

Smithfield[®]

Code of Business
Conduct and Ethics

*"One of our company's most treasured assets
is our reputation for integrity and fairness."*

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CODE OF BUSINESS CONDUCT AND ETHICS

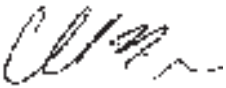
Letter from Our Chief Executive Officer
To Smithfield Foods, Inc. Employees:

One of our company's most treasured assets is our reputation for integrity and fairness. Maintaining this reputation is one of our most important jobs.

Our Corporate Code of Conduct and Business Ethics requires us to conduct our business consistent with our values and in accordance with applicable laws. It requires that we be responsive to the concerns of the communities in which we operate and exercise the highest degree of honesty and integrity in our dealings with others.

These guidelines are intended to help each of us understand our responsibilities and make the right choices. They are also meant to stimulate awareness of ethical issues that we may encounter in our daily business activities. Doing the right thing begins with basic honesty and integrity. More than ever, it also depends on our good judgment and sensitivity to the way others see us and how they may interpret our actions.

Each of us is responsible for Smithfield's reputation. I am confident that you will join me in maintaining the honesty and integrity in our business activity that has made Smithfield Foods not only an industry leader, but also a place where we can be proud to work.



C. Larry Pope
President and Chief Executive Officer

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The Smithfield Foods, Inc. Code of Business Conduct and Ethics sets forth Smithfield's policies and practices relating to legal compliance and business ethics. It reflects the company's core values and high ethical standards. Every Smithfield director, officer and employee is responsible for reading and understanding this Code and for conducting business on behalf of the company in accordance with the policies and practices contained herein.

As used in this Code, the term "Smithfield" means Smithfield Foods, Inc. and all foreign or domestic subsidiaries and joint ventures in which Smithfield has a majority interest and/or management responsibility, the terms "employees" or "representatives" mean and include all Smithfield employees, officers and directors, and the term "supervisor" refers to the person to whom an employee reports.

The Code of Business Conduct covers a wide range of business practices and procedures. It does not, however, address every issue that may arise but provides general guidance about the company's expectations regarding employee conduct and employees' basic ethical and legal responsibilities as

representatives of Smithfield. You are expected to obey the letter and the spirit of the law and to perform your duties with the utmost attention to ethical business practices. The Code applies to all Smithfield corporate departments, divisions and foreign or domestic subsidiaries as well as to partnerships and joint ventures in which Smithfield has a majority interest and/or management responsibilities.

If a law conflicts with a policy or practice established by the Code of Business Conduct, you must comply with the law; however if a local custom or policy conflicts with the Code, you must comply with the Code. If you have any questions about these conflicts, you should ask your supervisor how to handle the situation.

Anyone who violates the policies and practices established by the Code of Business Conduct will be subject to disciplinary action up to and including termination. *If you are in a situation which you believe may violate or lead to a violation of the Code or any other Smithfield policy, or if you know about or suspect any such violation by others, you should follow the guidelines described in Part V, Section 2 of this Code.*

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Smithfield's reputation."*



1. General Standards and Practices

Smithfield is committed to compliance with the laws, rules and regulations applicable to the conduct of our business wherever we operate. Our ultimate goal is 100% compliance, 100% of the time. Employees must avoid activities that could involve or lead to involvement of Smithfield or its personnel in any unlawful practice. The employment of Smithfield personnel or the use of Smithfield assets for any unlawful purpose is strictly forbidden.

In addition to the strictly legal aspects of compliance, all Smithfield employees are expected to observe the highest standards of business and personal ethics in the discharge of their assigned responsibilities. This means behaving honestly and with integrity at all times, whether he or she is dealing with other Smithfield employees, the public, the business community, shareholders, customers, suppliers, or governmental and regulatory authorities. It also means avoiding any questionable relationship with persons or firms with whom Smithfield transacts or is likely to transact business, avoiding disclosure to others of confidential information obtained in the course of Smithfield employment, and avoiding situations that may give rise to a conflict of interest situation to the possible detriment of the employee and/or the company.

Compliance with the Smithfield Foods, Inc. Code of Business Conduct and Ethics is a condition of employment. Failure to comply may result in a range of disciplinary actions, including termination. Failure by any Smithfield employee to disclose violations of these standards and practices by other Smithfield employees or contract workers is also grounds for disciplinary action.

2. Conflicts of Interest

A *conflict of interest* exists when a person's private interest interferes in any way with the interests of the company. A conflict situation can arise when an employee takes actions or has interests that may make it difficult to perform his or her company work objectively and effectively. A conflict of interest may also arise when a director, officer or employee, or a member of his or her family, receives improper personal benefits as a result of his or her position in the company. Loans to, or guarantees of loans or other obligations of, employees and their family members may create conflicts of interest. It may also create a conflict of interest if a Smithfield employee works simultaneously for, or has a financial interest in, a customer, supplier or competitor.

All potential conflicts of interest must be reported to Smithfield. If Smithfield determines that the potential conflict of interest would conflict with the employee's performance of his or her duties, Smithfield may take such action as it determines is appropriate to eliminate the conflict. Such action may include, but is not limited to, requiring the employee to divest a financial interest in, or terminate a relationship with, a customer, competitor or supplier; reassignment of duties and responsibilities; or requiring the employee to recuse himself or herself from decisions involving certain matters.

If circumstances arise that create the potential for an actual or apparent conflict of interest, you should contact a member of the Smithfield Law Department for written approval prior to engaging in the activity in question. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with your supervisor or the Smithfield Law Department. Any employee who becomes aware of a conflict (or of any transaction or relationship or other circumstance that reasonably could be expected to give rise to a conflict) should bring it to the attention of a supervisor or consult the procedures described in Part V, Section 2 of this Code.

3. Books and Records

Smithfield requires honest and accurate recording and reporting of information in order to (i) make responsible business decisions, (ii) ensure compliance with applicable laws and regulations and (iii) ensure full, fair, accurate, timely and understandable disclosure in the reports and documents that the company files with, or submits to, the U.S. Securities and Exchange Commission and in any other public communications made by the company.

All of Smithfield's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect (on a timely basis) the company's transactions and must conform to applicable laws and regulations, U.S. generally accepted accounting principles and the company's system of internal controls. Any employee who has any concerns regarding Smithfield's record-keeping, accounting, internal accounting controls or auditing should consult with his supervisor, a senior financial officer, a member of the Smithfield Internal Audit Department or the Smithfield Law Department. The Smithfield Foods, Inc. Employee Hotline (1-877-237-5270) is available for reporting employee concerns anonymously. A record of all complaints and concerns received by Smithfield regarding such matters shall be made and retained in accordance with the Company's record retention policies.

Many employees regularly use business expense accounts, which must be documented and recorded accurately. An employee who is unsure whether a certain expense is legitimate should ask his or her supervisor or business unit controller. Records should always be retained or destroyed according to Smithfield Foods, Inc. Records Retention Policy.

4. Protecting Company Assets

Smithfield employees are prohibited from taking for themselves personally opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors. No employee may use corporate property, information, or position for improper personal gain, and no employee may compete with Smithfield directly or indirectly. Employees owe a duty to the company to advance its legitimate interests when the opportunity to do so arises.

5. Confidential Information

Smithfield employees must not disclose confidential information to anyone outside the company without specific authorization. Confidential information may include various kinds of information, but certainly includes internal, confidential, proprietary or secret information related to Smithfield's business and operations. Many of Smithfield's business methods, know-how and experience are protected as trade secrets. Such trade secrets are valuable assets. Other examples of confidential information include production methods and processes, product formulations and recipes, computer passwords and software, financial records, business forecasts, plans and strategies, customer pricing, production yields and cost data and other information concerning our operations, customers and vendors. Smithfield also occasionally receives confidential information from other companies or individuals in the course of our business. Unauthorized disclosure (sometimes called "theft" or "misappropriation") may result in a loss of the value of the trade secrets and may constitute a crime or amount to a breach of contract. This non-disclosure obligation applies both during employment and after termination of employment.

6. Political Contributions

No political contributions for any candidate for U.S. federal office may be made for, or on behalf of, Smithfield Foods, Inc. by any Smithfield employee. Employees may make recommendations, however, to the trustees of the Smithfield Foods, Inc. Political Action Committee (a political action committee registered with the Federal Election Commission). Federal law prohibits contributions of corporate funds to any federal candidate.

Even in those state and local jurisdictions where corporate contributions are legal, no employee is authorized to make any political contribution, including the purchase of tickets to raise political funds and the furnishing of any goods or services, for or on behalf of Smithfield, unless it has been cleared in accordance with established company procedures and has been reviewed and approved by Government Relations personnel. Approved monetary contributions may be made only by company check payable to the candidate or political committee in question.

Smithfield believes that it is not advisable to become involved in the internal political affairs of a foreign country. Accordingly, neither Smithfield nor any employee may make a foreign political contribution on behalf of Smithfield. It is also important to recognize that employee activities in this area put the individual and Smithfield at great risk of federal criminal prosecution.

Smithfield encourages all employees to exercise their rights of citizenship by voting, by making personal political contributions if they wish to do so with their own funds, and by being otherwise politically active, in support of candidates or parties of the employee's own personal selection. It should be clearly understood that such political activity by employees must be performed strictly in their individual and private capacities as responsible citizens and not on behalf of Smithfield. No Smithfield employee may receive any direct or indirect reimbursement or offsetting refund of any nature whatsoever with respect to political contributions made by them in any form.

7. Email and Internet Policies

Business records are defined very broadly. They may include electronic mail and even individual notes, calendars and diaries. Use of e-mail is intended primarily for business purposes. All e-mail communications are the property of Smithfield. Employees should not expect privacy in their use of Smithfield's computer systems for sending or receiving e-mails or for gaining access to the Internet. Smithfield can and does monitor computer system use to ensure against improper use and to contain costs relating to storing large amounts of data. Employees may not use e-mail for personal profit, advertising, soliciting funds, chain letters, or any communications that might damage Smithfield's reputation. E-mail should be used with discretion when sending confidential or proprietary information because e-mail communications are not secure and are essentially an electronic postcard.

Employees should also exercise good judgment when using the Internet at work. All Internet usage should comply with the Smithfield Foods, Inc. Internet Use Policy. To control costs, the Internet should be used primarily for business purposes. The Internet is public, so please be careful not to disclose confidential information, or acquire unauthorized information over the Internet. The company may monitor its employees' use of the Internet, including sites or information accessed. Accessing or distributing pornographic or offensive materials by Internet or e-mail is strictly prohibited.

Whenever you write about company business, remember that our business records are subject to compulsory disclosure to the government or private parties in litigation. More importantly, our records may be used by the news media to mold public opinion about the company's image. Irrespective of where you write it, what you write may have significant consequences. Once sent, messages can easily be printed, edited and distributed. ■

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1. Equal Employment Opportunity

Smithfield does not discriminate against any employee or applicant for employment because of race, color, religion, ethnic or national origin, gender, sexual preference, age, disability, or veteran status. This applies to recruitment, hiring, training, promotion, and other terms and conditions of employment. Discrimination against any employee or applicant for employment is a serious violation of equal employment opportunity law and of Smithfield's corporate policies. It is the responsibility of every supervisory employee to ensure that discrimination does not occur.

Smithfield will take action to ensure that qualified applicants are given equal opportunity to be employed and promoted. All personnel actions and company-sponsored programs shall continue to be administered on a non-discriminatory basis.

Employees who have questions or complaints arising under this standard can discuss the matter with their supervisors, their personnel managers or with other appropriate management officials. If an employee feels unable to talk to a supervisor, personnel manager or management official, complaints should be made to the Smithfield Law Department.

2. Harassment

Smithfield is committed to providing our employees with a non-discriminatory work environment free of any type of harassment. Various international, federal, state and local laws prohibit any deliberate discrimination or harassment, in word or action, against a fellow employee or applicant for employment in the U.S. and in our international operations on the basis of race, gender, sexual preference, national origin, religion, age, physical or mental disability, or veteran's status.

Forms of harassment include: (a) verbal harassment, such as derogatory comments, jokes, or slurs; (b) physical harassment, such as unnecessary or offensive touching, or impeding or blocking movement; and (c) visual harassment, such as derogatory or offensive posters, cards, calendars, cartoons, graffiti, drawings, messages, notes or gestures.

Sexual harassment consists of unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature when: (a) submission to such conduct is made a term or condition of an individual's employment, (b) submission to or rejection of such conduct is used as the basis for employment decisions, or (c) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

Any employee who believes that harassment by a co-worker, supervisor or person doing business with or for the company has occurred should notify his or her immediate supervisor and/or personnel office. Complaints will be handled in a confidential manner and no individual will suffer any form of retaliation or reprisals for reporting any incidents of harassment or for making any complaints. If a complaint involves an immediate supervisor, it should be directed to the next higher level of supervision. A complaint can also be reported directly to the Smithfield Law Department.

Harassment complaints will be investigated and appropriate action will be taken in accordance with the results of that investigation. Any employee who is found to be responsible for sexual harassment, or any other illegal form of harassment, will be subject to appropriate discipline, up to and including termination of employment. The severity of the disciplinary action will be based upon the circumstances of the infraction.

3. Threats of Violence

All verbal threats of violent behavior are unacceptable and should be reported to your supervisor or human resources representative. Every report of violence or threats of violence will be investigated. Employees who engage in violence or threats of violence will be subject to disciplinary action, up to and including termination of employment as well as criminal prosecution.

4. Drugs and Alcohol

Because drug and alcohol abuse can have serious safety and job performance consequences and can involve criminal conduct, Smithfield requires a drug and alcohol impairment-free working environment. This standard applies to all Smithfield employees while they are on Smithfield property or while they are at work off Smithfield property. Employees who report for duty with illegal drugs in their system or report with levels of alcohol or other chemical substances that could impair performance are subject to disciplinary action, up to and including termination of employment. Employees who experience significant work performance problems or who become involved in significant incidents or accidents are subject to discharge if medical tests show that such employees have controlled substances in their system. Also subject to discharge are employees who, while on duty or on company property, distribute, sell, buy, manufacture, dispense, possess or use illegal drugs. ■

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*[Our Code of Conduct] "requires
that we be responsive to the
concerns of the communities
in which we operate..."*



1. General Standards and Practices

Smithfield is committed to ensuring the well being of our workers, the people living and working in communities near our facilities, and the environment and will provide the human, physical and financial resources necessary to meet this commitment. These resources will be used to enable employees and contractors to work safely and comply with the law, to prevent pollution and to protect the environment.

Smithfield's activities are subject to many health, environmental and safety laws and regulations addressing releases to air, discharges to water, disposal of hazardous and non-hazardous wastes, transportation of hazardous materials, management of chemical substances, and emergency planning. Internationally, our employees are expected to comply fully with company policies and to adhere, at a minimum, to the applicable health, environmental and safety legal requirements of their host country. Regulations, such as those issued by the U.S. Environmental Protection Agency (EPA), Occupational Safety and Health Administration (OSHA), and similar agencies in overseas locations, contain exacting requirements and standards that set the minimum legal standards for Smithfield facilities and employees in the country where the referenced regulations apply. Industry recommended practices provide additional guidance to help local management set standards for the unique conditions at each facility.

Employee awareness of Smithfield operating practices must include knowledge of the environmental laws and Smithfield policies governing their operations. Employees must immediately control and report all spills and releases as required by applicable regulations and facility rules. Safety and remediation measures must be promptly initiated to minimize any adverse environmental impacts from such incidents. All necessary permits and agency approvals

must be obtained prior to facility construction, and followed during fabrication, installation, startup and operation. Employees are expected to be familiar with, understand, and adhere to the requirements and limitations set forth in all permits under which they operate. Health, environmental and safety requirements must be assessed in all phases of a project from design through operation. Health, environmental and safety requirements must also be considered in facility modifications, business or property acquisitions and divestitures, and facility closures.

The nature of Smithfield's business requires it to conduct various monitoring, inspecting and testing to ensure compliance with applicable laws and regulations. Such monitoring, inspecting and testing must be performed, and accurate records thereof made and retained, in compliance with all applicable legal requirements. Employees who have questions about legal requirements applicable to such areas should consult their supervisor or a member of the Smithfield Law Department.

2. Environmental Policies

Smithfield employees are expected to comply with all federal, state, local and foreign environmental laws and all Smithfield policies related to environmental affairs. We expect 100% compliance 100% of the time. It is each employee's responsibility to know and understand the legal, policy, and operating practice requirements applicable to his or her job and to notify management when the employee believes that a violation of law or Smithfield policies has occurred. Any employee who has concerns regarding compliance in this area should immediately consult with the environmental contact for his or her facility or subsidiary, a senior environmental officer, or the Smithfield Law Department. The Smithfield Foods, Inc. Employee Hotline (1-877-237-5270) is available for reporting employee concerns anonymously.

Compliance with environmental laws and all Smithfield policies is the single highest priority for the company's environmental program. Our employees' job performance is important to us, and is evaluated not only on business results achieved, but also on whether our employees, and particularly our management team, operate within our expectations for environmental performance. We hold all of our employees to a high standard of conduct and accountability for environmental performance.

Further information on Smithfield environmental policies and procedures is outlined in the Smithfield Foods, Inc. Environmental Policy Statement.

3. Food Safety

Smithfield's manufacturing facilities and products are subject to extensive laws and regulations administered by the United States Department of Agriculture and similar agencies in overseas locations relating to food safety. All employees are expected to comply with these laws and regulations and to report promptly to their supervisor any violations thereof. Employees should also report promptly any failures or deficiencies in Smithfield's operational systems, or any other event or occurrence, which could present a risk of food spoilage or contamination.

4. Animal Welfare

Smithfield is committed to being a leader in the production and processing of safe, clean, and wholesome food products for our customers while providing for the well being of the animals grown and processed by the company. To that end, Smithfield employees are expected to comply with all relevant regulatory and legal requirements related to animal welfare as well as all company-established practices and procedures, to continually improve all aspects of our business which could have an impact on animal well being, to continually work to identify new technologies to further enhance animal well being, and to verify responsible animal management through the use of external third party audits. Adherence to the principles of this policy is a responsibility of every Smithfield employee. ■

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and Business Ethics requires us to
conduct our business
consistent with our values
and in accordance with
applicable laws."*



1. Antitrust and Fair Competition

Smithfield is legally required to make its own decisions on the basis of the best interests of the company, completely independent and free from any understanding or agreements with any competitor. This standard requires the absolute avoidance of any conduct that violates, or that might even appear to violate, the antitrust laws that forbid any kind of understanding or agreement between competitors regarding prices, terms of sale, division of markets, allocation of customers or any other activity that restrains competition, whether by sellers or purchasers.

In general, joint activity can easily raise antitrust questions and should only be undertaken after confirming with the Smithfield Law Department that the action being considered is lawful. Certain actions taken jointly with competitors in furtherance of common legitimate business goals may be lawful. Examples of such legitimate business goals include research and development joint ventures and lobbying through trade associations.

Criminal and civil penalties may be imposed both on corporations and on individual employees for violation of antitrust laws. The penalties include substantial prison terms, civil penalties and possible triple damages paid to injured parties.

2. Securities Laws and Inside Information

Because Smithfield's common stock and other securities are owned and traded by the public, the company is obligated by various laws to make timely, full and fair public disclosure of information that may materially affect the market for its stock.

For these reasons, any information that reasonably could be expected to affect the market for Smithfield's stock must be kept strictly confidential until public

disclosure is made. Company employees who possess material, non-public information and who take advantage of their position to profit (or minimize losses) at the expense of less informed investors may be held civilly or criminally liable. Information is "material" if there is a substantial likelihood that a reasonable investor would consider it important in arriving at a decision to buy, sell or hold stock or other securities. Disclosure of material, non-public information to others who buy or sell securities using that information can result in civil and criminal penalties.

Any person having such inside information is generally prohibited by law from buying or selling Smithfield common stock or other securities when that information has not been made public. Trading under such circumstances is illegal whether employees trade for their own benefit or for the benefit of others. It is also illegal if an employee does not engage in any securities trading but another person to whom the Smithfield employee has disclosed the inside information does such trading. These prohibitions apply to any Smithfield employee who has material inside information, not just the company's directors, officers or managers.

Except with prior approval of the Compliance Officer, no Smithfield employee is permitted to trade in any commodities futures market for his or her own account (other than for legitimate hedging operations for personal farming) or to engage in business, investment or financial transactions of a similar nature. Any employee who desires to engage in hedging operations for personal farming should obtain his or her immediate supervisor's prior approval.

Further information on the securities laws and insider trading is outlined in the Smithfield Foods, Inc. Securities Law Compliance Policy issued by the Smithfield Law Department.

3. Foreign Corrupt Practices Act

The U.S. Foreign Corrupt Practices Act and the laws of many other countries prohibit giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country.

In addition, the U.S. government has a number of laws and regulations regarding business gratuities that may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate Company policy but could also be a criminal offense. Many state and local governments, as well as foreign governments, have similar rules.

Any questions or doubts about the propriety of a proposed course of action should be discussed with the Smithfield Law Department before taking the action in question. Any suspected violations of the Foreign Corrupt Practices Act or other anti-bribery laws must be reported promptly to the Smithfield Law Department. The Smithfield Foods, Inc. Employee Hotline (1-877-237-5270) is available for reporting employee concerns anonymously. Further explanation of the Foreign Corrupt Practices Act is available from the Smithfield Law Department.

4. Patents and Intellectual Property

Corporate assets include not only tangible and real property but also intellectual property, or IP. IP is proprietary business or technical information of value protected by patent, trademark, copyright, or trade secret laws. It is in Smithfield's interest to protect and maintain its IP, do nothing to jeopardize its value, and thus be positioned for maximum return for its use or purchase. Each business unit's management has the ultimate responsibility for IP issues arising from matters under its control. However, due to the uniqueness of IP issues, the Smithfield Law Department should handle all significant corporate IP issues and select outside IP counsel if required.

Just as Smithfield regards its patents, trade secrets, trademarks and copyrights as valuable corporate assets, we must respect the valid IP rights of other companies and persons. Smithfield will not knowingly infringe on others' patents, trademarks or copyrights, or misappropriate others' trade secrets or other intellectual property. Of particular importance to day-to-day operations, and something that must be avoided by each employee, is the unauthorized copying of magazine and journal articles, books, computer software or any other copyrighted material. ■

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*"Doing the right thing begins with
basic honesty and integrity."*



Training and Education; Implementation and Accountability; Waivers

1. Training and Education

Smithfield will fully support each employee in meeting his or her responsibility to comply with this Code and applicable laws and regulations and will provide the resources necessary for compliance, including information and training sessions. Questions concerning any legal responsibility or ethical duty may be directed to the Smithfield Law Department or to the Smithfield Foods, Inc. Employee Hotline (1-877-237-5270). Members of the Smithfield Law Department and others can also provide briefings to departments on specific areas of the law. Any employee who would like to request a briefing should contact a member of the Smithfield Law Department.

2. Implementation and Accountability

> Compliance with Policies

At Smithfield, compliance with our policies is an integral part of everyone's job. As a condition of employment at Smithfield, each employee must be familiar and comply with this Code and all other Smithfield policies that apply to him or her. Violations of this Code or any other Smithfield policy are grounds for disciplinary action up to and including termination of employment and possible legal prosecution.

If you have any questions or doubts about how this Code or any other Smithfield policy applies to you, you should seek clarification from your supervisor, or a member of the Smithfield Law Department. If you prefer to raise questions or issues anonymously, you may use the Smithfield Foods, Inc. Employee Hotline (1-877-237-5270). Guidelines and other information

relating to the use of the Hotline are set out in the hotline notice posted at all plants and offices. Copies of that notice can be obtained by contacting a member of the Smithfield Internal Audit Department or by calling the Hotline.

> **Reporting Non-Compliance**

If you know about or suspect misconduct, illegal activities, fraud, misuse of Smithfield's assets or violations of this Code or any other Smithfield policy, you have a responsibility to report these concerns to the company. There will be no retribution against an employee for making such a report in good faith. In fact, this Code strictly prohibits retaliation or threatened retaliation against any employee for reporting actual or suspected wrongdoing which he or she believes has occurred.

The first step in reporting most concerns should be to discuss them with your supervisor. If you have raised a concern with your supervisor and you do not think it is getting proper attention or your supervisor cannot answer your question, talk with the next higher level of management. In the rare case where it may not be appropriate to discuss your concern with your supervisor or the next higher level of management (or where you do not feel comfortable doing so), you should contact any member of the Smithfield Law Department or, if you prefer to raise your concerns anonymously, call the Smithfield Foods, Inc. Employee Hotline (1-877-237-5270). This line is toll-free and does not use Caller ID or any other caller tracking mechanisms.

> **Investigations**

Full cooperation with internal investigations is a condition of each employee's employment with Smithfield. Any effort by an

employee to hinder an investigation with false or misleading information, or by refusing to provide information that he or she has, will be addressed with disciplinary action up to and including termination of employment. Smithfield will cooperate, while retaining the ability to exercise its legitimate rights and privileges, with any government investigation of employee wrongdoing.

> **Administration**

- Compliance Committee. A committee chaired by the Chief Legal Officer will administer this Code. The committee chair will appoint the committee members.
- Compliance Officer. The Chair of the compliance committee will serve as the Smithfield Compliance Officer. The Smithfield Compliance Officer has overall responsibility for ensuring effective implementation of the compliance program throughout Smithfield, including this Code and all other Smithfield policies and procedures. The Compliance Officer is further responsible for ensuring that these policies are effectively communicated and enforced throughout Smithfield.
- Annual Business Conduct Certification. The Compliance Committee will require all directors and executive officers of the company, and such other Smithfield employees as the Committee shall determine from time to time, to complete, in a timely manner, an annual certification relating to ethics and compliance with the law, this Code and other Smithfield policies. It is a condition of each such employee's employment at Smithfield that he or she fully and timely completes this certification. Failure to do so will result in disciplinary action up to and including termination of employment.

- Reports to the Audit Committee of the Board of Directors.

Smithfield's Compliance Officer will periodically, but not less than once a year, report to the Audit Committee of the Board of Directors on the administration of this Code. In addition, the Compliance Officer will promptly report any violation of this Code by an executive officer or director directly to the Chairman of the Audit Committee of the Board of Directors.

3. Waivers of the Code of Business Conduct and Ethics

As required by law and stock exchange regulation, any waiver of this Code for executive officers or directors may be made only by the Smithfield Board of Directors or its Audit Committee and will be promptly disclosed. Waivers of this Code for any other employee may be made by the Compliance Committee. ■

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Hotline Phone Number(s):

USA 1-877-237-5270

Smithfield Foods, Inc.

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