>Part II</b>                                                                                                                                                                                                                                                                                                                                              | <b>Basic Plan Information—enter all requested information</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                          |            |                                                       |  |                                                                     |  |                                                                  |  |                                                             |  |
| <b>1a</b> Name of plan<br><u>SMITHFIELD FOODS SALARIED PENSION PLAN</u>                                                                                                                                                                                                                                                                                     | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>1b</b> Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2"><b>1c</b> Effective date of plan<br/><u>01/01/1994</u></td> </tr> <tr> <td colspan="2"><b>2b</b> Employer Identification Number (EIN)<br/><u>52-0845861</u></td> </tr> <tr> <td colspan="2"><b>2c</b> Plan Sponsor's telephone number<br/><u>866-551-9423</u></td> </tr> <tr> <td colspan="2"><b>2d</b> Business code (see instructions)<br/><u>311610</u></td> </tr> </table> | <b>1b</b> Three-digit plan number (PN) ▶ | <u>001</u> | <b>1c</b> Effective date of plan<br><u>01/01/1994</u> |  | <b>2b</b> Employer Identification Number (EIN)<br><u>52-0845861</u> |  | <b>2c</b> Plan Sponsor's telephone number<br><u>866-551-9423</u> |  | <b>2d</b> Business code (see instructions)<br><u>311610</u> |  |
| <b>1b</b> Three-digit plan number (PN) ▶                                                                                                                                                                                                                                                                                                                    | <u>001</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                          |            |                                                       |  |                                                                     |  |                                                                  |  |                                                             |  |
| <b>1c</b> Effective date of plan<br><u>01/01/1994</u>                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                          |            |                                                       |  |                                                                     |  |                                                                  |  |                                                             |  |
| <b>2b</b> Employer Identification Number (EIN)<br><u>52-0845861</u>                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                          |            |                                                       |  |                                                                     |  |                                                                  |  |                                                             |  |
| <b>2c</b> Plan Sponsor's telephone number<br><u>866-551-9423</u>                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                          |            |                                                       |  |                                                                     |  |                                                                  |  |                                                             |  |
| <b>2d</b> Business code (see instructions)<br><u>311610</u>                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                          |            |                                                       |  |                                                                     |  |                                                                  |  |                                                             |  |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br><u>SMITHFIELD FOODS, INC.</u><br><br><u>200 COMMERCE ST</u><br><u>SMITHFIELD, VA 23430</u> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                          |            |                                                       |  |                                                                     |  |                                                                  |  |                                                             |  |

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

|                  |                                                   |            |                                                              |
|------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 10/15/2018 | HOPE K. REILLY                                               |
|                  | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | Signature of DFE                                  | Date       | Enter name of individual signing as DFE                      |

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2017)  
v. 170203

|                                                                                                                                                                                                                                                                                        |                                                                                                               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor<br><br>SMITHFIELD FOODS, INC.<br><br>P.O. BOX 9004<br>SMITHFIELD, VA 23431                                                                                                               | <b>3b</b> Administrator's EIN<br>52-0845861<br><br><b>3c</b> Administrator's telephone number<br>866-551-9423 |
| <b>4</b> If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name | <b>4b</b> EIN<br><br><b>4d</b> PN                                                                             |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                | <b>5</b> 13284                                                                                                |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                       |                                                                                                               |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year .....                                                                                                                                                                                                | <b>6a(1)</b> 7513                                                                                             |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                                                                                      | <b>6a(2)</b> 7816                                                                                             |
| <b>b</b> Retired or separated participants receiving benefits .....                                                                                                                                                                                                                    | <b>6b</b> 2940                                                                                                |
| <b>c</b> Other retired or separated participants entitled to future benefits .....                                                                                                                                                                                                     | <b>6c</b> 2573                                                                                                |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                                                                                            | <b>6d</b> 13329                                                                                               |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....                                                                                                                                                                             | <b>6e</b> 526                                                                                                 |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> . ....                                                                                                                                                                                                                               | <b>6f</b> 13855                                                                                               |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....                                                                                                                                        | <b>6g</b>                                                                                                     |
| <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested .....                                                                                                                                             | <b>6h</b> 530                                                                                                 |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....                                                                                                                                                    | <b>7</b>                                                                                                      |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>1A 3H                                                                                                                  |                                                                                                               |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                            |                                                                                                               |

|                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

**b General Schedules**

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☒ 1 **A** (Insurance Information)
- (4) ☐ **C** (Service Provider Information)
- (5) ☒ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

**Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)**

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2017 Form M-1 annual report. If the plan was not required to file the 2017 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code \_\_\_\_\_

|                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                           |                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE A</b><br><b>(Form 5500)</b><br>Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | <b>Insurance Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br>▶ <b>File as an attachment to Form 5500.</b><br><br>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2). | OMB No. 1210-0110<br><br><b>2017</b><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                            |                                                             |
|--------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017 |                                                             |
| <b>A</b> Name of plan<br>SMITHFIELD FOODS SALARIED PENSION PLAN                            | <b>B</b> Three-digit plan number (PN) ▶ 001                 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br>SMITHFIELD FOODS, INC.    | <b>D</b> Employer Identification Number (EIN)<br>52-0845861 |

|               |                                                                                                                                                                                                                                                     |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b> | <b>Information Concerning Insurance Contract Coverage, Fees, and Commissions</b> Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A. |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                |
|--------------------------------|
| <b>1</b> Coverage Information: |
|--------------------------------|

|                                                                                    |
|------------------------------------------------------------------------------------|
| <b>(a)</b> Name of insurance carrier<br>JOHN HANCOCK LIFE INSURANCE COMPANY U.S.A. |
|------------------------------------------------------------------------------------|

| (b) EIN    | (c) NAIC code | (d) Contract or identification number | (e) Approximate number of persons covered at end of policy or contract year | Policy or contract year |            |
|------------|---------------|---------------------------------------|-----------------------------------------------------------------------------|-------------------------|------------|
|            |               |                                       |                                                                             | (f) From                | (g) To     |
| 01-0233346 | 65838         | GAC 714 ASSN O                        | 0                                                                           | 01/01/2017              | 12/31/2017 |

|                                                                                                                                                                                                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>2</b> Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid. |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                             |                                      |
|---------------------------------------------|--------------------------------------|
| <b>(a)</b> Total amount of commissions paid | <b>(b)</b> Total amount of fees paid |
|                                             |                                      |

|                                                                                                              |
|--------------------------------------------------------------------------------------------------------------|
| <b>3</b> Persons receiving commissions and fees. (Complete as many entries as needed to report all persons). |
|--------------------------------------------------------------------------------------------------------------|

|                                                                                                         |
|---------------------------------------------------------------------------------------------------------|
| <b>(a)</b> Name and address of the agent, broker, or other person to whom commissions or fees were paid |
|---------------------------------------------------------------------------------------------------------|

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|-----------------------------------------------|---------------------------------|-------------|-----------------------|
|                                               | (c) Amount                      | (d) Purpose |                       |
|                                               |                                 |             |                       |

|                                                                                                         |
|---------------------------------------------------------------------------------------------------------|
| <b>(a)</b> Name and address of the agent, broker, or other person to whom commissions or fees were paid |
|---------------------------------------------------------------------------------------------------------|

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|-----------------------------------------------|---------------------------------|-------------|-----------------------|
|                                               | (c) Amount                      | (d) Purpose |                       |
|                                               |                                 |             |                       |

---

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

---

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

---

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

---

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

**Part II Investment and Annuity Contract Information**

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

|                                                                                                        |          |   |
|--------------------------------------------------------------------------------------------------------|----------|---|
| <b>4</b> Current value of plan's interest under this contract in the general account at year end ..... | <b>4</b> |   |
| <b>5</b> Current value of plan's interest under this contract in separate accounts at year end .....   | <b>5</b> | 0 |

**6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶

|                                                                                                                                                                                                                |           |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--|
| <b>b</b> Premiums paid to carrier .....                                                                                                                                                                        | <b>6b</b> |  |
| <b>c</b> Premiums due but unpaid at the end of the year .....                                                                                                                                                  | <b>6c</b> |  |
| <b>d</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. ....<br>Specify nature of costs ▶ | <b>6d</b> |  |

**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity  
(3) ☐ other (specify) ▶

**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

**a** Type of contract: (1) ☐ deposit administration (2) ☒ immediate participation guarantee  
(3) ☐ guaranteed investment (4) ☐ other ▶

|                                                                                                         |              |        |
|---------------------------------------------------------------------------------------------------------|--------------|--------|
| <b>b</b> Balance at the end of the previous year .....                                                  | <b>7b</b>    | 502568 |
| <b>c</b> Additions: (1) Contributions deposited during the year .....                                   | <b>7c(1)</b> | 400000 |
| (2) Dividends and credits .....                                                                         | <b>7c(2)</b> | 0      |
| (3) Interest credited during the year .....                                                             | <b>7c(3)</b> | 27637  |
| (4) Transferred from separate account .....                                                             | <b>7c(4)</b> | 0      |
| (5) Other (specify below) .....                                                                         | <b>7c(5)</b> | 0      |
| ▶                                                                                                       |              |        |
| (6) Total additions .....                                                                               | <b>7c(6)</b> | 427637 |
| <b>d</b> Total of balance and additions (add lines <b>7b</b> and <b>7c(6)</b> ) .....                   | <b>7d</b>    | 930205 |
| <b>e</b> Deductions:                                                                                    |              |        |
| (1) Disbursed from fund to pay benefits or purchase annuities during year .....                         | <b>7e(1)</b> | 414976 |
| (2) Administration charge made by carrier .....                                                         | <b>7e(2)</b> | 18002  |
| (3) Transferred to separate account .....                                                               | <b>7e(3)</b> | 0      |
| (4) Other (specify below) .....                                                                         | <b>7e(4)</b> | 1172   |
| ▶ ANNUAL ADJUSTMENTS                                                                                    |              |        |
| (5) Total deductions .....                                                                              | <b>7e(5)</b> | 434150 |
| <b>f</b> Balance at the end of the current year (subtract line <b>7e(5)</b> from line <b>7d</b> ) ..... | <b>7f</b>    | 496055 |

**Part III Welfare Benefit Contract Information**

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)     
 **b** ☐ Dental     
 **c** ☐ Vision     
 **d** ☐ Life insurance  
**e** ☐ Temporary disability (accident and sickness)     
 **f** ☐ Long-term disability     
 **g** ☐ Supplemental unemployment     
 **h** ☐ Prescription drug  
**i** ☐ Stop loss (large deductible)     
 **j** ☐ HMO contract     
 **k** ☐ PPO contract     
 **l** ☐ Indemnity contract  
**m** ☐ Other (specify) ▶

**9** Experience-rated contracts:

|                                                                                                                                                    |                 |                 |   |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|---|
| <b>a</b> Premiums: (1) Amount received .....                                                                                                       | <b>9a(1)</b>    |                 |   |
| (2) Increase (decrease) in amount due but unpaid .....                                                                                             | <b>9a(2)</b>    |                 |   |
| (3) Increase (decrease) in unearned premium reserve .....                                                                                          | <b>9a(3)</b>    |                 |   |
| (4) Earned ((1) + (2) - (3)) .....                                                                                                                 |                 | <b>9a(4)</b>    | 0 |
| <b>b</b> Benefit charges (1) Claims paid .....                                                                                                     | <b>9b(1)</b>    |                 |   |
| (2) Increase (decrease) in claim reserves .....                                                                                                    | <b>9b(2)</b>    |                 |   |
| (3) Incurred claims (add (1) and (2)) .....                                                                                                        |                 | <b>9b(3)</b>    | 0 |
| (4) Claims charged .....                                                                                                                           |                 | <b>9b(4)</b>    |   |
| <b>c</b> Remainder of premium: (1) Retention charges (on an accrual basis) --                                                                      |                 |                 |   |
| (A) Commissions .....                                                                                                                              | <b>9c(1)(A)</b> |                 |   |
| (B) Administrative service or other fees .....                                                                                                     | <b>9c(1)(B)</b> |                 |   |
| (C) Other specific acquisition costs .....                                                                                                         | <b>9c(1)(C)</b> |                 |   |
| (D) Other expenses .....                                                                                                                           | <b>9c(1)(D)</b> |                 |   |
| (E) Taxes .....                                                                                                                                    | <b>9c(1)(E)</b> |                 |   |
| (F) Charges for risks or other contingencies .....                                                                                                 | <b>9c(1)(F)</b> |                 |   |
| (G) Other retention charges .....                                                                                                                  | <b>9c(1)(G)</b> |                 |   |
| (H) Total retention .....                                                                                                                          |                 | <b>9c(1)(H)</b> | 0 |
| (2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.) ..... |                 | <b>9c(2)</b>    |   |
| <b>d</b> Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement .....                                |                 | <b>9d(1)</b>    |   |
| (2) Claim reserves .....                                                                                                                           |                 | <b>9d(2)</b>    |   |
| (3) Other reserves .....                                                                                                                           |                 | <b>9d(3)</b>    |   |
| <b>e</b> Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).) .....                                           |                 | <b>9e</b>       |   |

**10** Nonexperience-rated contracts:

|                                                                                                                                                                                                                                 |            |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Total premiums or subscription charges paid to carrier .....                                                                                                                                                           | <b>10a</b> |  |
| <b>b</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. .... | <b>10b</b> |  |

Specify nature of costs.

**Part IV Provision of Information**

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? ..... ☐ Yes ☒ No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

|                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                    |                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2017</b><br><br><b>This Form is Open to Public Inspection</b> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

▶ **Round off amounts to nearest dollar.**  
▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                           |                                                                    |
|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>SMITHFIELD FOODS SALARIED PENSION PLAN</u>                                    | <b>B</b> Three-digit plan number (PN) ▶ <u>001</u>                 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br><u>SMITHFIELD FOODS, INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>52-0845861</u> |

|                                                                                                                                           |                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|

**Part I Basic Information**

|                                                                                                                                                                                                                 |                            |                           |                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|---------------------------|--------------------------|
| <b>1</b> Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2017</u>                                                                                                                               |                            |                           |                          |
| <b>2</b> Assets:                                                                                                                                                                                                |                            |                           |                          |
| <b>a</b> Market value .....                                                                                                                                                                                     | <b>2a</b>                  | <u>567313194</u>          |                          |
| <b>b</b> Actuarial value .....                                                                                                                                                                                  | <b>2b</b>                  | <u>578157051</u>          |                          |
| <b>3</b> Funding target/participant count breakdown                                                                                                                                                             | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target |
| <b>a</b> For retired participants and beneficiaries receiving payment .....                                                                                                                                     | <u>3315</u>                | <u>200286095</u>          | <u>200286095</u>         |
| <b>b</b> For terminated vested participants .....                                                                                                                                                               | <u>2468</u>                | <u>57329974</u>           | <u>57329974</u>          |
| <b>c</b> For active participants .....                                                                                                                                                                          | <u>7513</u>                | <u>216444803</u>          | <u>230948840</u>         |
| <b>d</b> Total .....                                                                                                                                                                                            | <u>13296</u>               | <u>474060872</u>          | <u>488564909</u>         |
| <b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>                                                                                           |                            |                           |                          |
| <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                       | <b>4a</b>                  |                           |                          |
| <b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor ..... | <b>4b</b>                  |                           |                          |
| <b>5</b> Effective interest rate .....                                                                                                                                                                          | <b>5</b>                   | <u>6.00 %</u>             |                          |
| <b>6</b> Target normal cost .....                                                                                                                                                                               | <b>6</b>                   | <u>19985168</u>           |                          |

**Statement by Enrolled Actuary**  
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                             |                               |                                        |
|-----------------------------|-------------------------------|----------------------------------------|
| <b>SIGN HERE</b>            |                               |                                        |
| <u>DANIEL M. SECKAR</u>     | Signature of actuary          | <u>10/09/2018</u>                      |
| <u>MERCER</u>               | Type or print name of actuary | Date                                   |
| <u>SIX PPG PLACE</u>        | Firm name                     | <u>17-06799</u>                        |
| <u>PITTSBURGH, PA 15222</u> | Address of the firm           | Most recent enrollment number          |
|                             |                               | <u>412-355-8800</u>                    |
|                             |                               | Telephone number (including area code) |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

**Part II Beginning of Year Carryover and Prefunding Balances**

|                                                                                                                                                                      | (a) Carryover balance | (b) Prefunding balance |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....                                                             | 0                     | 32696400               |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                                          | 0                     | 0                      |
| <b>9</b> Amount remaining (line 7 minus line 8) .....                                                                                                                | 0                     | 32696400               |
| <b>10</b> Interest on line 9 using prior year's actual return of <u>6.80</u> % .....                                                                                 | 0                     | 2223355                |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                                                       |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year) .....                                                                                      |                       | 1534862                |
| <b>b(1)</b> Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.18</u> % ..... |                       | 94854                  |
| <b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....                                                                 |                       | 0                      |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....                                                                        |                       | 1629716                |
| <b>d</b> Portion of (c) to be added to prefunding balance .....                                                                                                      |                       |                        |
| <b>12</b> Other reductions in balances due to elections or deemed elections .....                                                                                    |                       |                        |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                                                         | 0                     | 34919755               |

**Part III Funding Percentages**

|                                                                                                                                                                            |           |         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 111.19% |
| <b>15</b> Adjusted funding target attainment percentage .....                                                                                                              | <b>15</b> | 118.33% |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 117.54% |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage. ....                                        | <b>17</b> | %       |

**Part IV Contributions and Liquidity Shortfalls****18** Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
|--------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| 12/28/2017               | 44000000                          | 0                               |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
| <b>Totals ▶</b>          |                                   |                                 | <b>18(b)</b>             | 44000000                          | <b>18(c)</b> 0                  |

**19** Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

|                                                                                                                         |            |          |
|-------------------------------------------------------------------------------------------------------------------------|------------|----------|
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years. ....                    | <b>19a</b> | 0        |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                      | <b>19b</b> | 0        |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date ..... | <b>19c</b> | 41535949 |

**20** Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

| Liquidity shortfall as of end of quarter of this plan year |         |         |         |
|------------------------------------------------------------|---------|---------|---------|
| (1) 1st                                                    | (2) 2nd | (3) 3rd | (4) 4th |
|                                                            |         |         |         |

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

|                                                 |                                                |                                                           |                                     |                                                     |
|-------------------------------------------------|------------------------------------------------|-----------------------------------------------------------|-------------------------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                        |                                                |                                                           |                                     |                                                     |
| <b>a</b> Segment rates:                         | 1st segment:<br>4.16 %                         | 2nd segment:<br>5.72 %                                    | 3rd segment:<br>6.48 %              | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code) .....    |                                                |                                                           |                                     | <b>21b</b> 4                                        |
| <b>22</b> Weighted average retirement age.....  |                                                |                                                           |                                     | <b>22</b> 61                                        |
| <b>23</b> Mortality table(s) (see instructions) | <input type="checkbox"/> Prescribed - combined | <input checked="" type="checkbox"/> Prescribed - separate | <input type="checkbox"/> Substitute |                                                     |

**Part VI Miscellaneous Items**

|                                                                                                                                                                        |                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment ..... | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....                                       | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....                             | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment .....                                   | <b>27</b>                                                           |

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

|                                                                                                                                      |           |   |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>28</b> Unpaid minimum required contributions for all prior years .....                                                            | <b>28</b> | 0 |
| <b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) ..... | <b>29</b> | 0 |
| <b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....                                    | <b>30</b> | 0 |

**Part VIII Minimum Required Contribution For Current Year**

|                                                                                                                                                                                      |                     |                    |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|---------------|
| <b>31</b> Target normal cost and excess assets (see instructions):                                                                                                                   |                     |                    |               |
| <b>a</b> Target normal cost (line 6) .....                                                                                                                                           | <b>31a</b>          | 19985168           |               |
| <b>b</b> Excess assets, if applicable, but not greater than line 31a .....                                                                                                           | <b>31b</b>          | 19985168           |               |
| <b>32</b> Amortization installments:                                                                                                                                                 | Outstanding Balance | Installment        |               |
| <b>a</b> Net shortfall amortization installment.....                                                                                                                                 | 0                   | 0                  |               |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       | 0                   | 0                  |               |
| <b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount ..... | <b>33</b>           |                    |               |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....                                                          | <b>34</b>           | 0                  |               |
|                                                                                                                                                                                      | Carryover balance   | Prefunding balance | Total balance |
| <b>35</b> Balances elected for use to offset funding requirement.....                                                                                                                | 0                   | 0                  | 0             |
| <b>36</b> Additional cash requirement (line 34 minus line 35) .....                                                                                                                  | <b>36</b>           | 0                  |               |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....                                                  | <b>37</b>           | 41535949           |               |
| <b>38</b> Present value of excess contributions for current year (see instructions)                                                                                                  |                     |                    |               |
| <b>a</b> Total (excess, if any, of line 37 over line 36) .....                                                                                                                       | <b>38a</b>          | 41535949           |               |
| <b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....                                                                | <b>38b</b>          | 0                  |               |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....                                                                      | <b>39</b>           | 0                  |               |
| <b>40</b> Unpaid minimum required contributions for all years.....                                                                                                                   | <b>40</b>           | 0                  |               |

**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**

|                                                                                                |                                         |                                   |                                                             |
|------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------|-------------------------------------------------------------|
| <b>41</b> If an election was made to use PRA 2010 funding relief for this plan:                |                                         |                                   |                                                             |
| <b>a</b> Schedule elected .....                                                                | <input type="checkbox"/> 2 plus 7 years | <input type="checkbox"/> 15 years |                                                             |
| <b>b</b> Eligible plan year(s) for which the election in line 41a was made .....               | <input type="checkbox"/> 2008           | <input type="checkbox"/> 2009     | <input type="checkbox"/> 2010 <input type="checkbox"/> 2011 |
| <b>42</b> Amount of acceleration adjustment .....                                              | <b>42</b>                               |                                   |                                                             |
| <b>43</b> Excess installment acceleration amount to be carried over to future plan years ..... | <b>43</b>                               |                                   |                                                             |

|                                                                                                                                                                                                               |                                                                                                                                                                                                                              |                                                                                                                                                                                    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE D</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small> | <b>DFE/Participating Plan Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2017</div><br><br><b>This Form is Open to Public Inspection.</b> |
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For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

|                                                                                                                                  |                                                                                               |                                       |
|----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|---------------------------------------|
| <b>A</b> Name of plan<br><span style="color: blue;">SMITHFIELD FOODS SALARIED PENSION PLAN</span>                                | <b>B</b> Three-digit plan number (PN) <span style="color: blue;">►</span>                     | <span style="color: blue;">001</span> |
| <b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500<br><span style="color: blue;">SMITHFIELD FOODS, INC.</span> | <b>D</b> Employer Identification Number (EIN)<br><span style="color: blue;">52-0845861</span> |                                       |

|               |                                                                                                                                                                                  |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b> | <b>Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)</b><br>(Complete as many entries as needed to report all interests in DFEs) |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: SMITHFIELD FOODS MASTER TRUST

**b** Name of sponsor of entity listed in (a): SMITHFIELD FOODS, INC.

|                                                                  |                                                          |                                                                                                                                                 |
|------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN <span style="color: blue;">13-4103752-001</span> | <b>d</b> Entity code <span style="color: blue;">M</span> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <span style="color: blue;">651281662</span> |
|------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: S&P 500 INDEX STOCK FUND - 1A

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY U.S.A.

|                                                                  |                                                          |                                                                                                                                         |
|------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN <span style="color: blue;">01-0233346-006</span> | <b>d</b> Entity code <span style="color: blue;">P</span> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <span style="color: blue;">0</span> |
|------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: BOND FUND - 1D

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY U.S.A.

|                                                                  |                                                          |                                                                                                                                         |
|------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN <span style="color: blue;">01-0233346-009</span> | <b>d</b> Entity code <span style="color: blue;">P</span> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <span style="color: blue;">0</span> |
|------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: DIVERSIFIED STOCK FUND - 1K

**b** Name of sponsor of entity listed in (a): JOHN HANCOCK LIFE INSURANCE COMPANY U.S.A.

|                                                                  |                                                          |                                                                                                                                         |
|------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN <span style="color: blue;">01-0233346-011</span> | <b>d</b> Entity code <span style="color: blue;">P</span> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <span style="color: blue;">0</span> |
|------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |                                                                                                     |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|-----------------------------------------------------------------------------------------------------|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)

**Part II Information on Participating Plans (to be completed by DFEs)**

(Complete as many entries as needed to report all participating plans)

**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2017</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</u>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                           |
| <b>A</b> Name of plan<br><u>SMITHFIELD FOODS SALARIED PENSION PLAN</u>                                                                                                                                                                                                   | <b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span>                                                                                                                                                                                                   | <u>001</u>                                                                                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>SMITHFIELD FOODS, INC.</u>                                                                                                                                                                           | <b>D</b> Employer Identification Number (EIN)<br><u>52-0845861</u>                                                                                                                                                                                                           |                                                                                           |

| Part I                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Asset and Liability Statement |           | (a) Beginning of Year | (b) End of Year |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------|-----------------------|-----------------|
| <b>1</b> Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. <b>Round off amounts to the nearest dollar.</b> MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions. |                               |           |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Assets</b>                 |           |                       |                 |
| <b>a</b> Total noninterest-bearing cash .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1a</b>                     |           |                       |                 |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                               |           |                       |                 |
| <b>(1)</b> Employer contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1b(1)</b>                  | 1700000   |                       | 0               |
| <b>(2)</b> Participant contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1b(2)</b>                  |           |                       |                 |
| <b>(3)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>1b(3)</b>                  |           |                       |                 |
| <b>c</b> General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                               |           |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(1)</b>                  |           |                       |                 |
| <b>(2)</b> U.S. Government securities.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(2)</b>                  |           |                       |                 |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                               |           |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(A)</b>               |           |                       |                 |
| <b>(B)</b> All other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1c(3)(B)</b>               |           |                       |                 |
| <b>(4)</b> Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                               |           |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(4)(A)</b>               |           |                       |                 |
| <b>(B)</b> Common .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(4)(B)</b>               |           |                       |                 |
| <b>(5)</b> Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1c(5)</b>                  |           |                       |                 |
| <b>(6)</b> Real estate (other than employer real property) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(6)</b>                  |           |                       |                 |
| <b>(7)</b> Loans (other than to participants) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(7)</b>                  |           |                       |                 |
| <b>(8)</b> Participant loans .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>1c(8)</b>                  |           |                       |                 |
| <b>(9)</b> Value of interest in common/collective trusts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1c(9)</b>                  |           |                       |                 |
| <b>(10)</b> Value of interest in pooled separate accounts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>1c(10)</b>                 |           |                       |                 |
| <b>(11)</b> Value of interest in master trust investment accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(11)</b>                 | 565180862 |                       | 651281662       |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(12)</b>                 |           |                       |                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(13)</b>                 | 48        |                       | 48              |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(14)</b>                 | 502568    |                       | 496055          |
| <b>(15)</b> Other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(15)</b>                 |           |                       |                 |

| <b>1d</b> Employer-related investments:                              |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> |                       |                 |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 567383478             | 651777765       |

**Liabilities**

|                                                                           |           |   |   |
|---------------------------------------------------------------------------|-----------|---|---|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> |   |   |
| <b>h</b> Operating payables .....                                         | <b>1h</b> |   |   |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> |   |   |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> |   |   |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 0 | 0 |

**Net Assets**

|                                                           |           |           |           |
|-----------------------------------------------------------|-----------|-----------|-----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 567383478 | 651777765 |
|-----------------------------------------------------------|-----------|-----------|-----------|

**Part II Income and Expense Statement**

- 2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

**Income**

|                                                                                                            |                 | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>a Contributions:</b>                                                                                    |                 |            |           |
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 44000000   |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> |            |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> |            |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 44000000  |
| <b>b Earnings on investments:</b>                                                                          |                 |            |           |
| (1) Interest:                                                                                              |                 |            |           |
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....       | <b>2b(1)(A)</b> |            |           |
| <b>(B)</b> U.S. Government securities .....                                                                | <b>2b(1)(B)</b> |            |           |
| <b>(C)</b> Corporate debt instruments .....                                                                | <b>2b(1)(C)</b> |            |           |
| <b>(D)</b> Loans (other than to participants) .....                                                        | <b>2b(1)(D)</b> |            |           |
| <b>(E)</b> Participant loans .....                                                                         | <b>2b(1)(E)</b> |            |           |
| <b>(F)</b> Other .....                                                                                     | <b>2b(1)(F)</b> |            |           |
| (G) Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                                     | <b>2b(1)(G)</b> |            | 0         |
| (2) Dividends: <b>(A)</b> Preferred stock .....                                                            | <b>2b(2)(A)</b> |            |           |
| <b>(B)</b> Common stock .....                                                                              | <b>2b(2)(B)</b> |            |           |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                                  | <b>2b(2)(C)</b> |            |           |
| (D) Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....                         | <b>2b(2)(D)</b> |            | 0         |
| (3) Rents .....                                                                                            | <b>2b(3)</b>    |            |           |
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> |            |           |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                                              | <b>2b(4)(B)</b> |            |           |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....                  | <b>2b(4)(C)</b> |            | 0         |
| (5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> |            |           |
| <b>(B)</b> Other .....                                                                                     | <b>2b(5)(B)</b> |            |           |
| <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....         | <b>2b(5)(C)</b> |            | 0         |

|                                                                                                |        | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts .....                             | 2b(6)  |            |           |
| (7) Net investment gain (loss) from pooled separate accounts .....                             | 2b(7)  |            | -1999     |
| (8) Net investment gain (loss) from master trust investment accounts .....                     | 2b(8)  |            | 66105134  |
| (9) Net investment gain (loss) from 103-12 investment entities .....                           | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)..... | 2b(10) |            |           |
| c Other income.....                                                                            | 2c     |            | 27637     |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....               | 2d     |            | 110130772 |

**Expenses**

|                                                                                     |       |          |          |
|-------------------------------------------------------------------------------------|-------|----------|----------|
| e Benefit payment and payments to provide benefits:                                 |       |          |          |
| (1) Directly to participants or beneficiaries, including direct rollovers.....      | 2e(1) | 21859864 |          |
| (2) To insurance carriers for the provision of benefits .....                       | 2e(2) |          |          |
| (3) Other .....                                                                     | 2e(3) |          |          |
| (4) Total benefit payments. Add lines 2e(1) through (3).....                        | 2e(4) |          | 21859864 |
| f Corrective distributions (see instructions) .....                                 | 2f    |          |          |
| g Certain deemed distributions of participant loans (see instructions).....         | 2g    |          |          |
| h Interest expense.....                                                             | 2h    |          |          |
| i Administrative expenses: (1) Professional fees .....                              | 2i(1) |          |          |
| (2) Contract administrator fees .....                                               | 2i(2) |          |          |
| (3) Investment advisory and management fees .....                                   | 2i(3) | 3876621  |          |
| (4) Other .....                                                                     | 2i(4) |          |          |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                 | 2i(5) |          | 3876621  |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | 2j    |          | 25736485 |

**Net Income and Reconciliation**

|                                                          |       |  |          |
|----------------------------------------------------------|-------|--|----------|
| k Net income (loss). Subtract line 2j from line 2d ..... | 2k    |  | 84394287 |
| l Transfers of assets:                                   |       |  |          |
| (1) To this plan.....                                    | 2l(1) |  |          |
| (2) From this plan .....                                 | 2l(2) |  |          |

**Part III Accountant's Opinion**

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: KREISCHER MILLER

(2) EIN: 23-1980475

**d** The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

**Part IV Compliance Questions**

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

**a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

**b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) .....

|    | Yes | No | Amount |
|----|-----|----|--------|
| 4a |     | X  |        |
| 4b |     | X  |        |

|                                                                                                                                                                                                                               | Yes | No | Amount  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|---------|
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....                                          |     | X  |         |
| <b>4c</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) .....                               |     | X  |         |
| <b>4d</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>e</b> Was this plan covered by a fidelity bond? .....                                                                                                                                                                      | X   |    | 3500000 |
| <b>4e</b>                                                                                                                                                                                                                     | X   |    | 3500000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                       |     | X  |         |
| <b>4f</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                    |     | X  |         |
| <b>4g</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                          |     | X  |         |
| <b>4h</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) .....                                                                | X   |    |         |
| <b>4i</b>                                                                                                                                                                                                                     | X   |    |         |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) ..... |     | X  |         |
| <b>4j</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....                                                           |     | X  |         |
| <b>4k</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                            |     | X  |         |
| <b>4l</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                  |     |    |         |
| <b>4m</b>                                                                                                                                                                                                                     |     |    |         |
| <b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. ....                                      |     |    |         |
| <b>4n</b>                                                                                                                                                                                                                     |     |    |         |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ..... ☐ Yes ☒ No  
If "Yes," enter the amount of any plan assets that reverted to the employer this year \_\_\_\_\_.

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| 5b(1) Name of plan(s) | 5b(2) EIN(s) | 5b(3) PN(s) |
|-----------------------|--------------|-------------|
|                       |              |             |
|                       |              |             |
|                       |              |             |
|                       |              |             |
|                       |              |             |

**5c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☒ Yes ☐ No ☐ Not determined  
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4098071. (See instructions.)

|                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <div>SCHEDULE R<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration<br/><br/>Pension Benefit Guaranty Corporation</div>                                                                                                                                 | <div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500.</div> | <div>OMB No. 1210-0110</div> <div>2017</div> <div>This Form is Open to Public Inspection.</div> |
| For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| A Name of plan<br>SMITHFIELD FOODS SALARIED PENSION PLAN                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                  | B Three-digit plan number (PN) ▶ 001                                                            |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>SMITHFIELD FOODS, INC.                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                  | D Employer Identification Number (EIN)<br>52-0845861                                            |
| Part I                                                                                                                                                                                                                                                                                                                                                          | Distributions                                                                                                                                                                                                                                                                                    |                                                                                                 |
| All references to distributions relate only to payments of benefits during the plan year.                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                  | 1 0                                                                                             |
| 2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):<br><br>EIN(s): 25-1926855                                                                                                            |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                  | 3 128                                                                                           |
| Part II                                                                                                                                                                                                                                                                                                                                                         | Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)                                                                                                                           |                                                                                                 |
| 4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A<br>If the plan is a defined benefit plan, go to line 8.                                                                                                |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month Day Year<br>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.                              |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                  | 6a                                                                                              |
| b Enter the amount contributed by the employer to the plan for this plan year                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  | 6b                                                                                              |
| c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                  | 6c                                                                                              |
| If you completed line 6c, skip lines 8 and 9.                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 7 Will the minimum funding amount reported on line 6c be met by the funding deadline? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Part III                                                                                                                                                                                                                                                                                                                                                        | Amendments                                                                                                                                                                                                                                                                                       |                                                                                                 |
| 9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. <input type="checkbox"/> Increase <input checked="" type="checkbox"/> Decrease <input type="checkbox"/> Both <input type="checkbox"/> No        |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Part IV                                                                                                                                                                                                                                                                                                                                                         | ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.                                                                                                                                                       |                                                                                                 |
| 10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 11 a Does the ESOP hold any preferred stock? <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                        |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 12 Does the ESOP hold any stock that is not readily tradable on an established securities market? <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| For Paperwork Reduction Act Notice, see the Instructions for Form 5500.                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Schedule R (Form 5500) 2017 v. 170203                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                  |                                                                                                 |

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

|          |                                                                                                                                                                                                                                                                                           |          |                                       |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---------------------------------------|
| <b>a</b> | Name of contributing employer                                                                                                                                                                                                                                                             |          |                                       |
| <b>b</b> | EIN                                                                                                                                                                                                                                                                                       | <b>c</b> | Dollar amount contributed by employer |
| <b>d</b> | Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____ |          |                                       |
| <b>e</b> | Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)                                                                                   |          |                                       |
|          | (1) Contribution rate (in dollars and cents) _____                                                                                                                                                                                                                                        |          |                                       |
|          | (2) Base unit measure: <input type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify): _____                                                                                                        |          |                                       |
| <b>a</b> | Name of contributing employer                                                                                                                                                                                                                                                             |          |                                       |
| <b>b</b> | EIN                                                                                                                                                                                                                                                                                       | <b>c</b> | Dollar amount contributed by employer |
| <b>d</b> | Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____ |          |                                       |
| <b>e</b> | Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)                                                                                   |          |                                       |
|          | (1) Contribution rate (in dollars and cents) _____                                                                                                                                                                                                                                        |          |                                       |
|          | (2) Base unit measure: <input type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify): _____                                                                                                        |          |                                       |
| <b>a</b> | Name of contributing employer                                                                                                                                                                                                                                                             |          |                                       |
| <b>b</b> | EIN                                                                                                                                                                                                                                                                                       | <b>c</b> | Dollar amount contributed by employer |
| <b>d</b> | Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____ |          |                                       |
| <b>e</b> | Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)                                                                                   |          |                                       |
|          | (1) Contribution rate (in dollars and cents) _____                                                                                                                                                                                                                                        |          |                                       |
|          | (2) Base unit measure: <input type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify): _____                                                                                                        |          |                                       |
| <b>a</b> | Name of contributing employer                                                                                                                                                                                                                                                             |          |                                       |
| <b>b</b> | EIN                                                                                                                                                                                                                                                                                       | <b>c</b> | Dollar amount contributed by employer |
| <b>d</b> | Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____ |          |                                       |
| <b>e</b> | Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)                                                                                   |          |                                       |
|          | (1) Contribution rate (in dollars and cents) _____                                                                                                                                                                                                                                        |          |                                       |
|          | (2) Base unit measure: <input type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify): _____                                                                                                        |          |                                       |
| <b>a</b> | Name of contributing employer                                                                                                                                                                                                                                                             |          |                                       |
| <b>b</b> | EIN                                                                                                                                                                                                                                                                                       | <b>c</b> | Dollar amount contributed by employer |
| <b>d</b> | Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____ |          |                                       |
| <b>e</b> | Contribution rate information (If more than one rate applies, check this box <input type="checkbox"/> and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)                                                                                   |          |                                       |
|          | (1) Contribution rate (in dollars and cents) _____                                                                                                                                                                                                                                        |          |                                       |
|          | (2) Base unit measure: <input type="checkbox"/> Hourly <input type="checkbox"/> Weekly <input type="checkbox"/> Unit of production <input type="checkbox"/> Other (specify): _____                                                                                                        |          |                                       |

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</b> If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers ..... | <b>16b</b> |  |

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... ☐

**Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment .... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: 32.0% Investment-Grade Debt: 52.0% High-Yield Debt: 0.0% Real Estate: 2.0% Other: 14.0%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☒ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

**SMITHFIELD FOODS SALARIED  
PENSION PLAN**

**Financial Statements  
December 31, 2017 and 2016**

**Kreischer  
Miller**

PEOPLE | IDEAS | SOLUTIONS

**SMITHFIELD FOODS SALARIED PENSION PLAN**  
**December 31, 2017 and 2016**

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INDEPENDENT AUDITORS' REPORT

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## Independent Auditors' Report

The Participants and Plan Administrator  
Smithfield Foods Salaried Pension Plan  
Smithfield, Virginia

### *Report on the Financial Statements*

We were engaged to audit the accompanying financial statements of Smithfield Foods Salaried Pension Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### *Basis for Disclaimer of Opinion*

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Notes 3 and 5, which was certified by The Bank of New York Mellon/BNY Mellon, N.A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that The Bank of New York Mellon/BNY Mellon, N.A. holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of and for the years ended December 31, 2017 and 2016 that the information provided to the plan administrator by the trustee is complete and accurate.

### *Disclaimer of Opinion*

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements. Accordingly, we do not express an opinion on the financial statements.

### *Emphasis of Matter*

As discussed in Note 2 of the financial statements, in 2017, the Plan adopted new accounting guidance related to the investments. Prior year disclosures have been revised to reflect the retrospective application of adopting these changes in accounting.

### *Other Matter - Supplemental Schedule*

The supplemental Schedule H Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2017 is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

### *Report on Form and Content in Compliance with DOL Rules and Regulations*

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, has been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.



Horsham, Pennsylvania  
October 12, 2018

## SMITHFIELD FOODS SALARIED PENSION PLAN

### Statements of Net Assets Available for Benefits December 31, 2017 and 2016

|                                   | 2017           | 2016           |
|-----------------------------------|----------------|----------------|
| Assets:                           |                |                |
| Investments, at fair value        | \$ 651,281,710 | \$ 565,180,910 |
| Investments, at contract value    | 496,055        | 502,568        |
| Employer contributions receivable | -              | 1,700,000      |
| Net assets available for benefits | \$ 651,777,765 | \$ 567,383,478 |

See accompanying notes to financial statements.

# SMITHFIELD FOODS SALARIED PENSION PLAN

## Statements of Changes in Net Assets Available for Benefits Years Ended December 31, 2017 and 2016

|                                                                 | 2017           | 2016           |
|-----------------------------------------------------------------|----------------|----------------|
| Additions to net assets attributed to:                          |                |                |
| Investment income:                                              |                |                |
| Net investment income from<br>Smithfield Foods Master Trust     | \$ 66,105,134  | \$ 37,609,373  |
| Net appreciation (depreciation) in fair<br>value of investments | (1,999)        | 5,230          |
| Interest and dividends                                          | 27,637         | 31,073         |
| Total investment income                                         | 66,130,772     | 37,645,676     |
| Employer contributions                                          | 44,000,000     | 1,700,000      |
| Total additions                                                 | 110,130,772    | 39,345,676     |
| Deductions from net assets attributed to:                       |                |                |
| Benefits paid to participants                                   | 21,859,864     | 20,472,367     |
| Administrative fees                                             | 3,876,621      | 2,633,675      |
| Total deductions                                                | 25,736,485     | 23,106,042     |
| Net increase                                                    | 84,394,287     | 16,239,634     |
| Net assets available for benefits:                              |                |                |
| Beginning of year                                               | 567,383,478    | 551,143,844    |
| End of year                                                     | \$ 651,777,765 | \$ 567,383,478 |

See accompanying notes to financial statements.

## SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements  
December 31, 2017 and 2016

---

### (1) Description of Plan

The following description of the Smithfield Foods Salaried Pension Plan (the Plan) provides general information only. Participants should refer to the plan agreement for a more complete description of the plan provisions.

#### *General*

The Plan was created effective January 1, 1994, as a result of a merger of the Smithfield Foods, Inc. Pension Plan, Smithfield Packing Company Pension Plan, Gwaltney of Smithfield Ltd. Pension Plan, Patrick Cudahy Incorporated Pension Plan and the Schluderberg Kurdle Company, Inc. Pension Plan. The Plan is a defined benefit plan covering substantially all salaried employees of Smithfield Foods, Inc. (Smithfield) and all affiliated employers who have adopted the Plan (collectively, the Company). Employees must have completed 1,000 hours of service and attained age 21 to participate in the Plan. The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

During 2007, Premium Standard Farms, LLC (PSF) was acquired by Smithfield. Effective January 1, 2008, PSF adopted the Plan and certain employees are now covered by the Plan and were granted past vesting service. Effective December 31, 2009, John Morrell & Co. Salaried Employees Pension Plan merged with the Plan.

The majority of the Plan's investments are in the Smithfield Foods Master Trust (the Master Trust). The Master Trust was created to hold investment assets of the Plan as well as investment assets of several other plans sponsored by Smithfield or its subsidiaries (collectively, the Participating Plans).

#### *Plan Administration*

Overall responsibility for administering the Plan rests with Smithfield. The Smithfield Foods, Inc. Administrative Committee and Investment Committee (the Committees) are responsible for oversight of the Plan, determine the appropriateness of the Plan's investment holdings, monitor investment performance, and control and manage the operation and administration of the Plan. The Committees report directly to the audit committee of the Board of Directors.

*Continued...*

## SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements  
December 31, 2017 and 2016

---

### (1) Description of Plan, Continued

#### *Funding Policy*

Contributions to provide benefits under the Plan are made solely by the Company. The Company's funding policy is to make cash contributions to the Plan in the amount required under government regulations, plus amounts necessary to maintain at least an 80% funded status in order to avoid benefit restrictions under the Pension Protection Act. The Company met the minimum funding requirements of ERISA for the years ended December 31, 2017 and 2016.

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA.

#### *Pension Benefits*

Generally, employees with five or more years of service are entitled to monthly pension benefits beginning at normal retirement age (65) based on the number of full years of service, except as otherwise provided, times the sum of (a) 0.8% of final average earnings and (b) 0.9% of final average earnings in excess of Social Security covered compensation. Refer to the plan documents for minimum and maximum benefit provisions. The Plan permits early retirement at ages 55 to 64 with reduced benefits.

Former participants of John Morrell & Co. Salaried Employees Pension Plan with five or more years of service are entitled to monthly pension benefits beginning at normal retirement age (65) equal to the greater of (a) 1.8% of final average earnings times years of credited service (up to 25 years), adjusted for Social Security benefits, or (b) \$180 times years of credited service. The Plan permits early retirement at ages 55 to 64 with reduced benefits.

#### *Death and Disability Benefits*

The spouse of an active participant who dies with at least five years of service is eligible for a death benefit. The benefit is payable at early retirement as if the participant had survived to retirement and elected the joint and 50% survivor benefit.

A participant, with ten years of service who has reached the age of forty-five, and is totally and permanently disabled is eligible for a benefit equal to the normal retirement benefit based on service to termination.

## SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements  
December 31, 2017 and 2016

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### (2) Summary of Significant Accounting Policies

#### *Basis of Accounting*

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

#### *Use of Estimates*

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Actual results could differ from those estimates.

#### *Investment Valuation and Income Recognition*

Investments are reported at fair value, except for the fully benefit-responsive investment contract which is reported at contract value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Committees determine the Plan's valuation policies utilizing information provided by its investment advisors and trustee. See Notes 4 and 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

#### *Smithfield Foods Master Trust*

The fair value of the Plan's interest in the Master Trust is based on the beginning of year value of the Plan's interest in the trust plus actual contributions and allocated investment income less actual distributions and allocated administrative expenses.

Net investment income from the Master Trust includes the Plan's share of interest, dividends, and net realized and unrealized appreciation of the fair value of the Master Trust's investments. Although the investment assets of the Participating Plans are commingled in the Master Trust, the trustee maintains supporting records for the purpose of allocating the net investment income of the Master Trust to the Participating Plans. All interest, dividends, and net appreciation of the Master Trust are allocated in accordance with the Master Trust's investment asset pools.

*Continued...*

## SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements  
December 31, 2017 and 2016

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### (2) Summary of Significant Accounting Policies, Continued

#### *Payment of Benefits*

Benefit payments to participants are recorded upon distribution.

#### *Expenses*

The Plan's administrative expenses are paid by either the Master Trust or the Company, as provided by the plan document. Expenses that are paid directly by the Company are excluded from these financial statements. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statements of changes in net assets available for benefits. Certain administrative functions are performed by employees of the Company. No such employee receives compensation from the Plan. Certain expenses of maintaining the Plan were paid by the Company during 2017 and 2016.

#### *Recent Accounting Pronouncements*

In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820): Disclosure for Investments in Certain Entities That Calculate Net Asset Value (NAV) per Share (or Its Equivalent)*. FASB ASU 2015-07 removes the requirement to categorize, within the fair value hierarchy (Notes 4 and 5), all investments for which fair value is measured using the NAV per share practical expedient. However, sufficient information must be provided to permit reconciliation of the fair value of assets categorized within the fair value hierarchy to the amounts presented in the statement of net assets available for benefits. FASB ASU 2015-07 also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the NAV per share practical expedient. The amendments of this update are effective for years beginning after December 15, 2016. The Plan adopted the amendments of this update for the 2017 plan year and the update was retrospectively applied to December 31, 2016.

In February 2017, FASB issued ASU 2017-06, *Defined Benefit Pension Plan (Topic 960): Employee Benefit Plan Master Trust Reporting*. This ASU requires an amended presentation and additional disclosures of the plan's interest in the master trust. The amendments are effective for the Plan's year ending December 31, 2019, with early adoption permitted. The Plan elected to forego early adoption.

#### *Subsequent Events*

The Plan has evaluated subsequent events through October 12, 2018, the date the financial statements were available to be issued.

## SMITHFIELD FOODS SALARIED PENSION PLAN

### Notes to Financial Statements December 31, 2017 and 2016

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#### (3) Financial Information Certified by the Trustee

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations under ERISA. Accordingly, as permitted under such election, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by The Bank of New York Mellon/BNY Mellon, N.A. (BNY/Mellon), the trustee of the Plan, as complete and accurate, except for comparing such information certified by the trustee to information included in the Plan's financial statements and supplemental schedule. The trustee has certified the following as complete and accurate:

- The investments at fair value at December 31, 2017 and 2016.
- The investments at contract value at December 31, 2017 and 2016.
- Net investment income from Smithfield Foods Master Trust for the years ended December 31, 2017 and 2016.
- Net appreciation (depreciation) in fair value of investments for the years ended December 31, 2017 and 2016.
- Interest and dividend income for the years ended December 31, 2017 and 2016.
- Schedule H, Line 4i – Schedule of Assets (Held at End of Year).

#### (4) Fair Value Measurements

FASB *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

*Continued...*

## SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements  
December 31, 2017 and 2016

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### (4) Fair Value Measurements, Continued

Level 2: Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

*Plan's interest in the Master Trust:* See Note 5 for valuation methodology.

*Registered investment company:* Valued at the daily closing price as reported by the fund. The registered investment company held by the Plan is an open end mutual fund that is registered with the Securities and Exchange Commission. Registered investment companies are required to publish its daily NAV and to transact at that price. The registered investment company held by the Plan is deemed to be actively traded.

*Continued...*

## SMITHFIELD FOODS SALARIED PENSION PLAN

### Notes to Financial Statements December 31, 2017 and 2016

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#### (4) Fair Value Measurements, Continued

The following table sets forth by level, within the fair value hierarchy, the Plan's assets, excluding the investment in Master Trust, at fair value as of December 31:

|                               | Assets at Fair Value as of December 31, 2017 |         |         |       |
|-------------------------------|----------------------------------------------|---------|---------|-------|
|                               | Level 1                                      | Level 2 | Level 3 | Total |
| Registered investment company | \$ 48                                        | \$ -    | \$ -    | \$ 48 |

  

|                               | Assets at Fair Value as of December 31, 2016 |         |         |       |
|-------------------------------|----------------------------------------------|---------|---------|-------|
|                               | Level 1                                      | Level 2 | Level 3 | Total |
| Registered investment company | \$ 48                                        | \$ -    | \$ -    | \$ 48 |

The preceding methods described may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

#### (5) Interest in Master Trust (Unaudited)

The Plan invests the majority of its plan assets in the Master Trust. The Master Trust was created to hold the investment assets of the Participating Plans. The assets of the Master Trust are held by BNY/Mellon as of and for the years ended December 31, 2017 and 2016. The Plan's interest in the net assets of the Master Trust was approximately 37% and 36% at December 31, 2017 and 2016, respectively.

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by BNY/Mellon, the trustee of the Master Trust, as complete and accurate, except for comparing such information certified by the trustee to information included in the Plan's financial statements and supplemental schedule.

*Continued...*

## SMITHFIELD FOODS SALARIED PENSION PLAN

### Notes to Financial Statements December 31, 2017 and 2016

#### (5) Interest in Master Trust (Unaudited), Continued

The trustee has certified to the accuracy and completeness of the investment in the net assets of the Master Trust at fair value as of December 31, 2017 and 2016, and the net investment income of the Master Trust for the years then ended, as summarized below.

The following table presents the investments of the Master Trust as of December 31:

|                                                  | 2017                    | 2016                    |
|--------------------------------------------------|-------------------------|-------------------------|
| Master Trust investments, at fair value:         |                         |                         |
| Common collective trusts                         | \$ 735,566,640          | \$ 738,430,095          |
| Common stock                                     | 413,317,891             | 349,999,584             |
| Limited partnerships                             | 169,203,991             | 112,694,120             |
| Registered investment companies                  | 189,560,894             | 133,527,387             |
| Corporate debt                                   | 138,506,885             | 113,417,890             |
| Foreign exchange funds                           | 189,105,646             | 89,444,406              |
| Cash equivalents                                 | 13,158,568              | 6,882,900               |
| Preferred stock                                  | 2,597,977               | 685,821                 |
|                                                  | <u>1,851,018,492</u>    | <u>1,545,082,203</u>    |
| Cash                                             | 23,935,685              | 23,513,345              |
| Receivables                                      | 581,979,273             | 428,206,946             |
| Liabilities                                      | <u>(680,445,973)</u>    | <u>(423,148,398)</u>    |
| Total Master Trust investments, at fair value    | \$ <u>1,776,487,477</u> | \$ <u>1,573,654,096</u> |
| Plan interest in the Master Trust, at fair value | \$ <u>651,281,662</u>   | \$ <u>565,180,862</u>   |

Investment income for the Master Trust was as follows for the years ended December 31:

|                                               | 2017                  | 2016                  |
|-----------------------------------------------|-----------------------|-----------------------|
| Investment income:                            |                       |                       |
| Net appreciation in fair value of investments | \$ 150,928,491        | \$ 85,992,952         |
| Interest                                      | 19,504,872            | 7,253,230             |
| Dividends                                     | 8,083,644             | 10,659,994            |
| Other                                         | 4,532,928             | 1,040,308             |
|                                               | <u>\$ 183,049,935</u> | <u>\$ 104,946,484</u> |

Continued...

## SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements  
December 31, 2017 and 2016

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### (5) Interest in Master Trust (Unaudited), Continued

Following is a description of the valuation methodologies used for assets measured at fair value held by the Master Trust.

*Common collective trusts:* Valued at the NAV of units of a bank collective trust. The NAV as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Were the Master Trust to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

*Common stock:* Valued at the closing price reported on the active market on which the individual securities are traded.

*Limited partnerships:* The fair values of the investments in limited partnerships are estimated using the NAV of the Master Trust's ownership interest in partners' capital. For the majority of the limited partnerships, redemptions are not permitted, except those received through distributions, at such time as determined by the partnerships, which are expected through various fund termination through December 31, 2031.

*Registered investment companies:* Valued at the daily closing price as reported by the registered investment company. Registered investment companies held by the Master Trust are open end mutual funds that are registered with the Securities and Exchange Commission. These investments are required to publish their daily NAV and to transact at that price. The mutual funds held by the Master Trust are deemed to be actively traded.

*Corporate debt:* Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings, recently executed transactions, market price quotations (where observable), bond spreads or credit default swap spreads.

*Foreign exchange funds:* Valued using pricing models based on the prevailing forward exchange rate of the underlying currencies taking into account the counterparties' creditworthiness.

*Cash equivalents:* Valued at the closing price reported on the active market on which the individual securities are traded.

*Preferred stock:* Represents investments in preferred stock valued at fair value using recent activity for similar instruments.

Continued...

# SMITHFIELD FOODS SALARIED PENSION PLAN

## Notes to Financial Statements December 31, 2017 and 2016

### (5) Interest in Master Trust (Unaudited), Continued

The following table sets forth by level, within the fair value hierarchy, the Master Trust's investments at fair value:

| Assets at Fair Value as of December 31, 2017                           |                       |                       |             |                         |
|------------------------------------------------------------------------|-----------------------|-----------------------|-------------|-------------------------|
|                                                                        | Level 1               | Level 2               | Level 3     | Total                   |
| Common stock                                                           | \$ 413,317,891        | \$ -                  | \$ -        | \$ 413,317,891          |
| Registered investment companies                                        | 189,560,894           | -                     | -           | 189,560,894             |
| Corporate debt                                                         | -                     | 138,506,885           | -           | 138,506,885             |
| Foreign exchange funds                                                 | -                     | 189,105,646           | -           | 189,105,646             |
| Cash equivalents                                                       | 13,158,568            | -                     | -           | 13,158,568              |
| Preferred stock                                                        | -                     | 2,597,977             | -           | 2,597,977               |
|                                                                        | <u>\$ 616,037,353</u> | <u>\$ 330,210,508</u> | <u>\$ -</u> | <u>946,247,861</u>      |
| Investments measured at NAV<br>as a practical expedient <sup>(a)</sup> |                       |                       |             | <u>904,770,631</u>      |
| Investments at fair value                                              |                       |                       |             | <u>\$ 1,851,018,492</u> |

| Assets at Fair Value as of December 31, 2016                           |                       |                       |             |                         |
|------------------------------------------------------------------------|-----------------------|-----------------------|-------------|-------------------------|
|                                                                        | Level 1               | Level 2               | Level 3     | Total                   |
| Common stock                                                           | \$ 349,999,584        | \$ -                  | \$ -        | \$ 349,999,584          |
| Registered investment companies                                        | 133,527,387           | -                     | -           | 133,527,387             |
| Corporate debt                                                         | -                     | 113,417,890           | -           | 113,417,890             |
| Foreign exchange funds                                                 | -                     | 89,444,406            | -           | 89,444,406              |
| Cash equivalents                                                       | 6,882,900             | -                     | -           | 6,882,900               |
| Preferred stock                                                        | -                     | 685,821               | -           | 685,821                 |
|                                                                        | <u>\$ 490,409,871</u> | <u>\$ 203,548,117</u> | <u>\$ -</u> | <u>693,957,988</u>      |
| Investments measured at NAV<br>as a practical expedient <sup>(a)</sup> |                       |                       |             | <u>851,124,215</u>      |
| Investments at fair value                                              |                       |                       |             | <u>\$ 1,545,082,203</u> |

(a) In accordance with FASB ASU 2015-07, certain investments that were measured at NAV per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total Master Trust investments.

Master Trust assets above do not include net receivables and payables for unsettled trades as well as accrued income and cash.

The Master Trust recognizes transfers among investment levels as of the beginning of the reporting period. The limited partnerships were transferred from Level 3 investments in the fair value hierarchy to being measured at NAV per share as a practical expedient due to additional information on the valuation methodology provided by the partnerships.

Continued...

# SMITHFIELD FOODS SALARIED PENSION PLAN

## Notes to Financial Statements December 31, 2017 and 2016

### (5) Interest in Master Trust (Unaudited), Continued

The following table summarizes the Master Trust's investments measured at fair value based on the NAV per share as a practical expedient as of December 31:

| Investment                                    |     | Fair Value at<br>December 31, |                       | Unfunded      | Redemption        | Redemption     |
|-----------------------------------------------|-----|-------------------------------|-----------------------|---------------|-------------------|----------------|
|                                               |     | 2017                          | 2016                  | Commitments   | Frequency         | Notice Period  |
| Common Collective Trusts:                     |     |                               |                       |               |                   |                |
| Russell Investments Funds                     |     | \$ 735,566,640                | \$ 738,430,095        | None          | Daily             | N/A            |
| Limited Partnerships                          |     |                               |                       |               |                   |                |
| AEOLUS Property Catastrophe Funds             | (a) | 25,985,538                    | -                     | None          | Quarterly         | After one year |
| AG Asia Realty Fund III LP                    | (b) | 5,549,755                     | 3,300,000             | \$ 4,964,250  | Distribution only | N/A            |
| AG Realty Funds                               | (c) | 6,024,961                     | 7,443,673             | \$ 2,897,423  | Distribution only | N/A            |
| BlackRock Global Renewable Power Fund II      | (d) | 1,232,566                     | -                     | \$ 3,761,370  | Distribution only | N/A            |
| Blackstone Property Partners LP               | (e) | 11,346,789                    | 10,454,603            | None          | Daily             | N/A            |
| Cultivian Sandbox Food & Agr Fund III LP      | (f) | 54,377                        | -                     | \$ 4,945,623  | Distribution only | N/A            |
| CVI Emerging Markets Credit Value Fund        | (g) | 9,724,772                     | -                     | None          | Quarterly         | 90 days        |
| DRA Growth and Income Fund IX LLC             | (c) | 3,312,663                     | -                     | \$ 6,616,288  | Distribution only | N/A            |
| DW Catalyst Offshore Fund                     | (h) | -                             | 1,897,994             | None          | Distribution only | N/A            |
| Exeter Industrial Value Fund IV LP            | (i) | 922,052                       | -                     | \$ 9,000,000  | Distribution only | N/A            |
| Field Street Offshore Fund, Ltd               | (j) | 4,303,182                     | 4,082,314             | None          | Monthly           | 60 days        |
| GCA Credit Opportunities Offshore Fund        | (g) | 9,253,828                     | 9,093,216             | None          | Quarterly         | 60 days        |
| GEAM International Private Equity Fund LP     | (k) | 660,043                       | 645,434               | \$ 609,503    | Distribution only | N/A            |
| Goldman Vintage Fund VII                      | (l) | 2,744,857                     | -                     | \$ 6,944,958  | Distribution only | N/A            |
| H2 Special Opportunities III Fund LP          | (m) | 9,337,380                     | 8,474,303             | None          | Distribution only | N/A            |
| H2 Special Opportunities IV Fund LP           | (m) | 961,816                       | -                     | \$ 8,908,553  | Distribution only | N/A            |
| Hancock Capital Partners IV Fund LP           | (n) | 1,336,211                     | 2,068,714             | \$ 491,802    | Distribution only | N/A            |
| Hancock III Mezzanine Partners III Fund LP    | (n) | 4,586                         | 97,344                | \$ 96,113     | Distribution only | N/A            |
| Harbourvest Partners V Fund LP                | (n) | 189,467                       | 187,579               | \$ 267,000    | Distribution only | N/A            |
| Harbourvest Partners VIII Cayman Funds        | (n) | 6,834,034                     | 8,361,955             | \$ 611,250    | Distribution only | N/A            |
| Horizon Portfolio I Limited Funds             | (n) | 6,183,040                     | 5,858,871             | None          | Quarterly         | 45 days        |
| Hutchinson Hill Capital Offshore Fund Class C | (h) | -                             | 5,888,786             | None          | Quarterly         | 65 days        |
| Invesco Mortgage Recovery Feeder Fund LP      | (o) | 152,884                       | 666,407               | \$ 143,513    | Distribution only | N/A            |
| Lone Star Funds                               | (p) | 565,222                       | 1,343,663             | \$ 877,686    | Distribution only | N/A            |
| Menta Global Offshore Series 170 Funds        | (q) | 6,258,839                     | 6,541,907             | None          | Monthly           | 45 days        |
| Moore Macro Managers Fund LTD Class A         | (q) | 8,962,010                     | 8,816,541             | None          | Monthly           | N/A            |
| Oak Street Real Estate Capital IV LP          | (r) | 483,758                       | -                     | \$ 9,515,073  | Distribution only | N/A            |
| Oaktree Euro Principal Fund IV Feeder LP      | (s) | 3,890,433                     | -                     | \$ 4,800,000  | Distribution only | N/A            |
| Oaktree Mezzanine Fund IV LP                  | (n) | 18,095,531                    | 11,802,632            | \$ 11,643,000 | Distribution only | N/A            |
| Oaktree Opportunities Fund X LP               | (t) | 6,200,231                     | 3,843,068             | None          | Distribution only | N/A            |
| Oaktree Special Situations Fund               | (u) | 6,884,039                     | 2,176,097             | \$ 8,992,349  | Distribution only | N/A            |
| PEG Global PE Instl Investment VI Fund        | (v) | 1,275,389                     | 773,011               | \$ 8,701,203  | Distribution only | N/A            |
| PEG Secondary PE Investment III LP Fund       | (w) | 3,505,019                     | 2,496,948             | \$ 16,473,827 | Distribution only | N/A            |
| Winton Futures Funds                          | (x) | 6,968,719                     | 6,379,060             | None          | Daily             | N/A            |
|                                               |     | <u>\$ 904,770,631</u>         | <u>\$ 851,124,215</u> |               |                   |                |

Continued...

## SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements  
December 31, 2017 and 2016

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### (5) Interest in Master Trust (Unaudited), Continued

Following are the investment objectives of the limited partnerships:

- (a) These funds focus primarily on private tailored reinsurance and retrocessional transactions to create diversified, high-yielding portfolios for investors.
- (b) This fund builds a diversified portfolio of real estate turnaround and development opportunities in Japan, Korea and Greater China.
- (c) These funds' principal investment objective is current income and capital appreciation primarily in corporate acquisitions and leveraged buyouts.
- (d) This fund builds a diversified, global portfolio of wind and solar projects.
- (e) This fund invests in stable, well-leased real estate that needs some repositioning.
- (f) This fund invests in early stage food and agriculture with a focus on emerging technologies in the agriculture sector.
- (g) These funds invest in undervalued investments with a strong focus on portfolios of whole loans coming out of the deleveraging of European banks, U.S. non-performing and reperforming loan portfolios, corporate securities in developed and emerging markets, structured credit securitizations, aviation, and other hard assets.
- (h) These funds seek to generate high absolute returns through trading and investing in financial assets in the corporate credit, mortgage-backed securities and asset-backed securities markets.
- (i) This fund builds a diversified portfolio of single asset and multi-building packaged industrial property transactions by acquiring, repositioning, leasing, developing, operating and selling industrial and business park assets in primary metropolitan, high growth major markets, as well as intermodal, air and seaport distribution hubs in the United States, and select Canadian and Mexican markets.
- (j) This fund seeks attractive risk-adjusted returns through a diversified portfolio of trading strategies spread across various markets and asset classes.
- (k) This fund invests in, purchases and sells primarily private investments to provide its partners with current income and long-term capital gains.
- (l) This fund purchases secondhand stakes in private equity funds and focuses on buyout and distressed strategies in developed markets.
- (m) These funds invest in U.S. assets with high-quality real estate debt.

*Continued...*

## SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements  
December 31, 2017 and 2016

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### (5) Interest in Master Trust (Unaudited), Continued

- (n) These funds invest in privately placed subordinated debt with warrant or other equity participation rights, and preferred stock or common stock issued in connection with the expansion or acquisition financing, buyout or recapitalization of established middle market companies.
- (o) This fund is an opportunistic private investment fund established to capitalize on the current dislocation in the residential and commercial mortgage loan and structured securities market.
- (p) These funds invest in single-family residential real estate and debt, corporate debt, consumer debt and derivative instruments.
- (q) These funds invest in public equity markets across the globe as well as equity derivatives and equity swaps.
- (r) This fund is principally engaged in acquiring investment grade or equivalent, single-tenant, free-standing triple net or double net lease assets with a target of 15 years and a minimum of 11 years of lease term remaining with an emphasis on recession resistant tenants and mission-critical locations.
- (s) This fund invests primarily in Europe and primarily in equity, equity related and debt obligations of corporations, partnerships, limited liability companies and other similar entities that are considered undervalued, offer an opportunity for growth if funded appropriately, and provide an attractive risk/return profile.
- (t) This fund invests primarily in the securities of entities that, or are owned by persons that, are undergoing, are considered likely to undergo or have undergone (i) reorganization under the federal bankruptcy law or similar laws in other countries or (ii) other extraordinary transactions, such as debt restructurings, reorganizations and liquidations outside of bankruptcy.
- (u) This fund invests in publicly traded or privately placed debt securities and other obligations such as bank loans and participations, equipment trust certificates and trade credits, equity securities and options and warrants.
- (v) The investment objective of this fund is to generate capital returns through investing in limited partnerships or other pooled and direct investment vehicles which, in turn, make investments in management buy-in, management buy-out and leveraged buy-out transactions.

*Continued...*

## SMITHFIELD FOODS SALARIED PENSION PLAN

### Notes to Financial Statements December 31, 2017 and 2016

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#### (5) Interest in Master Trust (Unaudited), Continued

(w) The investment objective of this fund is to generate capital returns by making investments from a diversified portfolio of conventional investments in the private equity markets by acquiring secondary private equity partnership investments and secondary private equity direct investments from third parties in private transactions on the secondary market.

(x) The investment objective of these funds is to achieve long-term capital appreciation through compound growth.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Master Trust believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

#### (6) Investment Contract with Insurance Company

The Plan has a fully benefit-responsive group annuity contract with John Hancock Life Insurance Company (John Hancock) totaling \$496,055 and \$502,568 at December 31, 2017 and 2016, respectively. John Hancock maintains the contributions in a general account. The account is credited with contributions and earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The balance in the general account is guaranteed to never be less than the aggregate contributions made to the account less all expenses, taxes and benefits withdrawn. There are no guarantees as to the amount of interest that will be credited.

The terms of the annuitized benefits guaranteed under the contract are guaranteed for the life of the annuitant. John Hancock guarantees that the purchase rates in effect at the time any annuitized benefit is purchased shall remain in effect until all payments have been made with respect to such benefit.

Certain events may limit the ability of the plan sponsor and/or participants to transact at contract value with John Hancock. Examples of these events would include (but would not be limited to) premature termination of this contract and termination of the Plan. In these examples, the contract value could be reduced by any applicable surrender charges upon distribution of the contract's funds. The plan administrator does not believe that any events, which would limit the Plan's ability to transact at contract value with participants, are probable of occurring.

In no event may John Hancock terminate this contract and settle at an amount different from contract value.

## SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements  
December 31, 2017 and 2016

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### (7) Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Participant benefits are based on a set dollar amount multiplied by years of benefit service, as defined in the plan document.

The actuarial present value of accumulated plan benefits is determined by the Plan's independent actuary, Mercer Human Resource Consulting, and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions underlying the valuations as of January 1, 2017 and 2016 were as follows:

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rate of return        | 7.00%                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Discount rate         | 4.55%                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Mortality:            |                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Healthy Participants: |                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Non-annuitants        | For 2017, the MMP-2016 scale, a Mercer-developed scale based on the MP-2016.<br>For 2016, RP-2014 healthy, sex-distinct, no collar table, adjusted to remove post-2007 projection factors, projected using the MMP-2007 Mercer-developed scale based on MP-2014, but adjusted to grade down to an ultimate improvement rate over 10 years (from 2007 to 2017).                                                                                 |
| Annuitants            | For 2017, the Mercer Industry Longevity Experience Study 2010 rates for the Consumer Goods and Food & Drink Industry with no collar.<br>For 2016, Mercer Industry Longevity Experience Study mortality table for the Consumer Goods and Food & Drink with no collar, projected using the MMP-2007 Mercer-developed scale based on MP-2014, but adjusted to grade down to an ultimate 0.75% improvement rate over 10 years (from 2007 to 2017). |
| Disabled Participants | Revenue Ruling 96-7 tables for disabled participants                                                                                                                                                                                                                                                                                                                                                                                           |
| Retirement age        | Attained age 65                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Funding method        | Unit Credit Actuarial Cost Method                                                                                                                                                                                                                                                                                                                                                                                                              |

*Continued...*

# SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements  
December 31, 2017 and 2016

## (7) Actuarial Present Value of Accumulated Plan Benefits, Continued

The actuarial present value of accumulated plan benefits is as follows as of January 1:

|                                                            | 2017           | 2016           |
|------------------------------------------------------------|----------------|----------------|
| Actuarial present value of accumulated plan benefits:      |                |                |
| Vested benefits:                                           |                |                |
| Active participants                                        | \$ 192,851,975 | \$ 180,682,106 |
| Inactive participants with deferred benefits               | 50,829,993     | 46,248,389     |
| Inactive participants receiving benefits                   | 183,852,827    | 180,719,452    |
|                                                            | 427,534,795    | 407,649,947    |
| Nonvested benefits                                         | 12,758,701     | 12,949,492     |
| Total actuarial present value of accumulated plan benefits | \$ 440,293,496 | \$ 420,599,439 |

The change in the actuarial present value of accumulated plan benefits is as follows for the years ended January 1:

|                                                                           | 2017           | 2016           |
|---------------------------------------------------------------------------|----------------|----------------|
| Actuarial present value of accumulated plan benefits at beginning of year | \$ 420,599,439 | \$ 381,713,738 |
| Increase (decrease) during the year attributable to:                      |                |                |
| Benefits accumulated and losses                                           | 14,136,183     | 12,202,211     |
| Increase for interest due to decrease in discount period                  | 28,661,925     | 27,638,414     |
| Benefits paid                                                             | (20,572,367)   | (24,372,107)   |
| Change in actuarial assumptions                                           | (2,531,684)    | 23,417,183     |
| Net increase                                                              | 19,694,057     | 38,885,701     |
| Actuarial present value of accumulated plan benefits at end of year       | \$ 440,293,496 | \$ 420,599,439 |

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2017 and 2016. Had the valuations been performed as of December 31, there would be no material differences.

## SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements  
December 31, 2017 and 2016

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### (8) Plan Termination

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

1. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under plan provisions in effect at any time during the five years preceding plan termination.
2. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations.
3. All other vested benefits (that is, vested benefits not insured by the PBGC).
4. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically on the amount of an individual's monthly benefit that the PBGC guarantees. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

Whether all participants receive their benefits, should the Plan be terminated at some future time, will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the plan sponsor and the level of benefits guaranteed by the PBGC. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty while other benefits may not be provided for at all.

## SMITHFIELD FOODS SALARIED PENSION PLAN

### Notes to Financial Statements December 31, 2017 and 2016

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#### (9) Tax Status

The Internal Revenue Service has determined and informed Smithfield by a letter dated December 5, 2017, that the Plan and related trust are designed in accordance with applicable requirements of the Internal Revenue Code (IRC). The plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

#### (10) Related Party and Party-In-Interest Transactions

The Plan invests in the Master Trust, which is managed by Smithfield. The Master Trust invests in a money market fund managed by the trustee and common stock of the trustee.

The Master Trust pays fees to various parties-in-interest on behalf of the Participating Plans. Fees paid to parties-in-interest for 2017 and 2016 were as follows:

|                       | 2017                 | 2016                |
|-----------------------|----------------------|---------------------|
| Investment management | \$ 9,715,684         | \$ 7,191,799        |
| Consulting            | 1,015,540            | 151,140             |
|                       | <u>\$ 10,731,224</u> | <u>\$ 7,342,939</u> |

#### (11) Risks and Uncertainties

The Plan, through its interest in the Master Trust, invests in various investment securities. Investment securities, in general, are exposed to various risks such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

## SUPPLEMENTAL SCHEDULE

## SMITHFIELD FOODS SALARIED PENSION PLAN

Plan No: 001

EIN: 52-0845861

## Supplemental Schedule

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2017

| (a) | (b)<br>Identity of Issue, Borrower,<br>Lessor, or Similar Party | (c)<br>Description of Investment,<br>Including Maturity Date,<br>Rate of Interest, Collateral,<br>Par, or Maturity Value | (d)<br>Cost       | (e)<br>Current<br>Value |
|-----|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|
|     |                                                                 |                                                                                                                          |                   |                         |
|     | Insurance contract:                                             |                                                                                                                          |                   |                         |
|     | * John Hancock                                                  | Group Annuity Contract 714                                                                                               | \$ 496,055        | \$ 496,055              |
|     | Registered investment company:                                  |                                                                                                                          |                   |                         |
|     | Dreyfus                                                         | Treasury Prime Cash Management Fund                                                                                      | 48                | 48                      |
|     |                                                                 |                                                                                                                          | <u>\$ 496,103</u> | <u>\$ 496,103</u>       |

\* At contract value

**Schedule SB, Line 26 — Schedule of Active Participant Data**

| Attained age | Years of credited service |               |               |               |               |               |              |              |              |              |
|--------------|---------------------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|
|              | Under 1                   | 1-4           | 5-9           | 10-14         | 15-19         | 20-24         | 25-29        | 30-34        | 35-39        | 40 & up      |
| Under 25     | 23<br>24,128              | 116<br>34,255 | 67<br>31,762  |               |               |               |              |              |              |              |
| 25-29        | 23<br>41,496              | 268<br>41,496 | 191<br>45,851 | 49<br>41,822  |               |               |              |              |              |              |
| 30-34        | 19<br>47,690              | 322<br>47,690 | 208<br>54,507 | 107<br>59,730 | 45<br>50,096  |               |              |              |              |              |
| 35-39        | 14<br>48,658              | 273<br>48,658 | 216<br>57,692 | 132<br>68,193 | 122<br>62,825 | 43<br>58,849  |              |              |              |              |
| 40-44        | 12<br>52,518              | 235<br>52,518 | 186<br>59,530 | 150<br>65,511 | 150<br>62,739 | 117<br>66,409 | 42<br>82,799 |              |              |              |
| 45-49        | 10<br>62,908              | 223<br>62,908 | 183<br>66,406 | 128<br>62,092 | 151<br>68,953 | 135<br>73,383 | 67<br>75,480 | 29<br>87,590 |              |              |
| 50-54        | 8<br>67,871               | 204<br>67,871 | 189<br>82,908 | 153<br>69,395 | 147<br>74,402 | 144<br>68,910 | 65<br>87,119 | 50<br>73,318 | 26<br>99,321 |              |
| 55-59        | 7<br>69,782               | 124<br>69,782 | 168<br>78,156 | 99<br>79,047  | 120<br>71,587 | 119<br>71,747 | 42<br>85,496 | 45<br>92,417 | 46<br>79,768 | 83<br>93,204 |
| 60-64        | 6<br>70,141               | 86<br>70,141  | 107<br>78,066 | 81<br>77,676  | 85<br>75,851  | 79<br>66,517  | 29<br>73,900 | 31<br>91,188 | 36<br>93,959 | 79<br>89,341 |
| 65-69        |                           | 17<br>69,098  | 27<br>69,098  | 19            | 25<br>69,250  | 22<br>70,136  | 12           | 9            | 4            | 20<br>68,993 |
| 70 & up      |                           |               | 9             | 6             | 2             | 1             | 1            |              |              | 5            |

In each cell, the top number is the count of active participants for each age/service combination and the bottom number is average pay for 2017 limited to \$270,000. Average pay is not shown for plans with less than 1,000 active participants or cells with fewer than 20 participants.

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods****Actuarial assumptions****Discount rate sponsor elections**

|                                                                                                                                     |         |                                |                                   |
|-------------------------------------------------------------------------------------------------------------------------------------|---------|--------------------------------|-----------------------------------|
| ▪ Segment rates or full yield curve                                                                                                 | Segment |                                |                                   |
| ▪ Look-back months                                                                                                                  | 4       |                                |                                   |
|                                                                                                                                     |         | <b><u>Stabilized rates</u></b> | <b><u>Nonstabilized rates</u></b> |
| ▪ First 5 years                                                                                                                     |         | 4.16%                          | 1.52%                             |
| ▪ Next 15 years                                                                                                                     |         | 5.72%                          | 3.80%                             |
| ▪ Over 20 years                                                                                                                     |         | 6.48%                          | 4.79%                             |
| <b>Rationale:</b> Funding discount rates are prescribed by the IRS with the specific methodology selected by Smithfield Foods, Inc. |         |                                |                                   |

**Mortality sponsor elections**

|                                                                                                                                       |                                                                                                                                                                                                                                                    |
|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Healthy participants                                                                                                                | Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA. |
| ▪ Pre-1995 disabilities                                                                                                               | Revenue Ruling 96-7 table for participants who became disabled before 1995                                                                                                                                                                         |
| ▪ Post-1994 disabilities                                                                                                              | Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits                                                                                                                 |
| <b>Rationale:</b> Funding mortality tables are prescribed by the IRS with the specific methodology selected by Smithfield Foods, Inc. |                                                                                                                                                                                                                                                    |

**Other economic assumptions**

|                             |                                                                                                                                                                                                                                |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Salary increases          | See table of sample rates<br><b>Rationale:</b> This assumption is based on an experience study performed in 2012 and 2016.                                                                                                     |
| ▪ Social Security wage base | 3.00% per year<br><b>Rationale:</b> This assumption is based on inflation plus estimated real wage increases in the U.S. economy (75bps).                                                                                      |
| ▪ Inflation                 | 2.25% per year<br><b>Rationale:</b> This assumption is based on the long-term expectations for inflation published in Mercer Investment Consulting's Capital Market Outlook (2.20%) rounded up to the nearest 25 basis points. |

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**

- Expected investment return 7.00% per year for year 2016 and 7.00% per year for year 2017.  
**Rationale:** The expected rate of return on plan assets is based on a blend of the hypothetical past performance of the plan's target asset mix and the median simulated investment return using capital market assumptions published in Mercer Investment Consulting's Capital Market Outlook for the plan's target asset mix. The expected return on assets assumption is net of an adjustment of 20 bps for expenses assumed to be paid from plan assets.
- Expenses \$0 added to current year normal cost  
**Rationale:** Administration expenses are not paid from plan assets.

**Demographic assumptions**

- Withdrawal Client specific table. See table of sample rates.
- Disability incidence Uses 1985 Pension Disability Study Table Class 1 for males and females. See table of sample rates. 100% of participants becoming disabled are assumed to be eligible for Social Security disability benefits

- Retirement age

| Attained age | Percentage   |                  |
|--------------|--------------|------------------|
|              | John Morrell | Smithfield Foods |
| 55           | 11.7%        | 8.0%             |
| 56           | 10.0         | 8.0              |
| 57           | 10.0         | 8.0              |
| 58           | 11.7         | 8.0              |
| 59           | 15.0         | 9.7              |
| 60           | 18.3         | 9.7              |
| 61           | 15.0         | 19.7             |
| 62           | 20.0         | 21.7             |
| 63           | 20.0         | 21.7             |
| 64           | 30.0         | 26.7             |
| 65           | 48.3         | 36.7             |
| 66           | 48.3         | 35.0             |
| 67           | 45.0         | 35.0             |
| 68           | 45.0         | 35.0             |
| 69           | 45.0         | 35.0             |
| 70           | 100.0        | 100.0            |

**Rationale:** The withdrawal, disability incidence, and retirement age assumptions are based on an experience studies performed in 2012 and 2016.

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods****Benefit commencement age for**

- Future vested deferred 65
- Current vested deferred 65

**Rationale:** The commencement age assumptions are based on an experience studies performed in 2012 and 2016.

- |                         |                                 |                                   |
|-------------------------|---------------------------------|-----------------------------------|
| ▪ Spouse assumptions    | <u><b>Male participants</b></u> | <u><b>Female participants</b></u> |
| ▪ Percentage married    | 80%                             | 80%                               |
| ▪ Spouse age difference | 3 years younger                 | 3 years older                     |

| <b>Form of payment</b>    | <u><b>Lump sum</b></u> | <u><b>Single life</b></u> | <u><b>75% J&amp;S</b></u> |
|---------------------------|------------------------|---------------------------|---------------------------|
| ▪ Active retirements      | 0%                     | 70%                       | 30%                       |
| ▪ Future vested deferred  | 0%                     | 70%                       | 30%                       |
| ▪ Future disabilities     | 0%                     | 100%                      | 0%                        |
| ▪ Future deaths           | 0%                     | 100% <sup>1</sup>         | 0%                        |
| ▪ Current vested deferred | 0%                     | 70%                       | 30%                       |

**Rationale:** The payment form assumptions are based on an experience studies performed in 2012 and 2016.

|                                                   |                |
|---------------------------------------------------|----------------|
| <b>Unpredictable contingent event assumptions</b> | Not applicable |
|---------------------------------------------------|----------------|

**Table of sample rates***Table of salary increases*

| <b>Age</b> | <b>Percentage</b> |
|------------|-------------------|
| 0 – 24     | 6.00%             |
| 25 - 29    | 5.50              |
| 30 - 34    | 5.00              |
| 35 - 39    | 4.67              |
| 40 - 44    | 4.33              |
| 45 - 49    | 4.17              |
| 50+        | 4.00              |

<sup>1</sup> REA Spouse's Annuity.

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods***Withdrawal rates for employees with less than 5 years of service*

| <b>Years of Service</b> | <b>Percentage</b> |
|-------------------------|-------------------|
| 0                       | 41.7%             |
| 1                       | 25.0              |
| 2                       | 24.1              |
| 3                       | 20.0              |
| 4                       | 16.0              |

*Withdrawal rates for employees with more than 5 years of service*

| <b>Attained Age</b> | <b>Percentage</b> |
|---------------------|-------------------|
| 22                  | 26.3%             |
| 32                  | 13.1              |
| 42                  | 10.7              |
| 52                  | 8.7               |
| 62                  | 6.7               |

*Disability terminations from active status<sup>2</sup>*

| <b>Attained Age</b> | <b>Percentage</b> |               |
|---------------------|-------------------|---------------|
|                     | <b>Male</b>       | <b>Female</b> |
| 22                  | .032%             | .035%         |
| 32                  | .054              | .099          |
| 42                  | .147              | .250          |
| 52                  | .465              | .660          |
| 62                  | 1.475             | 1.188         |

**Actuarial methods****Asset methods**

The asset valuation method is an average of the adjusted market value for each year during the last 2 years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110% and no less than 90% of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

<sup>2</sup> Disability terminations are taken into account in the retirement rates after age 64.

## Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

### Participant methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does have insurance products through John Hancock for certain participants.

### Minimum funding methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

|                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                    |                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).<br><br><b>► File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2017</b><br><br><b>This Form is Open to Public Inspection</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

► **Round off amounts to nearest dollar.**

► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                                         |                                                             |     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----|
| <b>A</b> Name of plan<br>SMITHFIELD FOODS SALARIED PENSION PLAN                                                                                         | <b>B</b> Three-digit plan number (PN) ►                     | 001 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br>SMITHFIELD FOODS, INC.                                                      | <b>D</b> Employer Identification Number (EIN)<br>52-0845861 |     |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B               |                                                             |     |
| <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |                                                             |     |

|                                                                                                                                                                                                         |                            |                           |                          |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|---------------------------|--------------------------|--|
| <b>Part I Basic Information</b>                                                                                                                                                                         |                            |                           |                          |  |
| <b>1</b> Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2017</u>                                                                                                                       |                            |                           |                          |  |
| <b>2</b> Assets:                                                                                                                                                                                        |                            |                           |                          |  |
| a Market value.....                                                                                                                                                                                     | <b>2a</b>                  | 567,313,194               |                          |  |
| b Actuarial value .....                                                                                                                                                                                 | <b>2b</b>                  | 578,157,051               |                          |  |
| <b>3</b> Funding target/participant count breakdown                                                                                                                                                     | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target |  |
| a For retired participants and beneficiaries receiving payment .....                                                                                                                                    | 3,315                      | 200,286,095               | 200,286,095              |  |
| b For terminated vested participants .....                                                                                                                                                              | 2,468                      | 57,329,974                | 57,329,974               |  |
| c For active participants .....                                                                                                                                                                         | 7,513                      | 216,444,803               | 230,948,840              |  |
| d Total .....                                                                                                                                                                                           | 13,296                     | 474,060,872               | 488,564,909              |  |
| <b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b) <input type="checkbox"/>                                                                                        |                            |                           |                          |  |
| a Funding target disregarding prescribed at-risk assumptions.....                                                                                                                                       | <b>4a</b>                  |                           |                          |  |
| b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor..... | <b>4b</b>                  |                           |                          |  |
| <b>5</b> Effective interest rate.....                                                                                                                                                                   | <b>5</b>                   | 6.00%                     |                          |  |
| <b>6</b> Target normal cost .....                                                                                                                                                                       | <b>6</b>                   | 19,985,168                |                          |  |

**Statement by Enrolled Actuary**  
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                  |                                                   |                                                        |
|------------------|---------------------------------------------------|--------------------------------------------------------|
| <b>SIGN HERE</b> | <br>Signature of actuary                          | <u>10/8/18</u><br>Date                                 |
|                  | DANIEL M. SECKAR<br>Type or print name of actuary | 1706799<br>Most recent enrollment number               |
|                  | MERCER<br>Firm name                               | 412-355-8800<br>Telephone number (including area code) |
|                  | SIX PPG PLACE<br>Address of the firm              |                                                        |
|                  | PITTSBURGH PA 15222<br>Address of the firm        |                                                        |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

**Part II Beginning of Year Carryover and Prefunding Balances**

|                                                                                                                                                                     | (a) Carryover balance | (b) Prefunding balance |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....                                                             | 0                     | 32,696,400             |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                                         | 0                     | 0                      |
| <b>9</b> Amount remaining (line 7 minus line 8) .....                                                                                                               | 0                     | 32,696,400             |
| <b>10</b> Interest on line 9 using prior year's actual return of <u>6.80%</u> .....                                                                                 | 0                     | 2,223,355              |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                                                      |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year) .....                                                                                     |                       | 1,534,862              |
| <b>b(1)</b> Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.18%</u> ..... |                       | 94,854                 |
| <b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....                                                                |                       | 0                      |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....                                                                       |                       | 1,629,716              |
| <b>d</b> Portion of (c) to be added to prefunding balance .....                                                                                                     |                       |                        |
| <b>12</b> Other reductions in balances due to elections or deemed elections .....                                                                                   |                       |                        |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                                                        | 0                     | 34,919,755             |

**Part III Funding Percentages**

|                                                                                                                                                                            |           |         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 111.19% |
| <b>15</b> Adjusted funding target attainment percentage .....                                                                                                              | <b>15</b> | 118.33% |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 117.54% |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage. ....                                        | <b>17</b> | %       |

**Part IV Contributions and Liquidity Shortfalls****18** Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
|--------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| 12/28/2017               | 44,000,000                        | 0                               |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
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|                          |                                   |                                 |                          |                                   |                                 |
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|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
| <b>Totals ►</b>          | <b>18(b)</b>                      | 44,000,000                      | <b>18(c)</b>             |                                   | 0                               |

**19** Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

|                                                                                                                         |            |            |
|-------------------------------------------------------------------------------------------------------------------------|------------|------------|
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years .....                    | <b>19a</b> | 0          |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                      | <b>19b</b> | 0          |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date ..... | <b>19c</b> | 41,535,949 |

**20** Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---------|---------|---------|---------|
|         |         |         |         |

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

|                                                                                                                                                                                              |                        |                        |                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                                                                                                                                                                     |                        |                        |                                                     |
| <b>a</b> Segment rates:                                                                                                                                                                      | 1st segment:<br>4.16 % | 2nd segment:<br>5.72 % | 3rd segment:<br>6.48 %                              |
|                                                                                                                                                                                              |                        |                        | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code).....                                                                                                                                                  |                        |                        | <b>21b</b> 4                                        |
| <b>22</b> Weighted average retirement age .....                                                                                                                                              |                        |                        | <b>22</b> 61                                        |
| <b>23</b> Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute |                        |                        |                                                     |

**Part VI Miscellaneous Items**

|                                                                                                                                                                        |           |                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------------------------------------------------------|
| <b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. .... |           | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ....                                      |           | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ....                            |           | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment .....                                   | <b>27</b> |                                                                     |

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

|                                                                                                                                      |           |   |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>28</b> Unpaid minimum required contributions for all prior years .....                                                            | <b>28</b> | 0 |
| <b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) ..... | <b>29</b> | 0 |
| <b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....                                    | <b>30</b> | 0 |

**Part VIII Minimum Required Contribution For Current Year**

|                                                                                                                                                                                      |                     |                    |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|---------------|
| <b>31</b> Target normal cost and excess assets (see instructions):                                                                                                                   |                     |                    |               |
| <b>a</b> Target normal cost (line 6) .....                                                                                                                                           |                     | <b>31a</b>         | 19,985,168    |
| <b>b</b> Excess assets, if applicable, but not greater than line 31a .....                                                                                                           |                     | <b>31b</b>         | 19,985,168    |
| <b>32</b> Amortization installments:                                                                                                                                                 | Outstanding Balance | Installment        |               |
| <b>a</b> Net shortfall amortization installment .....                                                                                                                                | 0                   | 0                  |               |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       | 0                   | 0                  |               |
| <b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount ..... |                     | <b>33</b>          |               |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....                                                           |                     | <b>34</b>          | 0             |
|                                                                                                                                                                                      | Carryover balance   | Prefunding balance | Total balance |
| <b>35</b> Balances elected for use to offset funding requirement .....                                                                                                               | 0                   | 0                  | 0             |
| <b>36</b> Additional cash requirement (line 34 minus line 35) .....                                                                                                                  |                     | <b>36</b>          | 0             |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....                                                  |                     | <b>37</b>          | 41,535,949    |
| <b>38</b> Present value of excess contributions for current year (see instructions)                                                                                                  |                     |                    |               |
| <b>a</b> Total (excess, if any, of line 37 over line 36) .....                                                                                                                       |                     | <b>38a</b>         | 41,535,949    |
| <b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....                                                                |                     | <b>38b</b>         | 0             |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....                                                                      |                     | <b>39</b>          | 0             |
| <b>40</b> Unpaid minimum required contributions for all years .....                                                                                                                  |                     | <b>40</b>          | 0             |

**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**

|                                                                                                |  |                                                                                                                         |  |
|------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------------------------------------------|--|
| <b>41</b> If an election was made to use PRA 2010 funding relief for this plan:                |  |                                                                                                                         |  |
| <b>a</b> Schedule elected .....                                                                |  | <input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years                                               |  |
| <b>b</b> Eligible plan year(s) for which the election in line 41a was made .....               |  | <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011 |  |
| <b>42</b> Amount of acceleration adjustment .....                                              |  | <b>42</b>                                                                                                               |  |
| <b>43</b> Excess installment acceleration amount to be carried over to future plan years ..... |  | <b>43</b>                                                                                                               |  |

**Schedule SB, Line 22 — Description of Weighted Average Retirement Age**

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 61.

Below are the retirement rates for Smithfield Salaried Employees.

| (A)<br>Retirement<br>Age         | (B)<br>Theoretical<br>Population | (C)<br>Retirement<br>Percent | (D)<br>Expected Number<br>of Retirements<br>(B) x (C) | (E)<br>Weighted Number<br>of Retirements<br>(A) x (D) |
|----------------------------------|----------------------------------|------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| 55                               | 1,000                            | 8.0%                         | 80.0                                                  | 4,400.0                                               |
| 56                               | 920                              | 8.0%                         | 73.6                                                  | 4,121.6                                               |
| 57                               | 846                              | 8.0%                         | 67.7                                                  | 3,859.6                                               |
| 58                               | 779                              | 8.0%                         | 62.3                                                  | 3,613.1                                               |
| 59                               | 716                              | 9.7%                         | 69.5                                                  | 4,099.9                                               |
| 60                               | 647                              | 9.7%                         | 62.7                                                  | 3,765.0                                               |
| 61                               | 584                              | 19.7%                        | 115.1                                                 | 7,019.8                                               |
| 62                               | 469                              | 21.7%                        | 101.8                                                 | 6,310.9                                               |
| 63                               | 367                              | 21.7%                        | 79.7                                                  | 5,021.2                                               |
| 64                               | 288                              | 26.7%                        | 76.8                                                  | 4,914.2                                               |
| 65                               | 211                              | 35.0%                        | 73.9                                                  | 5,028.6                                               |
| 66                               | 133                              | 35.0%                        | 46.7                                                  | 3,082.4                                               |
| 67                               | 87                               | 35.0%                        | 30.4                                                  | 2,033.9                                               |
| 68                               | 56                               | 35.0%                        | 19.7                                                  | 1,341.8                                               |
| 69                               | 37                               | 35.0%                        | 12.8                                                  | 885.0                                                 |
| 70                               | 24                               | 100.0%                       | 23.8                                                  | 1,667.3                                               |
| Total                            |                                  |                              | 1,000.0                                               | 61,164.3                                              |
| Weighted average retirement age: |                                  |                              |                                                       | 61.1                                                  |

**Schedule SB, Line 22 — Description of Weighted Average Retirement Age**

Below are the retirement rates for John Morrell and Company Salaried Employees.

| (A)<br>Retirement<br>Age         | (B)<br>Theoretical<br>Population | (C)<br>Retirement<br>Percent | (D)<br>Expected Number<br>of Retirements<br>(B) x (C) | (E)<br>Weighted Number<br>of Retirements<br>(A) x (D) |
|----------------------------------|----------------------------------|------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| 55                               | 1,000                            | 11.7%                        | 117.0                                                 | 6,435                                                 |
| 56                               | 883                              | 10.0%                        | 88.3                                                  | 4,944.8                                               |
| 57                               | 795                              | 10.0%                        | 79.5                                                  | 4,529.8                                               |
| 58                               | 715                              | 11.7%                        | 83.7                                                  | 4,853.6                                               |
| 59                               | 632                              | 15.0%                        | 94.7                                                  | 5,589.2                                               |
| 60                               | 537                              | 18.3%                        | 98.2                                                  | 5,894.2                                               |
| 61                               | 439                              | 15.0%                        | 65.8                                                  | 4,013.0                                               |
| 62                               | 373                              | 20.0%                        | 74.6                                                  | 4,622.6                                               |
| 63                               | 298                              | 20.0%                        | 59.6                                                  | 3,757.7                                               |
| 64                               | 239                              | 30.0%                        | 71.6                                                  | 4,580.9                                               |
| 65                               | 167                              | 48.3%                        | 80.7                                                  | 5,243.3                                               |
| 66                               | 86                               | 48.3%                        | 20.1                                                  | 2,752.5                                               |
| 67                               | 45                               | 45.0%                        | 11.0                                                  | 1,345.9                                               |
| 68                               | 25                               | 45.0%                        | 6.1                                                   | 751.3                                                 |
| 69                               | 14                               | 45.0%                        | 7.4                                                   | 419.3                                                 |
| 70                               | 7                                | 100.0%                       | 0.9                                                   | 519.9                                                 |
| Total                            |                                  |                              | 1,000.0                                               | 60,253.0                                              |
| Weighted average retirement age: |                                  |                              |                                                       | 60.3                                                  |

| (A)<br>Group                     | (B)<br>Number of<br>Active<br>Participants | (C)<br>Weighted<br>Average<br>Retirement Age | (B) x (C) |
|----------------------------------|--------------------------------------------|----------------------------------------------|-----------|
| Smithfield Salaried              | 6,663                                      | 61.2                                         | 407,537.7 |
| John Morrell & Company           | 850                                        | 60.3                                         | 51,215.0  |
| Total                            | 7,513                                      |                                              | 458,752.7 |
| Weighted average retirement age: |                                            | 61.1                                         |           |

**Schedule SB, Part V — Summary of Plan Provisions****Benefits included or excluded**

Unless noted below, all benefits provided by the plan, as restated December 31, 2015, are included in this valuation.

- **Most recent plan amendments included:** All amendments through December 31, 2015 have been reflected in this valuation.
- **Plan amendments excluded:** None.
- **Late retirement increases:**
  - *Active participants:* The plan applies late retirement actuarial increases for all participants who defer retirement beyond their normal retirement date and this valuation includes those increases.
  - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Sections 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.
- **IRC Section 436 benefit restrictions:**
  - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.

**Plan amendments:** See above.

- *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
- *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

**Schedule SB, Part V — Summary of Plan Provisions****Summary of major plan provisions**

|                                                  |                                                                                                                                                   |
|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| Effective date and plan year                     | Original plan: January 1, 1994<br>Restated plan: January 1, 2012<br>Plan year: January 1 through December 31                                      |
| Status of the plan                               | The plan has ongoing benefit accruals and new employees are eligible to participate in the plan once they satisfy the participation requirements. |
| Significant events that occurred during the year | None                                                                                                                                              |

**Smithfield Foods Salaried Employees****Definitions**

|                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>Covered employees</li> </ul>      | <p>All salaried employees of Smithfield Foods, Inc. (and any affiliated employer who adopts this plan) or hourly employees of Carroll's Foods of Virginia, Inc., Central Plains Farms Inc., Circle Four Corporation and Murphy Family Farms. All salaried employees of John Morrell &amp; Company who were hired after January 1, 2013.</p> <p>Any salaried person who is receiving compensation for personal services rendered in the employment of John Morrell &amp; Company who was hired prior to January 1, 2013 begins to accrue benefits under the following definitions January 1, 2016. Prior to January 1, 2016, benefits were accrued under a different formula as described in the second half of this section.</p> |
| <ul style="list-style-type: none"> <li>Participation</li> </ul>          | Employees must have completed 1,000 hours of service or attained age 21 to participate in the plan.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <ul style="list-style-type: none"> <li>Employee contributions</li> </ul> | None required or permitted.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <ul style="list-style-type: none"> <li>Vesting service</li> </ul>        | Employment from hire date to termination date measured in whole and fractional years.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <ul style="list-style-type: none"> <li>Credited service</li> </ul>       | Employment from hire date to termination date measured in whole and fractional years.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <ul style="list-style-type: none"> <li>Pensionable earnings</li> </ul>   | The total compensation paid to an employee by the employer during any calendar year as reported on Internal Revenue Service Form W-2, Box 1 or such successor box which describes "wages, tips, other compensation" and any amount which is contributed by the employer to a plan pursuant to a salary reduction agreement and which is not included in the gross income of the participant. This plan shall not consider a participant's annual compensation for any plan year in excess of the Section 401(a)(17) Limitation.                                                                                                                                                                                                  |

**Schedule SB, Part V — Summary of Plan Provisions**

|                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Final average earnings             | The participant's average annual compensation received during the five (5) highest consecutive calendar years during which the participant completes 1,000 Hours of Service out of the ten (10) calendar years prior to or including his termination of employment which produce the highest average; or if the participant has fewer than five (5) consecutive calendar years during which the participant completes 1,000 Hours of Service, the average annual compensation received from the employer during all calendar years during which the participant completes 1,000 hours of service prior to his termination of employment; provided however, that for a participant who transfers to this plan from a reciprocal plan, final average earnings shall be determined based on the average annual compensation received only while a participant in this plan. |
| ▪ Covered compensation               | Shall mean for a plan year the average of the taxable wage bases in effect for each calendar year during the thirty-five (35) year period ending in the year which the participant attains (or will attain) Social Security Retirement Age. In determining a participant's covered compensation for a plan year, the taxable wage base for the current plan year and any subsequent plan year shall be assumed to be the same as the taxable wage base in effect as of the beginning of the plan year in which the participant terminated employment.                                                                                                                                                                                                                                                                                                                    |
| ▪ Accrued benefit                    | Shall mean a participant's earned benefit, commencing at the participant's normal retirement age in the form of a life annuity, determined in the same manner as the participant's normal retirement pension and based on the participant's years of benefit service, final average earnings and covered compensation at the date the accrued benefit is being calculated.<br><br>A participant's accrued benefit shall never be less than the accrued benefit on any prior date.                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Normal retirement<sup>1</sup></b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| ▪ Eligibility                        | Age 65                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

<sup>1</sup> The benefit otherwise payable shall be reduced by the benefit provided under the Smithfield Packing Company Pension Plan that terminated on December 31, 1984.

**Schedule SB, Part V — Summary of Plan Provisions**

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**▪ Benefit**

A lifetime benefit payable at age 65 and equal to the product of (a) and (b), but not less than (c) and no more than (d):

- (a) The number of full years of benefit service. No credit shall be given for benefit service prior to September 27, 1992 for employees of Valleydale Foods, Inc., January 1, 1993 for employees of Carolina Food Processors, Inc., and January 1, 1994 for employees of Brown's of Carolina. For employees who were participants in a salaried plan maintained by the Company prior to January 1, 1994, benefit service as of December 31, 1993 shall not be greater than benefit service under the prior plan as of December 31, 1993.
- (b) The sum of (i) 0.8% of Final Average Earnings and (ii) 0.9% of Final Average Earnings in excess of Social Security Covered Compensation.
- (c) Minimum Benefit – An individual's accrued benefit will not be less than their accrued benefit, determined as of the earlier of their separation from service or December 31, 1994, under the provisions of any prior salaried plan as it existed on December 31, 1993. In addition, the annual retirement benefit of a Participant who completes an Hour of Service on or after January 1, 1994 shall not be less than \$900.
- (d) Maximum Benefit – If the annual benefit is greater than \$10,000, the maximum benefit will be the lesser of (i) 100% of the average compensation for the highest three consecutive years of participation in the Plan or (ii) \$135,000 for benefits payable at the Social Security retirement age, automatically increased as permitted by Section 415(d) of the Internal Revenue Code, so that the limitation shall at all times be the maximum permitted by law; provided if the Participant has fewer than 10 years of benefit service, the above amount, as automatically increased, shall be multiplied by the ratio of benefit service to 10 years.

Participants covered under the Carroll's Foods Employees Pension Plan on September 30, 2000 and who immediately thereafter became a participant in this plan are eligible to receive a lifetime benefit payable at age 65 and equal to the greater of (e) and (f):

- (e) The product of (a) and (b), but not less than (c) and no more than (d), with service credited from original Carroll's date of hire.
- (f) The sum of (i) and (ii); but not less than (c) and no more than (d):
  - (i) The product of (a) and (b), with service
  - (ii) The participant's accrued benefit under the Carroll's Foods Employee Pension Plan on September 30, 2000.

**Schedule SB, Part V — Summary of Plan Provisions****Early retirement<sup>2</sup>**

|               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Eligibility | Age 55 with at least five years of vesting service                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| ▪ Benefit     | <ul style="list-style-type: none"> <li>▪ Excluding Carroll's Foods Inc. employees, the benefit payable is the accrued benefit reduced by 0.5% for each month that the Early Retirement Date precedes the Normal Retirement Date.</li> <li>▪ For Carroll's Foods, Inc. participants, the benefit payable is the accrued benefit reduced by 1/180th for each of the first 60 months that the Early Retirement Date precedes the Normal Retirement Date and 1/360th for each of the next 60 months that the Early Retirement Date precedes the Normal Retirement Date.</li> </ul> |

**Late retirement<sup>2</sup>**

|               |                                                                                                                                                                                                                                                            |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Eligibility | After normal retirement age                                                                                                                                                                                                                                |
| ▪ Benefit     | <p>Benefit calculated as the greater of:</p> <ul style="list-style-type: none"> <li>▪ Service to the participant's normal retirement date actuarially increased to the actual retirement date or;</li> <li>▪ Service to actual retirement date.</li> </ul> |

**Deferred vested**

|               |                                                                                                                                                                                                                                                                |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Eligibility | A participant who has completed five or more years of vesting service or who has attained age 65 and reached the fifth anniversary of participation in the plan is 100% vested in his or her accrued benefit.                                                  |
| ▪ Benefit     | The benefit is equal to the vested accrued benefit payable at normal retirement date (for employees with five to nine years of benefit service) or on the first of any month after their attainment of age 55 (for employees with 5 or more years of service). |

**Disability<sup>2</sup>**

|               |                                                                                                                                                                                                                                                                                            |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Eligibility | A participant is eligible upon total and permanent disability after age 45 and 10 years of vesting service. A participant will be deemed to be totally and permanently disabled if and when he or she becomes entitled to disability income benefits under the Federal Social Security Act |
| ▪ Benefit     | The benefit will commence at determination of disability and be computed in the same manner as normal retirement benefits based on service at disability. There is no actuarial reduction for early payment                                                                                |

**Pre-retirement death**

|               |                                        |
|---------------|----------------------------------------|
| ▪ Eligibility | Five or more years of vesting service. |
|---------------|----------------------------------------|

<sup>2</sup> The benefit otherwise payable shall be reduced by the benefit provided under the Smithfield Packing Company Pension Plan that terminated on December 31, 1984.

**Schedule SB, Part V — Summary of Plan Provisions**

|                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Benefit                                      | If a vested participant dies, the participant's spouse will receive a monthly retirement income payable for life in an amount equal to 50% of the amount the participant would have received if he or she had retired on the date of his or her death with a 50% joint and survivor benefit. The benefit is reduced for early commencement before the date the participant would have reached age 65.                                                                                                             |
| ▪ Benefit after normal retirement              | Unless a specific election to the contrary is made, benefits will be payable to a married member under the 50% joint and survivor form of payment.                                                                                                                                                                                                                                                                                                                                                                |
| <b>Unpredictable contingent event benefits</b> | Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Form of benefits</b>                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| ▪ Automatic form for unmarried participants    | Single Life Annuity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| • Automatic form for married participants      | An actuarially reduced 50% joint and survivor annuity.                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| • Optional forms                               | <ul style="list-style-type: none"> <li>• Joint and Survivor Annuity (100%, 75% or 66⅔%)</li> <li>• 10-Year Certain and Continuous Annuity</li> <li>• Lump sum if less than \$7,500</li> </ul> All options are actuarially reduced.                                                                                                                                                                                                                                                                                |
| • Actuarial Equivalence                        | <p>Late retirement increase:</p> <ul style="list-style-type: none"> <li>• Mortality Table – UP84 Mortality Table</li> <li>• Interest Rate – 7.00%</li> </ul> <p>Optional form:</p> <ul style="list-style-type: none"> <li>• Mortality Table – 1994 Group Annuity Reserving Table, projected to 2002, weighted 50% males/50% females</li> <li>• Interest Rate – 5.25%</li> </ul> <p>Lump sum:</p> <ul style="list-style-type: none"> <li>• Section 417(e) interest rates and applicable mortality table</li> </ul> |

**Schedule SB, Part V — Summary of Plan Provisions*****John Morrell Salaried Employees - Benefit frozen as of December 31, 2015*****Definitions**

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Covered employees                | Any salaried person who is receiving compensation for personal services rendered in the employment of John Morrell & Company who was hired prior to January 1, 2013.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| ▪ Participation                    | Participants in the plan prior to January 1, 1989 will continue to be participants in the plan. Salaried employees of John Morrell & Company (and any affiliated employer who adopts the plan) become a participant on January 1 or July 1 following completion of one year of service and attainment of age 21.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| ▪ Employee contributions           | There are no employee contributions to the plan. The employer pays the full cost of the plan.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| ▪ Service considered               | Employment from hire date to termination date measured in whole and fractional years. Service is credited for service covered by the John Morrell & Company Hourly Employees Pension Plan. Credited service for Golden Sun Food employees is frozen as of December 29, 1986. Credited service for Roberts & Oake employees is frozen as of April 30, 1991. Both Golden Sun Food and Roberts & Oake employees continue to receive service for vesting and eligibility purposes only. Credited service for employees who participated in the Swift-Eckrich Inc. Pension Plan begins on October 3, 2006.                                                                                                                                                                                                                                                             |
| ▪ Annual Compensation              | Annual compensation for any calendar year is the annual rate of an employee's earnings from the employer as in effect on the first day of that calendar year. Annual compensation shall not include any payments made to the employee under any bonus or management incentive plan of the employer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| ▪ Final average earnings           | Average of the highest five consecutive calendar years of earnings. Earnings are the annual rates in effect each January 1.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| ▪ Adjusted Social Security Benefit | The smallest of following: <ol style="list-style-type: none"> <li>One-half of the estimated Social Security Benefit assuming the employee turned age 65 on his termination date;</li> <li>One-half of the estimated Social Security Benefit assuming the employee receives the same compensation rate from his termination date until age 65. This benefit is further multiplied by the ratio, not greater than 1, of the service at termination date to 25;</li> <li>72% of the estimated Social Security Benefit assuming the employee receives zero compensation from his termination date until age 65. This benefit is reduced by 1/180 for each month between the ages of 60 and 65 and by 1/360 for each month between the ages of 45 and 60 that the retirement date precedes age 65;</li> <li>One-half of the actual Social Security Benefit.</li> </ol> |

**Schedule SB, Part V — Summary of Plan Provisions**

|                   |                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Accrued benefit | <p>A lifetime benefit equal to the greater of (a) and (b), payable the later of age 65 or 5 years of participation.</p> <p>(a) 1.8% of Final Average Earnings times years of credited service (up to 25 years) less the Adjusted Social Security Benefit;</p> <p>(b) \$180 times years of credited service</p> <p>This benefit is reduced by the benefit payable under the John Morrell &amp; Company Hourly Employees Pension Plan.</p> |
|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**Normal retirement**

|               |                                                                                                                                      |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Eligibility | A participant who is 65 with at least 5 years of participation in the plan is eligible to receive a normal retirement benefit.       |
| ▪ Benefit     | The normal retirement benefit is the accrued benefit based on final average earnings and credited service at normal retirement date. |

**Early retirement**

|               |                                                                                                                                                                                                                                               |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Eligibility | A participant who is 55 with at least 10 years of service, or age 45 with Rule of 65 if involuntary terminated is eligible to receive an early retirement benefit.                                                                            |
| ▪ Benefit     | The early retirement benefit is the accrued benefit based on final average earnings and credited service at early retirement date. The accrued benefit is reduced by 0.5% for each month which the benefit commencement date precedes age 60. |

**Late retirement**

|               |                                                                                                                                                                                                                                                                                  |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Eligibility | If a participant works past his normal retirement date, the normal retirement benefit will be deferred to the participant's actual retirement date.                                                                                                                              |
| ▪ Benefit     | <p>Benefit calculated as the greater of:</p> <ul style="list-style-type: none"> <li>▪ Service and salary to the participant's normal retirement date actuarially increased to the actual retirement date or;</li> <li>▪ Service and salary to actual retirement date.</li> </ul> |

**Deferred vested**

|               |                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Eligibility | A participant who terminates employment with at least 5 years of vesting service is eligible for a deferred vested benefit.                                                                                                                                                                                                                                                                                         |
| ▪ Benefit     | <p>The deferred vested benefit is the accrued benefit based on final average earnings and credited service at date of termination.</p> <p>Payments commence at age 65. A participant may elect to have payments commence at any time between age 55 and 65. If payments commence prior to 65, the monthly benefit is reduced by ½% for each month the benefit commencement date precedes the earlier of age 65.</p> |

**Pre-retirement death (active)**

|               |                                                                                                                          |
|---------------|--------------------------------------------------------------------------------------------------------------------------|
| ▪ Eligibility | The spouse of an active participant who dies after completing 5 years of service is eligible to receive a death benefit. |
|---------------|--------------------------------------------------------------------------------------------------------------------------|

**Schedule SB, Part V — Summary of Plan Provisions**

|                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ▪ Benefit                                       | The benefit is payable immediately as if the participant had survived to retirement and elected the joint and 50% survivor benefit. If the spouse dies with a dependent child (of the employee), that child will receive 85% of the spouse's benefit until his 18th birthday.                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| ▪ Benefit after normal retirement               | Unless a specific election to the contrary is made, benefits will be payable to a married member under the 50% joint and survivor form of payment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Pre-retirement death (terminated vested)</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| ▪ Eligibility                                   | The spouse of a participant who dies after termination of employment but before his actual retirement date and who elected survivor coverage is eligible for a death benefit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| ▪ Benefit                                       | The spouse shall receive a joint and 50% survivor benefit reduced for early commencement and for months which the coverage is in effect.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| ▪ Benefit after normal retirement               | Unless a specific election to the contrary is made, benefits will be payable to a married member under the 50% joint and survivor form of payment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Unpredictable contingent event benefits</b>  | Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Form of benefits</b>                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| • Automatic form for unmarried participants     | Single Life Annuity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| • Automatic form for married participants       | An actuarially reduced 50% joint and survivor annuity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| • Optional forms                                | <ul style="list-style-type: none"> <li>• Joint and Survivor Annuity (100% or 75%)</li> <li>• 10-Year Certain and Continuous Annuity</li> </ul> <p>In no event may a married participant elect a benefit form other than a qualified joint and survivor form of benefit with payments continuing to the participant's spouse after the participant's death unless the spouse of the participant approves the election in writing and such approval is notarized.</p> <p><b>Involuntary cashout</b> benefits with a present value of not more than \$1,000 will be paid as a lump sum. Participants with a present value between \$1,000 and \$5,000 may elect to receive a lump sum.</p> <p>All options are actuarially reduced.</p> |

**Schedule SB, Part V — Summary of Plan Provisions**


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|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Actuarial Equivalence | <p>Late retirement increase:</p> <ul style="list-style-type: none"> <li>• Mortality Table – UP84 Mortality Table</li> <li>• Interest Rate – 7.00%</li> </ul> <p>Optional form:</p> <ul style="list-style-type: none"> <li>• Mortality Table – 1994 Group Annuity Reserving Table, projected to 2002, weighted 50% males/50% females</li> <li>• Interest Rate – 5.25%</li> </ul> <p>Lump sum:</p> <ul style="list-style-type: none"> <li>• Section 417(e) interest rates and applicable mortality table</li> </ul> |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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***All groups*****Miscellaneous**


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|                      |                                                                                                                                                                                                                                                          |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Maximum compensation | Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2017, the limit is \$270,000. |
| Maximum benefits     | Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2017, the limit is \$215,000.                                                                                                                          |

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**Plan Provision Changes since Prior Valuation**

- Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2016 to 2017.

## SMITHFIELD FOODS SALARIED PENSION PLAN

Plan No: 001

EIN: 52-0845861

## Supplemental Schedule

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2017

| (a) | (b)<br>Identity of Issue, Borrower,<br>Lessor, or Similar Party | (c)<br>Description of Investment,<br>Including Maturity Date,<br>Rate of Interest, Collateral,<br>Par, or Maturity Value | (d)<br>Cost       | (e)<br>Current<br>Value |
|-----|-----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------|
|     |                                                                 |                                                                                                                          |                   |                         |
|     | Insurance contract:                                             |                                                                                                                          |                   |                         |
|     | * John Hancock                                                  | Group Annuity Contract 714                                                                                               | \$ 496,055        | \$ 496,055              |
|     | Registered investment company:                                  |                                                                                                                          |                   |                         |
|     | Dreyfus                                                         | Treasury Prime Cash Management Fund                                                                                      | 48                | 48                      |
|     |                                                                 |                                                                                                                          | <u>\$ 496,103</u> | <u>\$ 496,103</u>       |

\* At contract value

**Schedule SB, Line 24 — Change in Actuarial Assumptions**

- Interest discounts and mortality rates were updated from 2016 to 2017 in accordance with the Pension Protection Act of 2006 and the Highway and Transportation Funding Act of 2014
- Retirement and Withdrawal decrements and table of salary increases were updated based on experience studies performed in 2012 and 2016.
- Social Security wage base rate decreased from 3.5% to 3.0%.
- Inflation assumption decreased from 2.75% to 2.25%.