

SMITHFIELD FOODS INC
Form DEF 14A
July 25, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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| <input type="checkbox"/> Preliminary Proxy Statement | <input type="checkbox"/> Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2)) |
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Smithfield Foods, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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SMITHFIELD FOODS, INC.

Notice of Annual Meeting of Shareholders

TO BE HELD AUGUST 27, 2008

As a shareholder of SMITHFIELD FOODS, INC., a Virginia corporation (the Company), you are cordially invited to be present, either in person or by proxy, at the Annual Meeting of Shareholders of the Company to be held at the Williamsburg Lodge, 310 South England Street, Williamsburg, Virginia, at 2:00 p.m. local time, on August 27, 2008, for the following purposes:

1. To elect as directors the five nominees named in the attached proxy statement to serve a three-year term on the Company's Board of Directors;
2. To approve the Smithfield Foods, Inc. 2008 Incentive Compensation Plan;
3. To ratify the selection of Ernst & Young LLP as independent auditors of the Company for the fiscal year ending May 3, 2009; and
4. To transact such other business as may properly come before the meeting or any continuation or adjournment thereof.

Only shareholders of record at the close of business on July 11, 2008 will be entitled to vote at the Annual Meeting and any adjournment thereof. The transfer books will not be closed.

We hope you can attend the Annual Meeting in person. However, even if you plan to attend, please vote your proxy as soon as possible, so that we may be assured of a quorum to transact business. If you receive more than one proxy because you own shares registered in different names or addresses, each proxy should be voted. Your proxy is revocable and will not affect your right to vote in person in the event you are able to attend the meeting.

Your attention is directed to the attached Proxy Statement.

BY ORDER OF THE BOARD OF DIRECTORS,

MICHAEL H. COLE
SECRETARY

Smithfield, Virginia

July 25, 2008

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS
FOR THE 2008 ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON AUGUST 27, 2008**

The Company's Proxy Statement for the 2008 Annual Meeting of Shareholders and the Company's Annual Report to Shareholders and Annual Report on Form 10-K for the fiscal year ended April 27, 2008 are available at *investors.smithfieldfoods.com*.

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SMITHFIELD FOODS, INC.

EXECUTIVE OFFICES

200 COMMERCE STREET

SMITHFIELD, VIRGINIA 23430

Corporate Internet Site: www.smithfieldfoods.com

PROXY STATEMENT

FOR

ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD AUGUST 27, 2008

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING

1. Why did I receive these proxy materials?

We are providing this meeting notice, proxy statement and proxy card (the Proxy Materials) in connection with the solicitation by the Board of Directors of Smithfield Foods, Inc., a Virginia corporation (Smithfield, the Company, we, us, and our), of proxies to be voted at our 2008 Annual Meeting of Shareholders (the Annual Meeting). The proxies also may be voted at any continuations, adjournments or postponements of the meeting. This proxy statement contains information you may use when deciding how to vote in connection with the Annual Meeting. We are first sending the proxy materials to shareholders on or about July 25, 2008.

2. When and where is the Annual Meeting, and who may attend?

The Annual Meeting will be held on August 27, 2008 at 2:00 p.m. local time, at the Williamsburg Lodge, 310 South England Street, Williamsburg, Virginia. Shareholders who are entitled to vote may attend the meeting, as well as our invited guests. Each shareholder is permitted to bring one guest.

3. What do I need to attend the Annual Meeting?

Shareholders of Record. If you are a Shareholder of Record and plan to attend the meeting, please bring the admission ticket attached to your proxy card and photo identification. Shareholders of Record who do not present admission tickets at the meeting will be admitted only upon verification of ownership at the admission counter.

Beneficial Owners. If you are a Beneficial Owner and you plan to attend the meeting, you must present proof of your ownership of Smithfield shares as of July 11, 2008, such as a bank or brokerage account statement, as well as photo identification. If you wish to vote at the meeting, you must also bring a legal proxy.

The answer to Question 4 describes the terms **Shareholder of Record** and **Beneficial Owner**.

4. What is the difference between holding shares as a Shareholder of Record and as a Beneficial Owner?

If your shares are registered in your name on the books and records of our transfer agent, you are a **Shareholder of Record**. Smithfield sent the Proxy Materials directly to you.

If your shares are held for you in the name of your broker or bank, your shares are held in Street Name and you are considered the Beneficial Owner. The Proxy Materials have been forwarded to you by your broker, bank or other holder of record, who is considered, with respect to those shares, the Shareholder of Record. As the Beneficial Owner, you have the right to direct your broker, bank or other Shareholder of Record on how to vote your shares by using the voting instruction card included in the mailing. The answer to Question 14 describes brokers' discretionary voting authority and when your bank or broker is permitted to vote your shares of stock without instructions from you.

5. What proposals are being presented for shareholder vote at the Annual Meeting?

There are three proposals from Smithfield to be considered and voted on at the meeting:

1. Proposal 1: To elect five directors named in this proxy statement to serve three-year terms (see page 5);
2. Proposal 2: To approve the Smithfield Foods, Inc. 2008 Incentive Compensation Plan (see page 45); and
3. Proposal 3: To ratify the selection of Ernst & Young LLP as independent auditors of the Company for the fiscal year ending May 3, 2009 (see page 54).

6. How does the Board of Directors recommend that I vote?

Our Board of Directors recommends that you vote your shares (1) FOR the election of directors named in this proxy statement, (2) FOR the approval of the Smithfield Foods, Inc. 2008 Incentive Compensation Plan, and (3) FOR the ratification of Ernst & Young LLP as independent auditors of the Company for the fiscal year ending May 3, 2009.

7. Are there any other matters to be acted upon at the Annual Meeting?

We do not know of any other matter to be presented or acted upon at the meeting. If any matters not set forth in the meeting notice included in the Proxy Materials are properly brought before the meeting, the persons named in the enclosed proxy will vote thereon in accordance with their best judgment.

8. Who is entitled to vote at the Annual Meeting?

You are entitled to vote if you owned shares of our common stock, par value \$0.50, as of the close of business on the record date, July 11, 2008. Each share of common stock is entitled to one vote and there is no cumulative voting. As of July 11, 2008, we had 137,588,175 shares of common stock outstanding. Both Virginia law and our Bylaws require our Board to establish a record date in order to determine who is entitled to receive notice of the Annual Meeting, and to attend and vote at the Annual Meeting and any continuations, adjournments or postponements of

the meeting.

9. How many votes must be present to hold the Annual Meeting?

A majority of the total votes entitled to be cast on matters to be considered at the Annual Meeting, or 68,794,088, must be present in person or by proxy to hold the Annual Meeting. If a share is represented for any purpose at the Annual Meeting, it is deemed to be present for quorum purposes and for all other matters as well.

Abstentions and shares held of record by a broker or its nominee (Broker Shares) that are voted on any matter are included in determining the number of votes present or represented at the Annual Meeting. However, Broker Shares that are not voted on any matter at the Annual Meeting will not be included in determining whether a quorum is present at such meeting.

10. How many votes are needed to approve the proposals?

Proposal 1: The election of each nominee for director requires the affirmative vote of the holders of shares representing a plurality of the votes cast in the election of directors. Votes that are withheld and Broker Shares that are not voted in the election of directors will not be included in determining the number of votes cast and, therefore, will have no effect on the election of directors. Each of the five nominees would be appointed to three-year terms.

Proposal 2: The number of votes cast in favor of the approval of the Smithfield Foods, Inc. 2008 Incentive Compensation Plan must be greater than the votes cast against approval. Abstentions and Broker Shares that are not voted are not considered cast for or against this proposal and, therefore, will have no effect on the outcome.

Proposal 3: The number of votes cast in favor of the ratification of the selection of Ernst & Young LLP as independent auditors must be greater than the votes cast against ratification. Abstentions and Broker Shares that are not voted are not considered cast for or against this proposal and, therefore, will have no effect on the outcome.

11. How do I vote?

By Mail: Be sure to complete, sign and date the proxy card or voting instruction card and return it in the prepaid envelope. If you are a Shareholder of Record and you return your signed proxy card but do not indicate your voting preferences, the persons named in the proxy card will vote the shares represented by that proxy as recommended by the Board of Directors. If you are a Beneficial Owner, please also see Question 14 below.

By Internet or by Telephone: Instead of mailing your proxy card, you may vote your proxy by the Internet or by telephone. Proxies submitted by the Internet or telephone must be received by 2:00 a.m., Eastern Time, on August 27, 2008. To vote by the Internet, go to www.investorvote.com/SFD and follow the steps outlined on the secured website. To vote by telephone, call toll free 1-800-652-VOTE (8683) within the United States, Canada and Puerto Rico any time on a touch tone telephone. There is no charge to you for the call. Please follow the instructions provided by the recorded message. When voting by the Internet or telephone, please have your proxy card handy because you will need the validation details that are located on the proxy card in order to cast your vote. If you vote by Internet or by telephone, you do not need to mail your proxy card.

In person at the Annual Meeting: All shareholders may vote in person at the Annual Meeting. If you are a Beneficial Owner, you must obtain a legal proxy from your broker, bank or other Shareholder of Record and present it to the inspectors of election with your ballot to be able to vote at the meeting.

12. What can I do if I change my mind after I vote my shares?

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If you are a Shareholder of Record, you can revoke your proxy before it is exercised by (1) sending written notice to our Secretary, (2) timely delivering a valid, later-dated proxy, (3) voting again over the Internet or by telephone prior to 2:00 a.m., Eastern Time, on August 27, 2008 or (4) voting by ballot at the Annual Meeting.

If you are a Beneficial Owner, you may submit new voting instructions by contacting your bank, broker or other Shareholder of Record. You may also vote in person at the Annual Meeting if you obtain a legal proxy as described in the answer to Question 11.

13. What if I do not specify a choice for a matter when returning a proxy?

Proxies that are signed and returned but do not contain voting instructions will be voted (1) FOR the election of each of the director nominees named in this proxy statement, (2) FOR the approval of the Smithfield Foods, Inc. 2008 Incentive Compensation Plan, (3) FOR the ratification of Ernst & Young LLP as our independent auditors, and (4) in accordance with the best judgment of the named proxies on any other matters properly brought before the meeting. If you are a Beneficial Owner, see Question 14 below.

If necessary, and unless the shares represented by the proxy are voted in a manner contrary to the manner described in the preceding sentence, the persons named in the proxy may also vote in favor of a proposal to recess the Annual Meeting and to reconvene it on a subsequent date or dates, without further notice, in order to solicit and obtain sufficient votes to approve or disapprove any matters being considered at the Annual Meeting.

14. Will my shares be voted if I do not provide my proxy or instruction form?

If you are a Shareholder of Record and do not provide a proxy, you must attend the Annual Meeting in order to vote. If you are a Beneficial Owner and hold shares through an account with a bank or broker, your shares may be voted if you do not provide voting instructions. Brokerage firms have the authority under the New York Stock Exchange rules to vote shares for which their customers do not provide voting instructions on routine matters. The election of directors and the ratification of the selection of independent auditors are considered routine matters. The approval of the 2008 Incentive Compensation Plan is not considered routine. When a matter is not routine and the brokerage firm has not received voting instructions from the beneficial owner, the brokerage firm cannot vote the shares on that matter. This is called a broker non-vote.

15. What does it mean if I receive more than one proxy card?

If you received multiple proxy cards, it means that you hold your shares in different ways (e.g., trust, custodial accounts, joint tenancy) or in multiple accounts. Each proxy card you receive should be voted by Internet, telephone or mail.

16. Who will pay for the cost of this proxy solicitation?

We will bear the cost of this proxy solicitation. In addition to solicitation by mail, some of our directors, officers and employees may solicit proxies in person or by telephone at no additional compensation. We will also ask Shareholders of Record who are brokerage firms, custodians and fiduciaries to forward proxy material to the beneficial owners of such shares and upon request we will reimburse such Shareholders of Record for the customary costs of forwarding the proxy material. We have retained Georgeson & Company Inc. to assist in the solicitation of proxies and anticipate that this will cost us \$8,000 plus expenses.

PROPOSAL 1**ELECTION OF DIRECTORS**

Our Board of Directors currently consists of eleven directors, who are divided into three classes with staggered terms. The terms of Robert L. Burrus, Jr., Carol T. Crawford and Frank S. Royal, M.D. as directors of the Company will expire at the time of the Annual Meeting. As of the Annual Meeting, the Board of Directors has expanded the size of the Board to thirteen directors. Following the recommendation of the Nominating and Governance Committee, the Board recommends the re-election of Mr. Burrus, Mrs. Crawford and Dr. Royal and the election of David C. Nelson and Gaoning Ning to the Board of Directors for three-year terms. As more fully described under Related Party Transactions beginning on page 37, Mr. Ning's nomination is made pursuant to the terms of an agreement between us and certain affiliates of COFCO Limited, under which we sold to one such affiliate an aggregate of 7,000,000 shares of our common stock. Mr. Ning is Chairman of COFCO Limited.

Although all the nominees have indicated their willingness to serve if elected, if at the time of the meeting any nominee is unable or unwilling to serve, shares represented by properly executed proxies will be voted at the discretion of the persons named therein for such other person as the Board may designate.

Information, including their business experience for the past five years, about the nominees for election as directors and about our other directors whose terms of office do not expire this year appears below.

NOMINEES FOR ELECTION TO THREE-YEAR TERMS

Name	Age	Principal Occupation	Other Information	Director Since
Robert L. Burrus, Jr.	(73)	Chairman Emeritus and Senior Partner in the law firm of McGuireWoods LLP, Richmond, Virginia; Chairman and Partner of McGuireWoods LLP from 1990 to 2006		1996
Hon. Carol T. Crawford	(65)	Attorney; formerly Commissioner of the U.S. International Trade Commission from 1991 until 2000 and Assistant Attorney General of the United States from 1989 until 1990; Board of Trustees, Torray Fund		2000
David C. Nelson	(49)	Portfolio Manager, Altima One World Agriculture Fund, an affiliate of Altima Partners which is a European hedge fund manager, since 2008; formerly Analyst and Managing Director of Credit Suisse from 1997 to 2007;		N/A

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formerly Assistant Director of Research and Managing Director of NatWest

Markets from 1990 to 1997

Gaoning Ning (49)

N/A

Chairman of COFCO Limited, a state-owned enterprise in China, since

December 2004; prior to joining COFCO Limited in December 2004,

Mr. Ning held various positions including director, general manager and

Vice chairman of China Resources (Holdings) Company Limited, and was

Chairman of China Resources Enterprises, Limited from May 1999 to

December 2004

Frank S. Royal, M.D. (68)

2002

Physician; Director of SunTrust Banks, Inc., Dominion Resources, Inc.

and CSX Corporation

Recommendation

Our Board of Directors recommends that you vote **FOR** the election of these five directors to three-year terms.

DIRECTORS WHOSE TERMS DO NOT EXPIRE THIS YEAR

CONTINUING DIRECTORS FOR TERM ENDING UPON THE 2009 ANNUAL MEETING OF SHAREHOLDERS

Name	Age	Principal Occupation	Other Information	Director Since
Joseph W. Luter, III	(69)	Chairman of the Board since 1975 and Consultant to the Company since September 2006; Chairman of the Board and Chief Executive Officer of the Company from 1975 to August 2006	(1)	1975
Wendell H. Murphy	(69)	Private Investor; formerly Chairman of the Board and Chief Executive Officer of Murphy Farms, Inc., Rose Hill, North Carolina, a hog producer, prior to the Company's purchase of such business in January 2000		2000(2)
C. Larry Pope	(53)	President and Chief Executive Officer since September 2006; President and Chief Operating Officer of the Company from October 2001 to September 2006; Vice President and Chief Financial Officer from 2000 to October 2001		2006
Hon. Paul S. Tribble, Jr.	(61)	President of Christopher Newport University since 1996; U.S. Senator from 1983 to 1989; Member of U.S. House of Representatives from 1977 to 1983		2007

CONTINUING DIRECTORS FOR TERM ENDING UPON THE 2010 ANNUAL MEETING OF SHAREHOLDERS

Name	Age	Principal Occupation	Other Information	Director Since
Paul J. Fribourg	(54)	Chairman, President and Chief Executive Officer of Continental Grain		2007
Company since 1997; Director, Loews Corp. and				
The Estée Lauder Companies Inc.				
Ray A. Goldberg	(81)	Professor Emeritus, Harvard Business School and Professor Emeritus,		1999
Harvard Kennedy School of Government				
John T. Schwieters	(68)	Vice Chairman of Perseus L.L.C., a merchant bank and		2001
private equity fund management company; formerly Managing				
Partner, Mid-Atlantic Region, Arthur Andersen LLP from 1989 to				
2000; Director, Danaher Corporation, Choice Hotels International, Inc.				
and Union Street Acquisition Corp.				
Melvin O. Wright	(79)	Retired; formerly an Advisor to PrimeCorp Finance,		2000
a Paris merchant bank, and prior to 1992, a senior executive and				
Director of Dean Witter Reynolds (now Morgan Stanley)				

(1) Mr. Luter, III is the father of Joseph W. Luter, IV, one of our executive officers.

(2) Mr. Murphy was also our director from 1991 through 1998.

DIRECTOR COMPENSATION

Name	Fees earned or paid in cash	Stock awards	Option awards	Non-equity incentive plan compensation	Change in pension value and nonqualified deferred compensation earnings	All Other Compensation	Total
	(1)(2)(\$) (b)	(1)(2)(\$) (c)	(\$) (d)	(\$) (e)	(\$) (f)	(\$) (g)	(\$) (h)
(a) Joseph W. Luter, III	69,000	40,448			(3)	5,217,619(4)	5,327,067
Robert L. Burrus, Jr.	64,000	40,448					104,448
Hon. Carol T. Crawford	82,000	40,448					122,448
Paul J. Fribourg	61,038	40,448					101,486
Ray A. Goldberg	79,000	40,448					119,448
Wendell H. Murphy	64,000	40,448					104,448
C. Larry Pope							
Frank S. Royal, M.D.	107,000	40,448					147,448
John T. Schwieters	110,000	40,448					150,448
Hon. Paul S. Tribble, Jr.	41,379	40,448					81,827
Melvin O. Wright	105,000	40,448					145,448

(1) Pursuant to the Company's 2005 Non-Employee Directors Stock Incentive Plan (Directors Plan), each of the non-employee directors is entitled to defer all or a part of his or her director fees and receive, in lieu thereof, deferred stock units entitling the director to receive shares of our common stock at a future date or dates. For those directors electing to receive all or a portion of such fees as deferred units, the number of deferred stock units received is equal to the amount of fees deferred divided by the market price of the common stock. Deferred fees, if any, are included in the Fees earned or paid in cash column. Included in the Stock awards column is the aggregate grant date fair value of the 1,500 deferred stock units granted annually to each named director pursuant to the Directors Plan, computed in accordance with Statement of Financial Accounting Standards No. 123 (revised 2004) (Share-Based Payment) (FAS 123R). Each director is fully vested in the deferred stock units received pursuant to fee deferrals or the annual grant.

(2) The aggregate number of deferred stock units held by each director as of April 27, 2008 was as follows: Mr. Luter, III 1,500; Mr. Burrus 12,456; Mrs. Crawford 12,457; Mr. Fribourg 2,037; Mr. Goldberg 6,365; Mr. Murphy 10,793; Dr. Royal 5,000; Mr. Schwieters 9,215; Mr. Tribble 1,500; and Mr. Wright 12,175.

(3) Following his termination of employment as chief executive officer in August 2006, Mr. Luter, III began receiving his tax-qualified and non-tax qualified pension benefits resulting in a decrease of \$244,276 and \$6,902,664 in the present value of his accumulated benefits under the Smithfield Foods Pension Plan and the Supplemental Pension Plan, respectively.

(4) Includes \$1,000,000 in fees paid pursuant to a Consulting Agreement, \$4,200,000 awarded by the Compensation Committee pursuant to an annual incentive bonus arrangement and \$17,619 in perquisites. See Related Party Transactions Transactions Joseph W. Luter, III on page 37 for further discussion of the Consulting Agreement and the incentive bonus arrangement. The perquisites include \$10,944 for a company-leased automobile (calculated using 100% of the lease cost, repairs, maintenance and fees of the automobile) and \$6,300 for the personal use of a Company-owned residence (calculated using the average daily cost of maintaining the residence multiplied by the number of days used for personal purposes).

Discussion of Director Compensation

The Nominating and Governance Committee is responsible for recommending director compensation to the Board of Directors. The following compensation arrangements have been recommended by the Nominating and Governance Committee and approved by the Board of Directors.

Non-employee directors are entitled to receive the following cash consideration for their services:

an annual retainer of \$50,000,

an additional annual retainer of \$10,000 for the chairperson of the Audit Committee,

an additional annual retainer of \$5,000 for the chairperson of any other committee, and

\$2,000 for each board or committee meeting attended.

In addition, each non-employee director receives an annual award of 1,500 deferred stock units pursuant to the current award program under the Directors Plan. Non-employee directors are also entitled under the Directors Plan to defer 25%, 50%, 75% or 100% of their directors fees and receive deferred stock units in lieu thereof. The number of deferred stock units received is equal to the amount of fees deferred divided by the closing price of our common stock as reported in the *Wall Street Journal* on the date prior to the date on which payment of the fees would otherwise have been made. Each deferred stock unit entitles the director to receive one share of common stock at a time following the director's termination of service, as specified in advance by the director. In the event cash dividends are paid on our common stock, hypothetical cash dividends in the same amount will be credited to the director's account and converted into stock units based on the market price of our common stock on the trading day before the dividend payment date.

CORPORATE GOVERNANCE

The primary mission of our Board of Directors is to represent and protect the interests of our shareholders. The Board of Directors has undertaken a number of corporate governance initiatives in recent years, many of which are discussed below.

Constitution of the Board of Directors

Our Board of Directors currently consists of eleven directors. The Board of Directors has determined that seven of our current directors (Mrs. Crawford, Dr. Royal and Messrs. Burrus, Goldberg, Schwieters, Tribble and Wright) and both of our new director nominees, Messrs. Nelson and Ning, qualify as independent directors in accordance with the listing standards of the New York Stock Exchange (the "NYSE"). In addition, the Board of Directors has determined that two out of the three members of the Audit Committee (John T. Schwieters and Melvin O. Wright) are audit committee financial experts as defined in regulations promulgated by the Securities and Exchange Commission (the "SEC") under the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"). Mr. Schwieters currently serves on the audit committee of three other public companies. The Board of Directors has determined that such simultaneous service does not impair the ability of Mr. Schwieters to continue to effectively serve on our Audit Committee.

The bases for the Board's determination regarding the independence of directors and the director nominee are explained below:

In evaluating the independence of Mr. Burrus, the Board considered Mr. Burrus' relationship with the law firm of McGuireWoods LLP, which provides legal services to Smithfield. Factors favorably

considered by the Board in its evaluation of this relationship included that the fees paid to the firm in 2007 represented less than 2% of the firm's total revenues. In addition, Mr. Burrus is not the managing partner for our account with the firm, Mr. Burrus receives a fixed salary from the firm and an increasing percentage of Mr. Burrus' time commitment to Smithfield consists of board services rather than legal services. It is also the Board's perception, based on Mr. Burrus' extensive past service on the Board, that he consistently acts in a manner independent of us. Based on these factors, the Board has determined that Mr. Burrus is independent.

In evaluating the independence of Mr. Ning, the Board considered that Mr. Ning is the Chairman of COFCO Limited, one of our customers, and that we have entered into an agreement with an affiliate of COFCO Limited to sell the affiliate 7,000,000 shares of our common stock in a private transaction. In determining that Mr. Ning is independent, the Board favorably considered that the amount of payments we have received annually from COFCO Limited represents less than 1% of the annual consolidated gross revenues of COFCO Limited and less than 2% of our annual consolidated gross revenues. The Board also considered favorably that after giving effect to the sale of shares referred to above, COFCO Limited's beneficial ownership will represent less than 5% of our common stock.

In evaluating the independence of Mr. Tribble, the Board considered that the Smithfield-Luter Foundation, a charitable foundation affiliated and supported by us, has committed to make annual contributions supporting educational programs and scholarships at Christopher Newport University, a state-supported public university where Mr. Tribble is currently employed as President. Frances Luter, the wife of one of our executive officers, Joseph W. Luter, IV, serves on the Board of Visitors of the university. In determining that Mr. Tribble is independent, the Board favorably considered that the Foundation's annual contributions represent less than 1% of the university's annual gross operating revenues and that Mrs. Luter has indicated her intention to abstain from any actions taken by the university's Board of Visitors with respect to compensation or other employment terms or arrangements involving Mr. Tribble.

None of the other directors determined by the Board to be independent has any relationship with us other than as a director.

Advisory Director

In May 2007, the Board established the position of advisory director and appointed Michael J. Zimmerman to that position. Mr. Zimmerman is the Executive Vice President and Chief Financial Officer of Continental Grain Company. An advisory director may attend Board meetings at the invitation of the Board but is not entitled to vote. In addition, an advisory director does not have any rights, duties or liabilities of a director as stated in our bylaws. The Board has determined to compensate Mr. Zimmerman in the same manner as a director.

Committees of the Board of Directors and Meetings

The Board of Directors has four standing committees which met during fiscal 2008: the Audit Committee, the Nominating and Governance Committee, the Compensation Committee and the Pension and Investment Committee. Each of these committees is composed entirely of directors who have been determined by the Board of Directors to be independent under current NYSE standards and operates under a charter approved by the Board of Directors setting out the purposes and responsibilities of the committee. The committees and the Board of Directors periodically review and, as appropriate, revise the committees' charters to reflect, among other things, changing regulatory developments and changes in the responsibilities of the committees. All committee charters are available for review on our website, www.smithfieldfoods.com. A copy of the committee charters

may be obtained, without charge, upon written request to Michael H. Cole, Secretary, Smithfield Foods, Inc., 200 Commerce Street, Smithfield, Virginia 23430. The Board of Directors has also established an Executive Committee which is authorized to exercise the powers of the Board of Directors between Board meetings but did not meet during the past fiscal year.

The table below provides an overview of the membership and responsibilities of all of the committees of the Board of Directors as well as the number of meetings held during fiscal 2008. In addition, the Board of Directors held six meetings during fiscal 2008. All directors attended 75% or more of these meetings, including regularly scheduled and special meetings, and the meetings of all committees of the Board on which they served that were held in the past fiscal year during the periods in which they were directors or served on such committees.

Committee, Number of

**Meetings and Membership
AUDIT**

13 meetings

John T. Schwieters, *Chairperson*

Frank S. Royal, M.D.

Melvin O. Wright

Summary of the Functions of the Committee

Oversee the financial reporting process

Review financial statements and releases

Review significant management judgments affecting financial statements

Review quality of accounting principles employed

Review adequacy of internal and disclosure controls and procedures

Oversee independent auditors

Oversee performance and independence

Pre-approve non-audit services

Appoint independent auditors

Review scope, methodology and results of the audit of the independent auditors

Oversee the Company's compliance with Section 404 of the Sarbanes-Oxley Act relative to testing of internal controls

Oversee the internal audit department

Oversee compliance with laws and governmental regulations

Oversee administration of the Code of Business Conduct and Ethics

Review cases of misconduct

Review, approve and ratify related party transactions

Oversee risk assessment and risk management

Committee, Number of

Meetings and Membership

NOMINATING AND GOVERNANCE

2 meetings

Frank S. Royal, M.D., Chairperson

John T. Schwieters

Melvin O. Wright

Summary of the Functions of the Committee

Guide selection of directors

Establish criteria for nominees

Review candidate qualifications

Recruit desired candidates

Recommend director nominees

Recommend committee membership

Review Governance Guidelines and recommend governance issues to be addressed

Review the Code of Business Conduct and Ethics

Evaluate director performance

Review committee structure and operations

Recommend ways to improve effectiveness of the Board of Directors

Recommend director compensation

COMPENSATION

7 meetings
 Gross Unrealized Appreciation \$43,928,603
 Gross Unrealized Depreciation (24,455,102)
 Net Unrealized Appreciation \$19,473,501

Industry Diversification	Percentage of Net Assets	
Industrials	12.3	%
Materials	12.1	
Aerospace & Defense	10.8	
Machinery	8.3	
Industrial Conglomerates	7.5	
Utilities	7.4	
Telecommunications	6.7	
Electrical Equipment	4.8	
Road & Rail	4.5	
Electric	2.5	
Construction & Engineering	2.5	

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Electric Utilities	2.3	
Multi-Utilities	1.7	%
Building Materials		1.6
Oil & Gas Equipment & Services		1.6
Chemicals		1.5
Electronic Equipment, Instruments & Components		1.5
Trading Companies & Distributors		1.4
Telecommunication Services		1.2
Oil & Gas Refining & Marketing		1.1
Semiconductors		1.0
Paper Packaging		1.0
Oil & Gas Drilling		0.9
Fertilizers & Agricultural Chemicals		0.7
Paper Products		0.7
Short-Term Investments		2.5
Liabilities in Excess of Other Assets		(0.1)
Net Assets		100.0%

Voya Infrastructure, Industrials and Materials Fund PORTFOLIO OF INVESTMENTS
as of November 30, 2015 (Unaudited) (Continued)

Fair Value Measurements

The following is a summary of the fair valuations according to the inputs used as of November 30, 2015 in valuing the assets and liabilities:

	Quoted Prices in Active Markets for Identical Investments (Level 1)	Significant Other Observable Inputs# (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value at November 30, 2015
Asset Table				
Investments, at fair value				
Common Stock				
Australia	\$ –	\$4,815,158	\$ –	\$4,815,158
Brazil	4,101,900	–	–	4,101,900
China	5,494,132	4,344,058	–	9,838,190
France	–	18,166,176	–	18,166,176
Germany	–	13,098,042	–	13,098,042
India	–	6,876,016	–	6,876,016
Indonesia	–	2,543,094	–	2,543,094
Israel	–	4,268,733	–	4,268,733
Italy	–	5,621,719	–	5,621,719
Japan	–	29,295,865	–	29,295,865
Netherlands	–	14,791,353	–	14,791,353
South Africa	–	2,818,208	–	2,818,208
South Korea	–	3,604,354	–	3,604,354
Spain	–	4,070,631	–	4,070,631
Sweden	–	7,730,069	–	7,730,069
Switzerland	–	4,292,931	–	4,292,931
United Kingdom	–	3,184,223	–	3,184,223
United States	151,583,562	–	–	151,583,562
Total Common Stock	161,179,594	129,520,630	–	290,700,224
Preferred Stock	1,282,092	–	–	1,282,092
Short-Term Investments	7,415,000	–	–	7,415,000
Total Investments, at fair value	\$ 169,876,686	\$ 129,520,630	\$ –	\$ 299,397,316
Liabilities Table				
Other Financial Instruments+				
Written Options	\$ –	\$(854,777)	\$ –	\$(854,777)
Total Liabilities	\$ –	\$(854,777)	\$ –	\$(854,777)

Other Financial Instruments are derivatives not reflected in the portfolio of investments and may include open forward foreign currency contracts, futures, centrally cleared swaps, OTC swaps and written options. Forward + foreign currency contracts, futures and centrally cleared swaps are valued at the unrealized gain (loss) on the instrument. OTC swaps and written options are valued at the fair value of the instrument.

The earlier close of the foreign markets gives rise to the possibility that significant events, including broad market moves, may have occurred in the interim and may materially affect the value of those securities. To account for this, # the Fund may frequently value many of its foreign equity securities using fair value prices based on third party vendor modeling tools to the extent available. Accordingly, a portion of the Fund's investments are categorized as Level 2 investments.

At November 30, 2015, the following over-the-counter written options were outstanding for Voya Infrastructure, Industrials and Materials Fund:

Number of Contracts	Counterparty	Description	Exercise Price	Expiration Date	Premiums Received	Fair Value
Options on Indices						
668,724	Merrill Lynch	Call on Industrial Select Sector SPDR® Fund	55.090 USD	12/17/15	\$607,870	\$(342,463)
771,045	JPMorgan Chase & Co.	Call on iShares MSCI EAFE ETF	61.060 USD	12/17/15	720,310	(246,667)
146,103	JPMorgan Chase & Co.	Call on iShares MSCI Emerging Markets ETF	34.770 USD	12/17/15	114,808	(51,249)
325,378	Merrill Lynch	Call on Materials Select Sector SPDR® Fund	45.670 USD	12/17/15	289,782	(214,398)
		Total Written OTC Options			\$1,732,770	\$(854,777)

Voya Infrastructure, Industrials and Materials Fund PORTFOLIO OF INVESTMENTS
as of November 30, 2015 (Unaudited) (Continued)

A summary of derivative instruments by primary risk exposure is outlined in the following tables.

The fair value of derivative instruments as of November 30, 2015 was as follows:

<u>Instrument Type</u>	<u>Fair Value</u>
Derivatives not accounted for as hedging instruments	
Liability Derivatives	
Equity contracts Written options	\$854,777
Total Liability Derivatives	\$854,777

The following is a summary by counterparty of the fair value of OTC derivative instruments subject to Master Netting Agreements and collateral pledged (received), if any, at November 30, 2015:

	<u>JPMorgan Chase & Co.</u>	<u>Merrill Lynch</u>	<u>Totals</u>
Liabilities:			
Written options	\$ 297,916	\$ 556,861	\$854,777
Total Liabilities	\$ 297,916	\$ 556,861	\$854,777
Net OTC derivative instruments by counterparty, at fair value	\$ (297,916) \$ (556,861) \$(854,777)
Total collateral pledged by the Fund/(Received from counterparty)	\$ -	\$ -	\$-
Net Exposure⁽¹⁾	\$ (297,916) \$ (556,861) \$(854,777)

(1) Positive net exposure represents amounts due from each respective counterparty. Negative exposure represents amounts due from the Fund.

Item 2. Controls and Procedures.

(a) Based on our evaluation conducted within 90 days of the filing date, hereof, the design and operation of the registrant's disclosure controls and procedures are effective to ensure that material information relating to the registrant is made known to the certifying officers by others within the appropriate entities, particularly during the period in which Forms N-Q are being prepared, and the registrant's disclosure controls and procedures allow timely preparation and review of the information for the registrant's Form N-Q and the officer certifications of such Form N-Q.

(b) There were no significant changes in the registrant's internal controls over financial reporting that occurred during the registrant's last fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits.

A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2 under the Act (17 CFR 270.30a-2) is attached hereto as EX-99.CERT.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant): Voya Infrastructure, Industrials and Materials Fund

By /s/ Shaun P. Mathews
Shaun P. Mathews
President and Chief Executive Officer

Date: January 22, 2016

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By /s/ Shaun P. Mathews
Shaun P. Mathews
President and Chief Executive Officer

Date: January 22, 2016

By /s/ Todd Modic
Todd Modic
Senior Vice President and Chief Financial Officer

Date: January 22, 2016