

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan 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). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2018 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2019	HOPE K. REILLY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2018)
v. 171027

3a Plan administrator's name and address ☐ Same as Plan Sponsor SMITHFIELD FOODS, INC. P.O. BOX 9004 SMITHFIELD, VA 23431	3b Administrator's EIN 52-0845861 3c Administrator's telephone number 866-551-9423
4 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: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 13855
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 7816 6a(2) 8524 6b 3034 6c 2706 6d 14264 6e 553 6f 14817 6g 6h 494
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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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 2018 Form M-1 annual report. If the plan was not required to file the 2018 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 _____

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2018 This Form is Open to Public Inspection
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018	
A Name of plan 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 SMITHFIELD FOODS, INC.	D Employer Identification Number (EIN) 52-0845861

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions 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.
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1 Coverage Information:

(a) Name of insurance carrier JOHN HANCOCK LIFE INSURANCE COMPANY U.S.A.
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(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	01/01/2018	12/31/2018

2 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.

(a) Total amount of commissions paid	(b) Total amount of fees paid

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).
--

(a) 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) 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) 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) 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) 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) 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) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) 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.

4	Current value of plan's interest under this contract in the general account at year end	4	
5	Current value of plan's interest under this contract in separate accounts at year end	5	
6	Contracts With Allocated Funds:		
a	State the basis of premium rates ▶		
b	Premiums paid to carrier.....	6b	
c	Premiums due but unpaid at the end of the year.....	6c	
d	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. Specify nature of costs ▶	6d	
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	Balance at the end of the previous year.....	7b	496055
c	Additions: (1) Contributions deposited during the year	7c(1)	
	(2) Dividends and credits	7c(2)	0
	(3) Interest credited during the year	7c(3)	
	(4) Transferred from separate account.....	7c(4)	
	(5) Other (specify below)	7c(5)	
	▶		
	(6) Total additions.....	7c(6)	0
d	Total of balance and additions (add lines 7b and 7c(6))	7d	496055
e	Deductions:		
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	
	(2) Administration charge made by carrier	7e(2)	
	(3) Transferred to separate account.....	7e(3)	
	(4) Other (specify below)	7e(4)	496055
	▶ DISBURSED IN FULL		
	(5) Total deductions.....	7e(5)	496055
f	Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	0

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:

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

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
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	10b	

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. ▶

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information 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). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

▶ **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.

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

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2018</u>	
2 Assets:	
a Market value.....	2a <u>651777765</u>
b Actuarial value	2b <u>633768926</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants <u>3425</u> (2) Vested Funding Target <u>217965620</u> (3) Total Funding Target <u>217965620</u>
b For terminated vested participants	<u>2629</u> <u>66620146</u> <u>66620146</u>
c For active participants	<u>7816</u> <u>240141744</u> <u>255602947</u>
d Total	<u>13870</u> <u>524727510</u> <u>540188713</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
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	4b
5 Effective interest rate	5 <u>5.81 %</u>
6 Target normal cost	6 <u>23145860</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.

SIGN HERE	
<u>DANIEL M. SECKAR</u>	<u>10/09/2019</u>
Signature of actuary	Date
<u>MERCER</u>	<u>17-06799</u>
Type or print name of actuary	Most recent enrollment number
<u>SIX PPG PLACE</u>	<u>412-355-8800</u>
PITTSBURGH, PA 15222	Telephone number (including area code)
<u></u>	
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
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	34919755
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	34919755
10 Interest on line 9 using prior year's actual return of <u>11.28</u> %	0	3938948
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		41535949
b(1) 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>6.00</u> %		2492157
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		44028106
d Portion of (c) to be added to prefunding balance		
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	38858703

Part III Funding Percentages

14 Funding target attainment percentage	14	110.13%
15 Adjusted funding target attainment percentage	15	117.32%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	111.19%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/13/2019	89000000	0			
Totals ▶			18(b)	89000000	18(c) 0

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

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	80858970

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

21 Discount rate:				
a Segment rates:	1st segment: 3.92%	2nd segment: 5.52%	3rd segment: 6.29%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 61
23 Mortality table(s) (see instructions)	Prior regulation:	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute
	Current regulation:	☐ Prescribed - combined	☐ Prescribed - separate	☐ Substitute

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	23145860	
b Excess assets, if applicable, but not greater than line 31a	31b	23145860	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 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	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	80858970	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	80858970	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

<div>SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration</div>		<div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2018</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018					
A Name of plan SMITHFIELD FOODS SALARIED PENSION PLAN				B Three-digit plan number (PN) ▶ 001	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 SMITHFIELD FOODS, INC.				D Employer Identification Number (EIN) 52-0845861	
Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (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.					
c EIN-PN 13-4103752-001		d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 600854133		
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)		
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)		
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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)		
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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)		
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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)		
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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)		
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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)		
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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)		
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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		

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
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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
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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
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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
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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
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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
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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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information 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). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2018 This Form is Open to Public Inspection
For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan 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 SMITHFIELD FOODS, INC.	D Employer Identification Number (EIN) 52-0845861	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 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. Round off amounts to the nearest dollar. 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.				
	Assets			
a	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions.....	1b(1)	0	89000000
	(2) Participant contributions	1b(2)		
	(3) Other.....	1b(3)		
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
	(2) U.S. Government securities	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other.....	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common.....	1c(4)(B)		
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property).....	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans.....	1c(8)		
	(9) Value of interest in common/collective trusts	1c(9)		
	(10) Value of interest in pooled separate accounts	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)	651281662	600854133
	(12) Value of interest in 103-12 investment entities.....	1c(12)		
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	48	0
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	496055	0
	(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	651777765	689854133

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	651777765	689854133
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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
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	89000000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		89000000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		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)		23262
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		-25253806
(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		79354
d Total income. Add all income amounts in column (b) and enter total	2d		63848810

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	23303226	
(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)		23303226
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)	2469216	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		2469216
j Total expenses. Add all expense amounts in column (b) and enter total	2j		25772442

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		38076368
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
c 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.)	4c		X	
d 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.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		3500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g 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?	4g		X	
h 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?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i		X	
j 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.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n 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.	4n			

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 4179854. (See instructions.)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information 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). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection.
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

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

Part I	Distributions
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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	<u>0</u>
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): EIN(s): <u>25-1926855</u>		
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	<u>79</u>

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.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☒ N/A
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 _____ 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?	☐ Yes	☐ No	☐ 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?	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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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.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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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.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ 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.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2018
v. 171027

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.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ 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: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ 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: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ 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: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ 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: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ 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: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ 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: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ 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:

a The current year

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****14c**

- 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:

a The corresponding number for the plan year immediately preceding the current plan year

b The corresponding number for the second preceding plan year

15a**15b**

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

a Enter the number of employers who withdrew during the preceding plan year

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

16a**16b**

- 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, 2018 and 2017

Kreischer
Miller

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SMITHFIELD FOODS SALARIED PENSION PLAN

December 31, 2018 and 2017

CONTENTS

INDEPENDENT AUDITORS' REPORT

FINANCIAL STATEMENTS

Statements of Net Assets Available for Benefits	1
Statements of Changes in Net Assets Available for Benefits	2
Notes to Financial Statements	3-19

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, 2018 and 2017, 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, 2018 and 2017 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.

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

The form and content of the information included in the financial statements, 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.

A handwritten signature in cursive script that reads "Kreischer Miller".

Horsham, Pennsylvania
October 10, 2019

SMITHFIELD FOODS SALARIED PENSION PLAN

Statements of Net Assets Available for Benefits December 31, 2018 and 2017

	2018	2017
Assets:		
Investments, at fair value	\$ 600,854,133	\$ 651,281,710
Investments, at contract value	-	496,055
Employer contributions receivable	89,000,000	-
Net assets available for benefits	<u>\$ 689,854,133</u>	<u>\$ 651,777,765</u>

See accompanying notes to financial statements.

SMITHFIELD FOODS SALARIED PENSION PLAN

Statements of Changes in Net Assets Available for Benefits Years Ended December 31, 2018 and 2017

	2018	2017
Additions to net assets attributed to:		
Investment income (loss):		
Net investment income (loss) from Smithfield Foods Master Trust	\$ (25,253,806)	\$ 66,105,134
Net appreciation (depreciation) in fair value of investments	23,262	(1,999)
Interest and dividends	79,354	27,637
Total investment income (loss)	(25,151,190)	66,130,772
Employer contributions	89,000,000	44,000,000
Total additions	63,848,810	110,130,772
Deductions from net assets attributed to:		
Benefits paid to participants	23,303,226	21,859,864
Administrative fees	2,469,216	3,876,621
Total deductions	25,772,442	25,736,485
Net increase	38,076,368	84,394,287
Net assets available for benefits:		
Beginning of year	651,777,765	567,383,478
End of year	\$ 689,854,133	\$ 651,777,765

See accompanying notes to financial statements.

SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements
December 31, 2018 and 2017

(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 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, 2018 and 2017

(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, 2018 and 2017.

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, 2018 and 2017

(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 (loss) from the Master Trust includes the Plan's share of interest, dividends, and net realized and unrealized appreciation (depreciation) 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 (loss) of the Master Trust to the Participating Plans. All interest, dividends, and net appreciation (depreciation) 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, 2018 and 2017

(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 2018 and 2017.

Recent Accounting Pronouncement

In February 2017, the Financial Accounting Standards Board (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 10, 2019, the date the financial statements were available to be issued.

(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. The trustee has certified the following as complete and accurate:

- The investments at fair value at December 31, 2018 and 2017.
- The investments at contract value at December 31, 2018 and 2017.

Continued...

SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements December 31, 2018 and 2017

(3) Financial Information Certified by the Trustee, Continued

- Net investment income (loss) from Smithfield Foods Master Trust for the years ended December 31, 2018 and 2017.
- Net appreciation (depreciation) in fair value of investments for the years ended December 31, 2018 and 2017.
- Interest and dividend income for the years ended December 31, 2018 and 2017.

(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.

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.

Continued...

SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements December 31, 2018 and 2017

(4) Fair Value Measurements, Continued

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, 2018 and 2017.

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 was an open end mutual fund that was registered with the Securities and Exchange Commission. Registered investment companies are required to publish their daily NAV and to transact at that price. The registered investment company held by the Plan was deemed to be actively traded.

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, 2017:

	Level 1	Level 2	Level 3	Total
Registered investment company	\$ 48	\$ -	\$ -	\$ 48

(5) Interest in Master Trust (Unaudited)

The Plan invests 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, 2018 and 2017. The Plan's interest in the net assets of the Master Trust was approximately 37% at December 31, 2018 and 2017.

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.

Continued...

SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements December 31, 2018 and 2017

(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, 2018 and 2017, and the net investment income (loss) 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:

	2018	2017
Master Trust investments, at fair value:		
Common collective trusts	\$ 688,801,154	\$ 735,566,640
Common stock	377,227,769	413,317,891
Limited partnerships	213,752,533	169,203,991
Registered investment companies	81,403,106	189,560,894
Corporate debt	67,735,261	138,506,885
Foreign exchange funds	205,758,383	189,105,646
Cash equivalents	153,165,108	13,158,568
Preferred stock	3,014,598	2,597,977
	<u>1,790,857,912</u>	<u>1,851,018,492</u>
Cash	26,474,140	23,935,685
Receivables	218,924,236	581,979,273
Liabilities	<u>(411,773,311)</u>	<u>(680,445,973)</u>
Total Master Trust investments, at fair value	\$ 1,624,482,977	\$ 1,776,487,477
Plan interest in the Master Trust, at fair value	\$ 600,854,133	\$ 651,281,662

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

	2018	2017
Investment income (loss):		
Net appreciation (depreciation) in fair value of investments	\$ (85,534,759)	\$ 150,928,491
Interest	31,838,012	19,504,872
Dividends	7,453,600	8,083,644
Other	<u>(22,225,704)</u>	<u>4,532,928</u>
	\$ (68,468,851)	\$ 183,049,935

Continued...

SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements
December 31, 2018 and 2017

(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 net asset value (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, 2018 and 2017

(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, 2018			
	Level 1	Level 2	Level 3	Total
Common stock	\$ 377,227,769	\$ -	\$ -	\$ 377,227,769
Registered investment companies	81,403,106	-	-	81,403,106
Corporate debt	-	67,735,261	-	67,735,261
Foreign exchange funds	-	205,758,383	-	205,758,383
Cash equivalents	153,165,108	-	-	153,165,108
Preferred stock	-	3,014,598	-	3,014,598
	<u>\$ 611,795,983</u>	<u>\$ 276,508,242</u>	<u>\$ -</u>	<u>888,304,225</u>
Investments measured at NAV as a practical expedient ^(a)				902,553,687
Investments at fair value				<u>\$ 1,790,857,912</u>

	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 as a practical expedient ^(a)				904,770,631
Investments at fair value				<u>\$ 1,851,018,492</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.

Continued...

SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements December 31, 2018 and 2017

(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		Unfunded Commitments	Redemption Frequency	Redemption Notice Period		
	2018	2017					
Common Collective Trusts:							
Russell Investments Funds	\$	688,801,155	\$	735,566,640	None	Daily	None
Limited Partnerships:							
AEOLUS Property Catastrophe Funds	(a)	22,376,115	25,985,538	None	Quarterly	After one year	
AG Asia Realty Fund III LP	(b)	9,022,976	5,549,755	\$	1,239,250	Distribution only	None
AG Realty Funds	(c)	1,653,722	6,024,961	\$	2,897,423	Distribution only	None
AG Core Plus Realty Fund III LP	(c)	2,239,808	-	\$	2,126,530	Distribution only	None
Almanac Realty Securities VII LP	(y)	25,157	-	\$	9,974,843	Distribution only	None
BlackRock Global Renewable Power Fund II	(d)	3,111,700	1,232,566	\$	1,880,660	Distribution only	None
BlackRock Private Opportunities Fund IV	(z)	1,907,708	-	\$	13,067,244	Distribution only	None
Blackstone Property Partners LP	(e)	12,350,578	11,346,789	None	Daily	None	
Cultivian Sandbox Food & Arig Fund III LP	(f)	365,053	54,377	\$	4,519,628	Distribution only	None
CVI Emerging Markets Credit Value Fund	(g)	9,411,793	9,724,772	None	Quarterly	90 days	
DRA Growth and Income Fund IX LLC	(c)	4,894,907	3,312,663	\$	6,720,870	Distribution only	None
Exeter Industrial Value Fund IV LP	(i)	5,785,959	922,052	\$	4,500,000	Distribution only	None
Field Street Offshore Fund, Ltd.	(j)	4,092,645	4,303,182	None	Monthly	60 days	
GCA Credit Opportunities Offshore Fund	(g)	9,736,083	9,253,828	None	Quarterly	60 days	
GEAM International Private Equity Fund LP	(k)	734,917	660,043	\$	609,503	Distribution only	None
Goldman Vintage Fund VII	(l)	6,382,488	2,744,857	\$	4,590,873	Distribution only	None
H2 Special Opportunities III Fund LP	(m)	6,398,988	9,337,380	None	Distribution only	None	
H2 Special Opportunities IV Fund LP	(m)	1,317,223	961,816	\$	8,596,711	Distribution only	None
Hancock Capital Partners IV Fund LP	(n)	902,220	1,336,211	\$	465,897	Distribution only	None
Hancock III Mezzanine Partners III Fund LP	(n)	-	4,586	None	Distribution only	None	
Harbourvest Partners V Fund LP	(n)	148,905	189,467	\$	267,000	Distribution only	None
Harbourvest Partners VIII Cayman Funds	(n)	5,477,300	6,834,034	\$	611,250	Distribution only	None
Horizon Portfolio I Limited Funds	(n)	19,496,107	6,183,040	None	Quarterly	45 days	
Invesco Mortgage Recovery Feeder Fund LP	(o)	155,382	152,884	\$	143,513	Distribution only	None
Lone Star Funds	(p)	245,759	565,222	\$	877,686	Distribution only	None
Menta Global Offshore Series 170 Funds	(q)	6,068,591	6,258,839	None	Monthly	45 days	
Moore Macro Managers Fund LTD Class A	(q)	8,946,952	8,962,010	None	Monthly	None	
Oak Street Real Estate Capital IV LP	(r)	2,482,761	483,758	\$	7,514,289	Distribution only	None
Oaktree Euro Principal Fund IV Feeder LP	(s)	7,331,337	3,890,433	\$	3,458,634	Distribution only	None
Oaktree Mezzanine Fund IV LP	(n)	18,293,784	18,095,531	\$	11,295,000	Distribution only	None
Oaktree Opportunities Fund X LP	(t)	10,466,813	6,200,231	\$	1,700,000	Distribution only	None
Oaktree Opportunities Fund XB LP	(t)	3,101,402	-	\$	21,875,000	Distribution only	None
Oaktree Special Situations Fund	(u)	12,571,979	6,884,039	\$	4,244,096	Distribution only	None
PEG Global PE Instl Investment VI Fund	(v)	2,923,535	1,275,389	\$	7,022,018	Distribution only	None
PEG Secondary PE Investment III LP Fund	(w)	5,180,039	3,505,019	\$	14,819,507	Distribution only	None
PEG Global PE Fund VII LP	(v)	1,118,155	-	\$	8,823,530	Distribution only	None
Winton Futures Funds	(x)	7,033,691	6,968,719	None	Daily	None	
		\$ 902,553,687	\$ 904,770,631				

Continued...

SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements
December 31, 2018 and 2017

(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, 2018 and 2017

(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, 2018 and 2017

(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.
- (y) This fund generally invests in the senior securities of a company and seeks to grow the company's value through the repositioning of its real estate assets, while emphasizing capital preservation and diversification of portfolio companies.
- (z) This fund is a private equity fund that makes buyout co-investments in various sectors globally.

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 had a fully benefit-responsive group annuity contract with John Hancock Life Insurance Company (John Hancock). The fund balance was disbursed in full during February 2018. The balance at December 31, 2017 was \$496,055. John Hancock maintained the contributions in a general account. The account was credited with contributions and earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The balance in the general account was guaranteed to never be less than the aggregate contributions made to the account less all expenses, taxes and benefits withdrawn.

SMITHFIELD FOODS SALARIED PENSION PLAN

Notes to Financial Statements December 31, 2018 and 2017

(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, 2018 and 2017 were as follows:

Rate of return	6.50%
Discount rate	3.90%
Mortality:	
Healthy Participants:	
Non-annuitants	For 2018 and 2017, the MRP-2006 mortality tables for males and females, with no collar.
Annuitants	For 2018 and 2017, the Mercer Industry Longevity Experience Study 2010 rates for males and females for the Consumer Goods and Food & Drink Industry with no collar, projected using the MMP-2016 Mercer-developed scale that uses same basic model as MP-2014 scale, but with different parameters and adjustments for actual experience since 2006.
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, 2018 and 2017

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

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

	2018	2017
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Active participants	\$ 224,267,169	\$ 192,851,975
Inactive participants with deferred benefits	62,184,379	50,829,993
Inactive participants receiving benefits	204,340,696	183,852,827
	490,792,244	427,534,795
Nonvested benefits	13,918,518	12,758,701
Total actuarial present value of accumulated plan benefits	\$ 504,710,762	\$ 440,293,496

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

	2018	2017
Actuarial present value of accumulated plan benefits at beginning of year	\$ 440,293,496	\$ 420,599,439
Increase (decrease) during the year attributable to:		
Benefits accumulated and losses	27,456,498	14,136,183
Increase for interest due to decrease in discount period	29,976,525	28,661,925
Benefits paid	(22,259,864)	(20,572,367)
Change in actuarial assumptions	29,244,107	(2,531,684)
Net increase	64,417,266	19,694,057
Actuarial present value of accumulated plan benefits at end of year	\$ 504,710,762	\$ 440,293,496

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, 2018 and 2017. 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, 2018 and 2017

(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, 2018 and 2017

(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 2018 and 2017 were as follows:

	2018	2017
Investment management	\$ 6,605,067	\$ 10,589,610
Consulting	41,074	141,714
	<u>\$ 6,646,141</u>	<u>\$ 10,731,324</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.

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	48	176	27							
	28,207	36,467	31,993							
25–29	83	399	193	30						
	27,272	46,913	46,165	41,294						
30–34	65	347	287	171	33					
	27,607	54,399	63,270	55,718	49,515					
35–39	35	299	200	212	140	34				
	31,273	56,243	62,158	71,096	66,704	56,329				
40–44	32	240	208	180	202	159	15			
	41,765	62,768	59,637	61,639	73,328	65,278				
45–49	33	209	167	158	208	240	99	5		
	53,190	74,601	70,894	78,504	69,900	75,311	85,614			
50–54	18	193	165	182	169	222	101	56	2	
		69,921	78,446	74,277	78,896	77,277	86,710	94,032		
55–59	24	124	153	139	145	149	77	63	47	3
	37,726	71,621	84,464	89,764	80,852	67,612	77,798	102,750	106,454	
60–64	10	65	71	108	110	121	51	45	48	27
		64,168	68,487	79,141	64,844	68,252	82,300	100,163	121,760	99,945
65–69	1	11	16	30	30	36	20	6	7	19
				93,616	88,816	63,860	69,205			
70 & up		3	1	3	2	4	3	1		1
Total	349	2,066	1,488	1,213	1,039	965	366	176	104	50

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 2018 limited to \$275,000. 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 FOR 1 JANUARY 2018 FUNDING VALUATION

DISCOUNT RATE SPONSOR ELECTIONS		
------------------------------------	--	--

• Segment rates or full yield curve	Segment	
• Look-back months	4	
	<u>Stabilized</u>	<u>Nonstabilized</u>
• First 5 years	3.92%	1.75%
• Next 15 years	5.52%	3.76%
• Over 20 years	6.29%	4.66%

Rationale: Funding discount rates are prescribed by the IRS with the specific methodology selected by Smithfield Foods, Inc.

Mortality sponsor elections	
-----------------------------	--

• Healthy participants	<p>Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2014 mortality tables adjusted backward to 2006 with scale MP-2014 and then projected based on scale MP-2016.</p> <p>The plan sponsor elected to use the option under Section 1.430(h)(3)-1(f)(2) to apply separate static annuitant and nonannuitant mortality tables determined in accordance with regulations previously in effect for purposes of applying the rules of § 430 for the 2018 plan year. These tables are based on RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years using Scale AA</p>
• Pre-1995 disabilities	Revenue Ruling 96-7 table for participants who became disabled before 1995

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

<ul style="list-style-type: none"> Post-1994 disabilities 	<p>Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits</p> <p>Rationale: Funding mortality tables are prescribed by the IRS with the specific methodology selected by Smithfield Foods, Inc.</p>
Other economic assumptions	
<ul style="list-style-type: none"> Salary increases 	<p>See table of sample rates</p> <p>Rationale: This assumption is based on experience studies performed in 2012 and 2016.</p>
<ul style="list-style-type: none"> Social Security taxable wage base increases 	<p>3.00% per year</p> <p>Rationale: This assumption is based on inflation plus estimated real wage increases in the U.S. economy (75 bps).</p>
<ul style="list-style-type: none"> Inflation 	<p>2.25% per year</p> <p>Rationale: 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.</p>
<ul style="list-style-type: none"> Expected investment return 	<p>6.50% per year for year 2018 and 7.00% per year for year 2017 and 2016</p> <p>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.</p>
<ul style="list-style-type: none"> Expenses 	<p>\$0 added to current year normal cost</p> <p>Rationale: Administration expenses are not paid from plan assets.</p>

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

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	Percentage		
	Attained age	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%
Rationale: The withdrawal, disability, and retirement age assumptions are based on experience studies performed in 2012 and 2016.			
• Benefit commencement age for			
– Future vested deferred	65		

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

– Current vested deferred	65 Rationale: The benefit commencement age assumptions are based on experience studies performed in 2012 and 2016.		
• Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>	
– Percentage married	80%	80%	
– Spouse age difference	3 years younger	3 years older	
Form of payment	<u>Lump sum</u>	<u>Single life</u>	<u>75% J&S</u>
• Active retirements	0%	70%	30%
• Future vested deferred	0%	70%	30%
• Future disabilities	0%	100%	0%
• Future deaths	0%	100%	0%
• Current vested deferred	0%	70%	30%
Rationale: The form of payment assumptions are based on experience studies performed in 2012 and 2016.			
Unpredictable contingent event assumptions	Not applicable		

Table of Sample Rates

TABLE OF SALARY INCREASES	
Age	Percentage
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

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

WITHDRAWAL RATES FOR EMPLOYEES WITH LESS THAN 5 YEARS OF SERVICE

Years of Service	Percentage
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

Attained Age	Percentage
22	26.3%
32	13.1
42	10.7
52	8.7
62	6.7

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

DISABILITY TERMINATIONS FROM ACTIVE STATUS¹

Attained Age	Percentage	
	Male	Female
22	0.032%	0.035%
32	0.054	0.099
42	0.147	0.250
52	0.465	0.660
62	1.475	1.188

ACTUARIAL METHODS FOR FUNDING**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.

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.

¹ Disability terminations are taken into account in the retirement rates after age 64.

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

- **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 are 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.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan
Actuarial Information**

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).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2018**This Form is Open to Public
Inspection**For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018▶ **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.

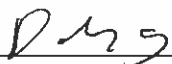
A Name of plan SMITHFIELD FOODS SALARIED PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF SMITHFIELD FOODS, INC.	D Employer Identification Number (EIN) 52-0845861
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ Other	
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2018</u>			
2 Assets:			
a Market value.....	2a	651,777,765	
b Actuarial value.....	2b	633,768,926	
3 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.....	3,425	217,965,620	217,965,620
b For terminated vested participants.....	2,629	66,620,146	66,620,146
c For active participants.....	7,816	240,141,744	255,602,947
d Total.....	13,870	524,727,510	540,188,713
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
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.....	4b		
5 Effective interest rate.....	5	5.81%	
6 Target normal cost.....	6	23,145,860	

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.

SIGN HERE		<u>10/9/2019</u>
	Signature of actuary	Date
DANIEL M. SECKAR		1706799
	Type or print name of actuary	Most recent enrollment number
MERCER		412-355-8800
	Firm name	Telephone number (including area code)
SIX PPG PLACE		
PITTSBURGH PA 15222		
	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 ☐

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

Schedule SB (Form 5500) 2018
v. 171027

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	34,919,755
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8).....	0	34,919,755
10 Interest on line 9 using prior year's actual return of <u>11.28%</u>	0	3,938,948
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		41,535,949
b(1) 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>6.00%</u>		2,492,157
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance.....		44,028,106
d Portion of (c) to be added to prefunding balance.....		
12 Other reductions in balances due to elections or deemed elections.....		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	38,858,703

Part III Funding Percentages

14 Funding target attainment percentage	14	110.13%
15 Adjusted funding target attainment percentage.....	15	117.32%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	111.19%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/13/2019	89,000,000	0			
Totals ▶			18(b)	89,000,000	18(c) 0

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

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	80,858,970

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

21 Discount rate:				
a Segment rates:	1st segment: 3.92 %	2nd segment: 5.52 %	3rd segment: 6.29 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 61
23 Mortality table(s) (see instructions)	Prior regulation:	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute
	Current regulation:	☐ Prescribed - combined	☐ Prescribed - separate	☐ Substitute

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	23,145,860	
b Excess assets, if applicable, but not greater than line 31a	31b	23,145,860	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 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	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	80,858,970	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	80,858,970	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan
Actuarial Information**

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).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2018**This Form is Open to Public
Inspection**For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018▶ **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.

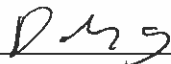
A Name of plan SMITHFIELD FOODS SALARIED PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF SMITHFIELD FOODS, INC.	D Employer Identification Number (EIN) 52-0845861
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ Other	
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2018</u>			
2 Assets:			
a Market value.....	2a	651,777,765	
b Actuarial value.....	2b	633,768,926	
3 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.....	3,425	217,965,620	217,965,620
b For terminated vested participants.....	2,629	66,620,146	66,620,146
c For active participants.....	7,816	240,141,744	255,602,947
d Total.....	13,870	524,727,510	540,188,713
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
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.....	4b		
5 Effective interest rate.....	5	5.81%	
6 Target normal cost.....	6	23,145,860	

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.

**SIGN
HERE**

Signature of actuary

DANIEL M. SECKAR

Type or print name of actuary

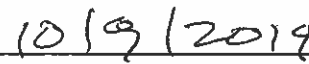
MERCER

Firm name

SIX PPG PLACE

PITTSBURGH PA 15222

Address of the firm



Date

1706799

Most recent enrollment number

412-355-8800

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 ☐

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

Schedule SB (Form 5500) 2018
v. 171027

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	34,919,755
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8).....	0	34,919,755
10 Interest on line 9 using prior year's actual return of <u>11.28%</u>	0	3,938,948
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		41,535,949
b(1) 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>6.00%</u>		2,492,157
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance.....		44,028,106
d Portion of (c) to be added to prefunding balance.....		
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(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/13/2019	89,000,000	0			
Totals ▶			18(b)	89,000,000	18(c) 0

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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

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

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

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.

(A) Retirement age	(B) Theoretical Population	(C) Retirement Percent	(D) Expected number of Retirements (B) x (C)	(E) Weighted number of Retirements (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	36.7%	77.4	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) Retirement age	(B) Theoretical Population	(C) Retirement Percent	(D) Expected number of Retirements (B) x (C)	(E) Weighted number of Retirements (A) x (D)
55	1,000	11.7%	117.0	6,435.0
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) Group	(B) Number of Active Participants	(C) Weighted Average Retirement Age	(B) x (C)
Smithfield Salaried	6,946	61.2	425,095.2
John Morrell & Company	870	60.3	52,461.0
Total	7,816		477,556.2
Weighted average retirement age:		61.1	

Schedule SB, Part V — Summary of Plan Provisions

SUMMARY OF MAJOR PLAN PROVISIONS

Effective date and plan year	Original plan: January 1, 1994 Restated plan: January 1, 2012 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

DEFINITIONS FOR SMITHFIELD FOODS SALARIED EMPLOYEES

DEFINITIONS	
<ul style="list-style-type: none"> Covered employees 	<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 & 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 & 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"> Participation 	Employees must have completed 1,000 hours of service or attained age 21 to participate in the plan.
<ul style="list-style-type: none"> Employee contributions 	None required or permitted.
<ul style="list-style-type: none"> Vesting service 	Employment from hire date to termination date measured in whole and fractional years.
<ul style="list-style-type: none"> Credited service 	Employment from hire date to termination date measured in whole and fractional years.
<ul style="list-style-type: none"> Pensionable earnings 	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

<ul style="list-style-type: none"> Final average earnings 	<p>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.</p>
<ul style="list-style-type: none"> Covered Compensation 	<p>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.</p>
<ul style="list-style-type: none"> Accrued benefit 	<p>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.</p> <p>A participant's accrued benefit shall never be less than the accrued benefit on any prior date.</p>
NORMAL RETIREMENT²	
<ul style="list-style-type: none"> Eligibility 	Age 65

² 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

<ul style="list-style-type: none">• Benefit	<p>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):</p> <ul style="list-style-type: none">i. 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.ii. 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.iii. 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.
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Schedule SB, Part V — Summary of Plan Provisions

<ul style="list-style-type: none"> Benefit (continued) 	<ul style="list-style-type: none"> iv. 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): v. 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. vi. The sum of (i) and (ii); but not less than (c) and no more than (d): <ul style="list-style-type: none"> (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.
EARLY RETIREMENT³	
<ul style="list-style-type: none"> Eligibility 	Age 55 with at least five years of vesting service
<ul style="list-style-type: none"> Benefit 	<ul style="list-style-type: none"> 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. 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.

³ 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

LATE RETIREMENT⁴	
• Eligibility	After normal retirement age
• Benefit	Benefit calculated as the greater of: <ul style="list-style-type: none"> • Service to the participant's normal retirement date actuarially increased to the actual retirement date or; • Service to actual retirement date.
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 less than five 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).
DISABILITY⁵	
• 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.

⁴ The benefit otherwise payable shall be reduced by the benefit provided under the Smithfield Packing Company Pension Plan that terminated on December 31, 1984.

⁵ 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.
UNPREDICTABLE CONTINGENT EVENT BENEFITS	Not applicable
FORM OF BENEFITS	
• 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"> • Joint and Survivor Annuity (100%, 75% or 66 2/3%) • 10-Year Certain and Continuous Annuity • Lump sum if less than \$7,500 All options are actuarially reduced.
• Actuarial Equivalence	<p>Late retirement increase:</p> <ul style="list-style-type: none"> • Mortality Table – UP84 Mortality Table • Interest Rate – 7.00% <p>Optional form:</p> <ul style="list-style-type: none"> • Mortality Table – 1994 Group Annuity Reserving Table, projected to 2002, weighted 50% males/50% females • Interest Rate – 5.25% <p>Lump sum:</p> <ul style="list-style-type: none"> • Section 417(e) interest rates and applicable mortality table
DEFINITIONS FOR 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.

Schedule SB, Part V — Summary of Plan Provisions

• 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	<p>The smallest of following:</p> <p>(a) One-half of the estimated Social Security Benefit assuming the employee turned age 65 on his termination date;</p> <p>(b) 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;</p> <p>(c) 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;</p> <p>(d) One-half of the actual Social Security Benefit.</p>

Schedule SB, Part V — Summary of Plan Provisions

<ul style="list-style-type: none"> 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 & Company Hourly Employees Pension Plan.</p>
NORMAL RETIREMENT	
<ul style="list-style-type: none"> Eligibility 	A participant who is 65 with at least 5 years of participation in the plan is eligible to receive a normal retirement benefit.
<ul style="list-style-type: none"> Benefit 	The normal retirement benefit is the accrued benefit based on final average earnings and credited service at normal retirement date.
EARLY RETIREMENT	
<ul style="list-style-type: none"> 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.
<ul style="list-style-type: none"> 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	
<ul style="list-style-type: none"> Eligibility 	If a participant works past his normal retirement date, the normal retirement benefit will be deferred to the participant's actual retirement date.
<ul style="list-style-type: none"> Benefit 	<p>Benefit calculated as the greater of:</p> <ul style="list-style-type: none"> Service and salary to the participant's normal retirement date actuarially increased to the actual retirement date or; Service and salary to actual retirement date.
DEFERRED VESTED	
<ul style="list-style-type: none"> Eligibility 	A participant who terminates employment with at least 5 years of vesting service is eligible for a deferred vested benefit.

Schedule SB, Part V — Summary of Plan Provisions

• Benefit	The deferred vested benefit is the accrued benefit based on final average earnings and credited service at date of termination. 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 $\frac{1}{2}\%$ for each month the benefit commencement date precedes the earlier of age 65.
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.
• 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.
PRE-RETIREMENT DEATH (TERMINATED VESTED)	
• 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.
Unpredictable contingent event benefits	Not applicable
FORM OF BENEFITS	
• Automatic form for unmarried participants	Single Life Annuity.
• Automatic form for married participants	An actuarially reduced 50% joint and survivor annuity.

Schedule SB, Part V — Summary of Plan Provisions

<ul style="list-style-type: none"> Optional forms 	<ul style="list-style-type: none"> Joint and Survivor Annuity (100%, 75%) 10-Year Certain and Continuous Annuity <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>Involuntary cashout 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>
<ul style="list-style-type: none"> Actuarial Equivalence 	<p>Late retirement increase:</p> <ul style="list-style-type: none"> Mortality Table – UP84 Mortality Table Interest Rate – 7.00% <p>Optional form:</p> <ul style="list-style-type: none"> Mortality Table – 1994 Group Annuity Reserving Table, projected to 2002, weighted 50% males/50% females Interest Rate – 5.25% <p>Lump sum:</p> <ul style="list-style-type: none"> Section 417(e) interest rates and applicable mortality table
ALL GROUPS	
MISCELLANEOUS	
<ul style="list-style-type: none"> Maximum compensation 	<p>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 2018, the limit is \$275,000.</p>
<ul style="list-style-type: none"> Maximum benefits 	<p>Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2018, the limit is \$220,000.</p>

PLAN PROVISION CHANGES SINCE PRIOR VALUATION

Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2017 to 2018 .