

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</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)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information—enter all requested information										
1a Name of plan <u>RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.</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>01/01/1976</u></td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) <u>39-1134847</u></td> </tr> <tr> <td colspan="2">2c Plan Sponsor's telephone number <u>877-373-3397</u></td> </tr> <tr> <td colspan="2">2d Business code (see instructions) <u>445120</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/1976</u>		2b Employer Identification Number (EIN) <u>39-1134847</u>		2c Plan Sponsor's telephone number <u>877-373-3397</u>		2d Business code (see instructions) <u>445120</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>										
1c Effective date of plan <u>01/01/1976</u>											
2b Employer Identification Number (EIN) <u>39-1134847</u>											
2c Plan Sponsor's telephone number <u>877-373-3397</u>											
2d Business code (see instructions) <u>445120</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>SHOP-RITE, INC.</u> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <u>875 E WISCONSIN AVE</u> <u>MILWAUKEE, WI 53202-5404</u> </div> <div style="width: 45%;"> <u>875 E WISCONSIN AVE</u> <u>MILWAUKEE, WI 53202-5404</u> </div> </div>											

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.	10/17/2022	THERESA MONTI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2022	THERESA MONTI
	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.

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
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	559
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.....		6a(1)	126
a(2) Total number of active participants at the end of the plan year		6a(2)	115
b Retired or separated participants receiving benefits.....		6b	260
c Other retired or separated participants entitled to future benefits		6c	150
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	525
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	22
f Total. Add lines 6d and 6e		6f	547
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	0
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: <div style="margin-left: 20px;">1B 1I</div>			
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	
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) ☐ 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 2021 Form M-1 annual report. If the plan was not required to file the 2021 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 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 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

▶ **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>RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.</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>SHOP-RITE, INC.</u>	D Employer Identification Number (EIN) <u>39-1134847</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>2021</u>	
2 Assets:	
a Market value	2a <u>22577373</u>
b Actuarial value	2b <u>20319636</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment.....	(1) Number of participants <u>277</u> (2) Vested Funding Target <u>8182536</u> (3) Total Funding Target <u>8182536</u>
b For terminated vested participants.....	<u>157</u> <u>3699714</u> <u>3699714</u>
c For active participants	<u>126</u> <u>3153567</u> <u>3157074</u>
d Total.....	<u>560</u> <u>15035817</u> <u>15039324</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>5.63</u> %
6 Target normal cost.....	
a Present value of current plan year accruals.....	6a <u>0</u>
b Expected plan-related expenses	6b <u>130000</u>
c Total (line 6a + line 6b)	6c <u>130000</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>10/07/2022</u> Date
<u>ROBYN C. HAMILTON</u> Signature of actuary		<u>20-06652</u> Most recent enrollment number
<u>MERCER</u> Type or print name of actuary		<u>713-276-2107</u> Telephone number (including area code)
<u>4400 COMERICA BANK TOWER 1717 MAIN STREET DALLAS, TX 75201</u> Firm name		
<u>Address of the firm</u>		

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) 2021
v. 201209**

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	3916969
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	151047
9 Amount remaining (line 7 minus line 8)	0	3765922
10 Interest on line 9 using prior year's actual return of <u>16.85</u> %	0	634558
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
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>5.44</u> %		0
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		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	147000
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	4253480

Part III Funding Percentages

14 Funding target attainment percentage	14	106.82 %
15 Adjusted funding target attainment percentage	15	135.11 %
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	98.75 %
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
Totals ▶			18(b)	0	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	0

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: 4.75 %	2nd segment: 5.36 %	3rd segment: 6.11 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☐ 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 6c).....	31a	130000	
b Excess assets, if applicable, but not greater than line 31a	31b	130000	
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	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances.....	38b		
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)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>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>2021</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021					
A Name of plan RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.				B Three-digit plan number (PN) ▶ 001	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 SHOP-RITE, INC.				D Employer Identification Number (EIN) 39-1134847	
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: THE KROGER CO. MASTER RETIREMENT TR					
b Name of sponsor of entity listed in (a): THE KROGER CO.					
c EIN-PN 31-0345740-008		d Entity code M		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 22813000	
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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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

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

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

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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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>	<div style="text-align: center;">Financial Information</div> <p style="text-align: center; font-size: small;">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).</p> <p style="text-align: center;">▶ File as an attachment to Form 5500.</p>	<div style="text-align: center; font-size: small;">OMB No. 1210-0110</div> <div style="text-align: center; font-size: large; font-weight: bold; margin-top: 20px;">2021</div> <div style="text-align: center; font-size: small; margin-top: 20px;">This Form is Open to Public Inspection</div>
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 SHOP-RITE, INC.	D Employer Identification Number (EIN) 39-1134847	

Part I	Asset and Liability Statement		
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) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(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)	22589000	22813000
(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)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(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	22589000 22813000
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness.....	1i	7000 8000
j	Other liabilities.....	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	7000 8000
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	22582000 22805000

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.

		(a) Amount	(b) Total
Income			
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	
	(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)	0
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)	
(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)	

		(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)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		1356000
(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		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1356000
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	833000	
(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)		833000
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)		
(4) Other.....	2i(4)	300000	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		300000
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1133000
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		223000
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) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

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

(1) Name: CLARK, SCHAEFER, HACKETT & CO

(2) EIN: 31-0800053

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.).....

	Yes	No	Amount
4a		X	

	Yes	No	Amount
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.)			
4b		X	
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?	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
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?		X	
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?		X	
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.)		X	
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.)		X	
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?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
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 Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 444041.

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2021</div> <div>This Form is Open to Public Inspection.</div>
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.	B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 SHOP-RITE, INC.	D Employer Identification Number (EIN) 39-1134847

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	
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): 31-0345740		
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	2

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ 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
-----------------	-------------------

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
--	-----------------------------------	-----------------------------------	-------------------------------	--

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ 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) 2021
v. 201209

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 deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

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.....

15a

b The corresponding number for the second preceding plan year

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

16a

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.....

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: 8.8 % Investment-Grade Debt: 74.0 % High-Yield Debt: 2.5 % Real Estate: 1.7 % Other: 13.0 %

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):

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☒ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.

**REPORT ON AUDIT OF
FINANCIAL STATEMENTS**

December 31, 2021 and 2020

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
INDEX OF FINANCIAL STATEMENTS
December 31, 2021 and December 31, 2020

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Statements of Changes in Net Assets Available for Benefits	5
Statement of Accumulated Plan Benefits	6
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INDEPENDENT AUDITORS' REPORT

To the Participants and the Retirement Benefit Plan Management Committee of the Retirement Plan for Employees of Shop-Rite, Inc.

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements

We have performed an audit of the financial statements of the Retirement Plan for Employees of Shop-Rite, Inc., an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, the statement of accumulated plan benefits as of December 31, 2020, and the related statement of changes in accumulated plan benefits for the year then ended, and the related notes to the financial statements (2021 Financial Statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 Financial Statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 6 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2021 Financial Statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying 2021 Financial Statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Retirement Plan for Employees of Shop-Rite, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Retirement Plan for Employees of Shop-Rite, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Retirement Plan for Employees of Shop-Rite, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Retirement Plan for Employees of Shop-Rite, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter - Auditors' Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the Retirement Plan for Employees of Shop-Rite, Inc. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information certified by a qualified institution. In our report dated October 12, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
October 14, 2022

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
as of December 31, 2021 and December 31, 2020
(in thousands)

	<u>2021</u>	<u>2020</u>
ASSETS		
Investment in master trust, at fair value (Notes 6 and 7)	<u>\$ 22,813</u>	<u>\$ 22,589</u>
Total assets	<u>22,813</u>	<u>22,589</u>
LIABILITIES		
Accounts payable	<u>8</u>	<u>7</u>
Total liabilities	<u>8</u>	<u>7</u>
Net assets available for benefits	<u><u>\$ 22,805</u></u>	<u><u>\$ 22,582</u></u>

The accompanying notes are an integral part of the financial statements.

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
for the years ended December 31, 2021 and December 31, 2020
(in thousands)

	<u>2021</u>	<u>2020</u>
Additions to Net Assets:		
Net income from investment in master trust (Notes 6 & 7)	\$ 1,356	\$ 3,414
Total additions to net assets	<u>1,356</u>	<u>3,414</u>
Deductions From Net Assets:		
Retirement benefits	833	800
Administrative expenses	<u>300</u>	<u>189</u>
Total deductions from net assets	<u>1,133</u>	<u>989</u>
Net increase	223	2,425
Net assets available for benefits:		
Beginning of year	<u>22,582</u>	<u>20,157</u>
End of year	<u>\$ 22,805</u>	<u>\$ 22,582</u>

The accompanying notes are an integral part of the financial statements.

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
STATEMENT OF ACCUMULATED PLAN BENEFITS
December 31, 2020
(in thousands)

Actuarial present value of accumulated plan
benefits (Notes 2 and 5):

Vested benefits:

Participants currently receiving payments	\$ 7,458
Other participants	<u>6,745</u>
	<u>14,203</u>

Nonvested benefits	<u>1</u>
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Total actuarial present value of accumulated plan benefits	<u><u>\$ 14,204</u></u>
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The accompanying notes are an integral part of the financial statements.

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS
for the year ended December 31, 2020
(in thousands)

Actuarial present value of accumulated plan benefits at beginning of year	\$ 13,418
Increase (decrease) during the year attributable to:	
Change in actuarial assumptions	749
Increase for interest due to decrease in discount period	779
Benefits paid	(800)
Benefits accumulated	<u>58</u>
Net increase	<u>786</u>
Actuarial present value of accumulated plan benefits at end of year	<u><u>\$ 14,204</u></u>

The accompanying notes are an integral part of the financial statements.

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

1. DESCRIPTION OF THE PLAN:

The Retirement Plan for the Employees of Shop-Rite, Inc. (the Plan) is a noncontributory defined benefit plan sponsored by Shop-Rite, Inc. (Shop-Rite) and electing participating subsidiaries (collectively the Sponsor). Shop-Rite, Inc. is a wholly owned subsidiary of Roundy's Supermarkets, Inc. Roundy's Supermarkets, Inc. is a wholly owned subsidiary of The Kroger Co (Kroger). The following description of the Plan provides only general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

Pension Benefits

The Plan has been frozen to all new participants and benefit accruals. The Sponsor contributes to the Plan based upon actuarial determinations.

Participants receive monthly pension benefits beginning at age 65 equal to the participant's benefit rate multiplied by a year of credited service factor as of the retirement date. Participants with 5 or more years of service are 100% vested. Participants age 55 with 10 or more years of vested service may elect early retirement payments at reduced benefit as defined by the Plan. Participants may elect various annuity options.

If an active participant with five years of vested service dies prior to their actual retirement date, unless an election to the contrary has been made, the participant's surviving spouse is entitled to a reduced benefit as defined by the Plan. The plan does not provide disability benefits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following describes the significant accounting policies followed in the preparation of these financial statements. The policies conform to generally accepted accounting principles.

Basis of Presentation

The accompanying financial statements are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, liabilities 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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

The actuarial present value of accumulated plan benefits is reported based on certain assumptions such as interest rates and employee demographics, which are subject to change. Inherent uncertainties in such assumptions in the near term could cause the values of actual accumulated plan benefits to differ materially from the amounts reported herein.

Risks and Uncertainties

The Plan invests in various investment securities through a master trust. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is possible that the values of investment securities in the near term could differ materially from the amounts reported herein.

Organization

The Plan covered all employees, excluding any individual whom Shop-Rite does not file form W-2, any employee which coverage has not been extended, or any employee hired or rehired after August 13, 2017 at a location other than the Monroe, Wisconsin location.

Investment Valuation

Plan investments consist of an ownership interest in the securities held in The Kroger Co. Master Retirement Trust (Master Trust) administered by a financial institution. The Plan had a 0.71% ownership interest in the Master Trust at December 31, 2021 and a 0.62% ownership at December 31, 2020. Securities held in the Master Trust, (U.S. government securities, corporate bonds and common and preferred stocks) traded on a national securities exchange were valued at the last reported sales price on the last business day of the year; listed securities for which no sale was reported on that date were valued at the last reported bid price. The fair values of alternative investments held in the Master Trust have been determined based on estimates using observable inputs, non-observable inputs, and information provided by the fund managers or general partners of the related investments.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, which were attributable under the Plan's provisions to the services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, and (b) present employees or their beneficiaries. Benefits under the Plan are based on employees' number of pension credit years earned. The accumulated plan benefits for active employees are based on the number of pension credit years earned on the date as of which the benefit information is presented (the valuation date). Benefits payable under all circumstances -- retirement, death, disability, and termination

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

of employment -- are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial method used in determining normal costs and prior service costs is the Projected Unit Credit Method.

Derivative Financial Instruments

The Master Trust enters into swap contracts to manage market exposure and risk to achieve the investment objectives. These contracts involve elements of market risk in excess of amounts recognized in the statements of net assets available for benefits. The credit risk associated with these contracts is minimal because collateral is exchanged daily and the Master Trust deals only with high caliber counterparties.

During 2021 and 2020, the Master Trust had equity contracts and fixed income contracts. Payments are made or received by the Master Trust monthly, depending on the daily fluctuation in the value of the underlying contracts.

At December 31, 2021 and 2020, the Master Trust had equity futures contracts with notional amounts of approximately (\$111) million and \$35 million, respectively. At December 31, 2021 and 2020, the Master Trust had fixed income future contracts with notional amounts of approximately (\$128) million and (\$85) million, respectively. Notional amounts do not quantify risk or represent assets or liabilities of the Master Trust but are used in the calculation of cash settlements under the contracts.

The fair value of futures contracts included in the Master Trust is not material at December 31, 2021 and 2020 because settlements are made by cash monthly or quarterly. Collateral is exchanged daily. Collateral held is not reflected in the financials whereas collateral provided is reflected. Changes in fair value are accounted for as net appreciation (depreciation) in fair value of investments.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

The Plan's administrative expenses are paid by either the Plan or Kroger, as provided by the Plan document. Expenses paid by Kroger are excluded from these financial statements.

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

Other

Purchases and sales of securities are reflected on a trade date basis. Gain or loss on sales of securities is based on average cost. Dividend income is recorded on the ex-dividend date. Income from other investments is recorded as earned on an accrual basis.

In accordance with the policy of stating investments at fair value, net unrealized appreciation (depreciation) for the year is reflected in the statement of changes in net assets available for benefits.

Subsequent Events

The Plan has evaluated subsequent events through October 14, 2022, the date the financial statements were available to be issued.

3. FUNDING POLICY:

Funding for the Plan is based upon a review of specific requirements and upon evaluation of the assets and liabilities of the Plan.

Contributions are determined pursuant to actuarial calculations and are made to the Plan in accordance with the funding requirements prescribed by the Employee Retirement Income Security Act of 1974 (ERISA). These requirements generally require a contribution sufficient to fund the current year service cost and a portion of any unfunded past service liability. The yield (interest, dividends, and net realized and unrealized gains and losses) on investment of the Plan serves to reduce future contributions that would otherwise be required to provide for the defined level of benefits under the Plan. The Plan has met the ERISA minimum funding requirements. No contributions were made for the 2021 or 2020 Plan years.

4. TERMINATION PRIORITIES:

While Shop-Rite has not expressed any intent to discontinue its contributions, it is free to do so at any time, subject to penalties set forth by ERISA. In the event such discontinuance results in the termination of the Plan, the Plan provides that the net assets of the Plan shall be allocated among the participants and beneficiaries of the Plan in the order provided for in ERISA, and any amounts remaining after said allocation will be returned to Shop-Rite. To the extent unfunded vested benefits exist, ERISA provides that such benefits are payable by the Pension Benefit Guaranty Corporation (PBGC) to participants, up to specified limitations, as described in ERISA.

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

5. ACCUMULATED PLAN BENEFITS:

Consulting actuaries from Mercer estimate the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants 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 more significant assumptions underlying the actuarial computations are:

Interest rate5.5%.

Employee turnoverAnnual rate of termination is based on a study of Shop-Rite's actual experience.

Mortality basisPri-2012 mortality table with blue collar adjustment for non-annuitants and the Mercer Industry Specific Consumer Goods & Food and Drink mortality table with blue collar adjustment for annuitants, with generational projection using the Mercer Modified Improvement Scale (MMP-2019).

Retirement:

Normal retirementThe first of month coinciding with or next following the attainment of age 65 and five years of participation service.

Early retirementThe first of month coinciding with or next following the attainment of age 55 and ten years of participation service.

Asset valuation methodMarket value of assets.

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

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, 2021. Had the valuation been performed as of December 31, 2021, there would be no material variances.

6. UNAUDITED INFORMATION:

The Plan administrator has elected the method of compliance permitted by Section 2520.103-8 of the Department of Labor's Rules and Regulations for the Reporting and Disclosure under ERISA. Accordingly, the information with respect to investments and investment transactions at December 31, 2021 and 2020, and for the years then ended, has not been audited by the independent auditors.

The Bank of New York Mellon, the trustee for the Plan as of December 31, 2021 and 2020, holds the Plan's investment assets and executes transactions therein. The financial information relating to the assets is included in the accompanying financial statements and is based on information certified by the trustee. The information certified by the trustee, which has not been audited by independent public auditors, is summarized as follows (in thousands):

	December 31, 2021	December 31, 2020
Investment in Master Trust	\$ 22,813	\$ 22,589
Changes in Net Assets		
Additions/Deductions:		
Net unrealized appreciation (depreciation) in fair value of investments	\$ (698)	\$ 1,785
Interest, dividend & other income	488	437
Gain realized on disposition of investments	1,566	1,192
Net income from investment in Master Trust	\$ 1,356	\$ 3,414

7. INVESTMENT IN MASTER TRUST (Unaudited):

Investments held by the Plan at December 31, 2021 and 2020 and the related income or loss for the years then ended are (in thousands):

	December 31, 2021		December 31, 2020	
	Fair Value	Income on Investment in Master Trust	Fair Value	Income on Investment in Master Trust
Interest in the Kroger Co. Master Retirement Trust	\$ 22,813	\$ 1,356	\$ 22,589	\$ 3,414

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

The income or loss on the investment in the Master Trust is comprised mainly of changes in the fair value of the investments held in the Master Trust. The changes in net unrealized appreciation (depreciation) represent changes in the difference between cost and fair market value of investments held during 2021 and 2020.

The Master Trust holds assets for trading purposes relating to this plan and four other employee defined benefit plans administered by Kroger. The 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. The investment income and expenses of the Master Trust are allocated to each plan based on the relationship of the Plan's investment balances to the total Master Trust investment balances. At December 31, 2021 and 2020, the Plan's ownership interest in the Master Trust was 0.71% and 0.62%, respectively. The following is summarized financial data related to the Master Trust at December 31, 2021 and 2020, and for the years then ended (in thousands):

	2021		2020	
	Total Master Trust	Plan's Interest in	Total Master Trust	Plan's Interest in
	Balance	Master Trust	Balance	Master Trust
		Balances		Balances
Cash and Cash Equivalents	\$ 67,581	\$ 478	\$ 110,631	\$ 683
Corporate Stocks	107,006	757	91,872	568
Corporate Bonds	1,222,889	8,654	1,362,872	8,420
U.S. Government Securities	140,084	991	238,287	1,472
Mutual Funds	278,371	1,970	339,047	2,095
Collective Trusts/Comingled Funds	903,903	6,396	1,042,648	6,441
Hedge Funds	84,939	601	85,445	528
Private Equity	332,088	2,350	281,561	1,739
Real Estate	53,364	378	54,911	339
Other	96,213	681	125,949	778
Total investments at fair value	3,286,438	23,256	3,733,223	23,063
Plus:				
Net Receivables	37,835	267	55,378	342
Less:				
Net Payables	(100,381)	(710)	(132,154)	(816)
Total	\$ 3,223,892	\$ 22,813	\$ 3,656,447	\$ 22,589

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

Change In The Kroger Co. Master Retirement Trust Assets (in thousands):

	For the year ended December 31, 2021	For the year ended December 31, 2020
Net unrealized appreciation (depreciation)	\$ (114,100)	\$ 290,868
Gain realized on disposition of assets	247,173	194,234
Interest and dividend income	75,841	71,145
Transfers from other plans	3,485	7,083
Employer contributions	1,740	-
Net additions	<u>214,139</u>	<u>563,330</u>
Transfers out for benefits paid	(289,628)	(188,771)
Transfers out for administrative expense	(31,931)	(24,607)
Distribution of assets	<u>(325,135)</u>	<u>-</u>
Total deductions	<u>(646,694)</u>	<u>(213,378)</u>
Net increase (decrease)	(432,555)	349,952
Net assets at beginning of year	<u>3,656,447</u>	<u>3,306,495</u>
Net assets at end of year	<u>\$ 3,223,892</u>	<u>\$ 3,656,447</u>

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

8. FAIR VALUE MEASUREMENTS:

Generally accepted accounting principles provide the framework for measuring fair value, and expand disclosures about fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability (exit price) regardless of whether an observable liquid market price exists.

Professional standards establish the fair value hierarchy that categorizes the inputs to valuation techniques that are used to measure fair value into three levels:

- Level 1 includes observable inputs which reflect quoted prices for identical assets or liabilities in active markets at the measurement date.
- Level 2 includes observable inputs for assets or liabilities other than quoted prices included in Level 1 and it includes valuation techniques which use prices for similar assets and liabilities.
- Level 3 includes unobservable inputs which reflect the reporting entity's estimates of the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk.

The asset'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.

The following is a description of the valuation methods used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2021 and 2020.

- Cash and Cash Equivalents: The carrying value approximates fair value.
- Corporate Stocks: The fair values of these securities are based on observable market quotations for identical assets and are valued at the closing price reported on the active market on which the individual securities are traded.
- Corporate Bonds: The fair values of these securities are primarily based on observable market quotations for identical or similar bonds, valued at the closing price reported on the active market on which the individual securities are traded. When such quoted prices are not available, the bonds are valued using a discounted cash flows approach using current yields on similar instruments of issuers with similar credit ratings, including adjustments for certain risks that may not be observable, such as credit and liquidity risks.
- U.S. Government Securities: Certain U.S. government securities are valued at the closing price reported in the active market in which the security is traded. Other U.S. government

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

securities are valued based on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar securities, the security is valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.

- **Mutual Funds/Collective Trusts/Comingled Funds:** Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held are open-ended mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held are deemed to be actively traded. The collective trust/comingled funds are public investment vehicles valued using a NAV as a practical expedient provided by the manager of each fund. The NAV is based on the underlying net assets owned by the fund, divided by the number of shares outstanding. The NAV's unit price is quoted on a private market that is not active. However, the NAV is based on the fair value of the underlying securities within the fund, which are traded on an active market, and valued at the closing price reported on the active market on which those individual securities are traded. The significant investment strategies of the funds are as described in the financial statements provided by each fund. There are no restrictions on redemptions from these funds.
- **Hedge Funds:** Hedge funds are private investment vehicles valued using a NAV provided by the manager of each fund. The NAV is based on the underlying net assets owned by the fund, divided by the number of shares outstanding. The NAV's unit price is quoted on a private market that is not active. The NAV is based on the fair value of the underlying securities within the fund, which are typically traded on an active market, and valued at the closing price reported on the active market on which those individual securities are traded. For investments not traded on an active market, or for which a quoted price is not publicly available, a variety of unobservable valuation methodologies, including discounted cash flow, market multiple and cost valuation approaches, are employed by the fund manager to value investments. Fair values of all investments are adjusted annually, if necessary, based on audits of the hedge fund financial statements; such adjustments are reflected in the financial statements.
- **Private Equity:** Private equity investments are valued based on the fair value of the underlying securities within the fund, which include investments both traded on an active market and not traded on an active market. For those investments that are traded on an active market, the values are based on the closing price reported on the active market on which those individual securities are traded. For investments not traded on an active market, or for which a quoted price is not publicly available, a variety of unobservable valuation methodologies, including discounted cash flow, market multiple and cost valuation approaches, are employed by the fund manager to value investments. Fair values of all investments are adjusted annually, if necessary, based on audits of the private equity fund financial statements; such adjustments are reflected in the financial statements.

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

- **Real Estate:** Real estate investments include investments in real estate funds managed by a fund manager. These investments are valued using a variety of unobservable valuation methodologies, including discounted cash flow, market multiple and cost valuation approaches, by the fund manager to value investments.
- **Pooled Separate Accounts:** The fair value of pooled separate accounts represents the NAV of the fund shares. The NAV is based on the value of the underlying assets owned by the funds, reinvestment of all dividends and capital gains received, any revenue sharing the custodian expects to receive from the fund company, fees calculated on a daily basis and based on the underlying assets in the Plan and then divided by the number of units outstanding as determined by the custodians.

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

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

The following table sets forth by level, within the fair value hierarchy, the Master Trust assets at fair value as of December 31, 2021:

(in thousands)					
<u>Assets at Fair Value as of December 31, 2021 Using:</u>					
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Assets At NAV
<u>Investments:</u>	Total				
Cash and Cash Equivalents	\$ 67,581	\$ 67,581	\$ -	\$ -	\$ -
Corporate Stocks	107,006	107,006	-	-	-
Corporate Bonds	1,222,889	-	1,222,889	-	-
U.S. Government Securities	140,084	-	140,084	-	-
Mutual Funds	278,371	278,371	-	-	-
Hedge Funds	84,939	-	-	36,884	48,055
Private Equity	332,088	-	-	-	332,088
Real Estate	53,364	-	-	37,005	16,359
Collective Trusts/Commingled Funds	903,903	-	-	-	903,903
Other	96,213	-	96,187	-	26
Total Investments	\$ 3,286,438	\$ 452,958	\$ 1,459,160	\$ 73,889	\$ 1,300,431

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

The following table sets forth by level, within the fair value hierarchy, the Master Trust assets at fair value as of December 31, 2020:

<u>(in thousands)</u>					
<u>Assets at Fair Value as of December 31, 2020 Using:</u>					
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Assets At NAV
	Total				
<u>Investments:</u>					
Cash and Cash Equivalents	\$ 110,631	\$ 110,631	\$ -	\$ -	\$ -
Corporate Stocks	91,872	91,872	-	-	-
Corporate Bonds	1,362,872	-	1,362,872	-	-
U.S. Government Securities	238,287	-	238,287	-	-
Mutual Funds	339,047	339,047	-	-	-
Hedge Funds	85,445	-	-	37,991	47,454
Private Equity	281,561	-	-	-	281,561
Real Estate	54,911	-	-	38,590	16,321
Collective Trusts/Commingled Funds	1,042,648	-	-	-	1,042,648
Other	125,949	-	125,923	-	26
Total Investments	\$ 3,733,223	\$ 541,550	\$ 1,727,082	\$ 76,581	\$ 1,388,010

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

Changes in Fair Value of Level Three Assets

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another.

We evaluate the significance of transfers between levels based upon the nature of the financial instrument and the size of the transfer relative to the total net assets available for benefits. There were no transfers during the years ended December 31, 2021 or 2020.

The following table sets forth a summary of certain changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2021 (in thousands):

	<u>Hedge Funds</u>	<u>Real Estate</u>
Purchases	109	373
Issuances	(8,182)	(6,879)

The following table sets forth a summary of certain changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2020 (in thousands):

	<u>Hedge Funds</u>	<u>Real Estate</u>
Purchases	-	1,492
Issuances	(3,357)	(6,264)

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

Fair Value of Investments in Entities that Use Net Asset Value

The following table summarizes investments held by the Master Trust measured at fair value based on net asset value (NAV) per share as of December 31, 2021 and 2020, respectively.

Collective Trusts/Comingled Funds

December 31, 2021	Fair Value (in thousands)	Unfunded Commitments (in thousands)	Redemption Frequency (if currently eligible)	Redemption Notice Period
Collective Trusts/Comingled Funds	\$ 903,903	n/a	Daily - Weekly	2 to 5 Days

Hedge Funds

December 31, 2021	Fair Value (in thousands)	Unfunded Commitments (in thousands)	Redemption Frequency (if currently eligible)	Redemption Notice Period
Hedge Funds	\$ 48,055	\$ 12,548	n/a	n/a

Private Equity Funds

December 31, 2021	Fair Value (in thousands)	Unfunded Commitments (in thousands)	Redemption Frequency (if currently eligible)	Redemption Notice Period
Private Equity Funds	\$ 332,088	\$ 36,867	n/a	n/a

Real Estate Funds

December 31, 2021	Fair Value (in thousands)	Unfunded Commitments (in thousands)	Redemption Frequency (if currently eligible)	Redemption Notice Period
Real Estate Funds	\$ 16,359	\$ 3,626	n/a	n/a

Other Funds

December 31, 2021	Fair Value (in thousands)	Unfunded Commitments (in thousands)	Redemption Frequency (if currently eligible)	Redemption Notice Period
Other Funds	\$ 26	n/a	Monthly	10 Days

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

Collective Trusts/Comingled Funds

December 31, 2020	Fair Value (in thousands)	Unfunded Commitments (in thousands)	Redemption Frequency (if currently eligible)	Redemption Notice Period
Collective Trusts/Comingled Funds	\$ 1,042,648	n/a	Daily - Weekly	2 to 60 Days

Hedge Funds

December 31, 2020	Fair Value (in thousands)	Unfunded Commitments (in thousands)	Redemption Frequency (if currently eligible)	Redemption Notice Period
Hedge Funds	\$ 47,454	\$ 28,223	n/a	n/a

Private Equity Funds

December 31, 2020	Fair Value (in thousands)	Unfunded Commitments (in thousands)	Redemption Frequency (if currently eligible)	Redemption Notice Period
Private Equity Funds	\$ 281,561	\$ 43,055	n/a	n/a

Real Estate Funds

December 31, 2020	Fair Value (in thousands)	Unfunded Commitments (in thousands)	Redemption Frequency (if currently eligible)	Redemption Notice Period
Real Estate Funds	\$ 16,321	\$ 4,168	n/a	n/a

Other Funds

December 31, 2020	Fair Value (in thousands)	Unfunded Commitments (in thousands)	Redemption Frequency (if currently eligible)	Redemption Notice Period
Other Funds	\$ 26	n/a	Monthly	10 Days

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements

The following table represents the Plan's level 3 financial instruments held by the Master Trust, the valuation techniques used to measure the fair value of those instruments, and the significant unobservable inputs and the ranges of values for those inputs, as of December 31, 2021.

Instrument	Fair Value (in thousands)	Principal Valuation Technique	Unobservable Inputs	Range of Significant Input Values	Weighted Average
Hedge Funds	\$ 36,884	Discounted Cash Flows	Asset Backed Securities (ABS)	N/A	N/A
		Discounted Cash Flows	Bank Debt/Loans	N/A	N/A
		Broker / Dealer Quotes	Collateralized Debt Obligation (CDO)	N/A	N/A
		Broker / Dealer Quotes	Collateralized Loan Obligations (CLO)	N/A	N/A
		Broker / Dealer Quotes	Collateralized Mortgage Obligations (CMO)	N/A	N/A
		Broker / Dealer Quotes	Commercial Mortgage-Backed Securities (CMBS)	N/A	N/A
		Broker / Dealer Quotes	Credit Default Swap (CDS)	N/A	N/A
		Market Approach	Investments in affiliated funds	N/A	N/A
		Discounted Cash Flows	Mortgage Backed Securities (MBS)	N/A	N/A
		Market Approach	Private Debt	N/A	N/A
		Market Approach	Private Equity	N/A	N/A
		Discounted Cash Flows	Real Estate	N/A	N/A
		Discounted Cash Flows	Total Return Swaps	N/A	N/A
		Market Approach	Trade Claims	N/A	N/A
		Market Approach	Warrants	N/A	N/A

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

Instrument	Fair Value (in thousands)	Principal Valuation Technique	Unobservable Inputs	Range of Significant Input Values	Weighted Average
Real Estate	\$ 37,005	Discounted cash flow	Projection of future cash flows discounted back to a net present value of the asset – Assumptions made with regard to exit cap rate and discount rate	N/A	N/A
		Direct Capitalization	Observed market capitalization rate applied to current net operating income – Assumptions made with regard to current market cap rate	N/A	N/A
		Market comparable analysis	Observe specific recent transactions for properties of similar location, property type and quality and apply a similar price per square foot or price per unit – Assumptions made with regard to property quality, location and lease terms of comparables	N/A	N/A
		Broker quotes (predominantly for illiquid debt instruments)	Receive quotes from broker(s) for identical or similar loans/properties recently traded – Assumptions made with regard to liquidity and comparability of the loan terms	N/A	N/A
		Transaction pricing	When a property is currently under letter of intent (LOI) to be sold at a specific price but the transaction has not yet closed – Assumption is that the transaction will close, and at the stated price	N/A	N/A

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

The following table represents the Plan's level 3 financial instruments held by the Master Trust, the valuation techniques used to measure the fair value of those instruments, and the significant unobservable inputs and the ranges of values for those inputs, as of December 31, 2020.

Instrument	Fair Value (in thousands)	Principal Valuation Technique	Unobservable Inputs	Range of Significant Input Values	Weighted Average
Hedge Funds	\$ 37,991	Discounted Cash Flows	Asset Backed Securities (ABS)	N/A	N/A
		Discounted Cash Flows	Bank Debt/Loans	N/A	N/A
		Broker / Dealer Quotes	Collateralized Debt Obligation (CDO)	N/A	N/A
		Broker / Dealer Quotes	Collateralized Loan Obligations (CLO)	N/A	N/A
		Broker / Dealer Quotes	Collateralized Mortgage Obligations (CMO)	N/A	N/A
		Broker / Dealer Quotes	Commercial Mortgage-Backed Securities (CMBS)	N/A	N/A
		Broker / Dealer Quotes	Credit Default Swap (CDS)	N/A	N/A
		Market Approach	Investments in affiliated funds	N/A	N/A
		Discounted Cash Flows	Mortgage Backed Securities (MBS)	N/A	N/A
		Market Approach	Private Debt	N/A	N/A
		Market Approach	Private Equity	N/A	N/A
		Discounted Cash Flows	Real Estate	N/A	N/A
		Discounted Cash Flows	Total Return Swaps	N/A	N/A
		Market Approach	Trade Claims	N/A	N/A
		Market Approach	Warrants	N/A	N/A

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

Instrument	Fair Value (in thousands)	Principal Valuation Technique	Unobservable Inputs	Range of Significant Input Values	Weighted Average
Real Estate	\$ 38,590	Discounted cash flow	Projection of future cash flows discounted back to a net present value of the asset – Assumptions made with regard to exit cap rate and discount rate	N/A	N/A
		Direct Capitalization	Observed market capitalization rate applied to current net operating income – Assumptions made with regard to current market cap rate	N/A	N/A
		Market comparable analysis	Observe specific recent transactions for properties of similar location, property type and quality and apply a similar price per square foot or price per unit – Assumptions made with regard to property quality, location and lease terms of comparables	N/A	N/A
		Broker quotes (predominantly for illiquid debt instruments)	Receive quotes from broker(s) for identical or similar loans/properties recently traded – Assumptions made with regard to liquidity and comparability of the loan terms	N/A	N/A
		Transaction pricing	When a property is currently under letter of intent (LOI) to be sold at a specific price but the transaction has not yet closed – Assumption is that the transaction will close, and at the stated price	N/A	N/A

RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

9. TAX STATUS:

The Plan obtained its latest determination letter dated August 16, 2012, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. Plan management and Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

10. RELATED PARTY TRANSACTIONS:

The Bank of New York Mellon is the trustee of the Plan as well as the Master Trust. The Plan pays trustee fees through the Master Trust to the Bank of New York Mellon. As described in Note 2, the Plan paid certain expenses related to operations and investment activity to various service providers. These transactions are party-in-interest transactions under ERISA.

For the years presented, the Plan sponsor provided administrative services to the Plan without charge.

11. PLAN OPERATIONS IMPACTED BY COVID-19:

On March 11, 2020, the World Health Organization declared the novel coronavirus (COVID-19) outbreak a pandemic which has impacted the financial markets and global economy. The COVID-19 pandemic is on-going and the duration and extent of the related financial impact on the Plan's net assets available for benefits and changes in net assets available is uncertain and cannot be reasonably estimated at this time.

Schedule SB, line 22 — Description of Weighted Average Retirement Age

The weighted average retirement age is equal to the normal retirement age of 65.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial assumptions for January 1, 2021 funding valuation**

Discount rate sponsor elections		
• Segment rates or full yield curve	Segment	
• Look-back months	0	
	Stabilized ¹	Nonstabilized
• First 5 years	4.75%	1.75%
• Next 15 years	5.36%	3.04%
• Over 20 years	6.11%	3.65%
Mortality sponsor elections		
• Healthy and disabled participants	Section 430(h)(3) prescribed separate static annuitant and non-annuitant mortality tables. These tables are based on RP-2014 mortality tables with improvements beyond 2006 removed with static mortality improvement based on the IRS methodology and projection scale MP-2019.	
Other economic assumptions		
• Inflation	2.20% per year	
• Expected investment return	5.64% for 2019, 4.67% for 2020 and 4.22% for 2021	
• Expenses	Expected administrative expenses (\$130,000) added to current year normal cost	
Demographic assumptions		
• Withdrawal	See table of sample rates.	
• Disability incidence	See table of sample rates.	
• Retirement age	Attained age	Percentage
	Under 65	0%
	65 and above	100%
• Benefit commencement age for		
— Future vested deferred	65	
— Current vested deferred	65, or attained age if later	
Spouse assumptions	Male participants	Female participants
— Percentage married	80%	65%
— Spouse age difference	3 years younger	3 years older
Form of payment	Single life	50% J&S
• Active retirements	100%	0%
• Future vested deferred	100%	0%
• Future disabilities	100%	0%
• Future deaths	0%	100%
• Current vested deferred	100%	0%
Unpredictable contingent event assumption	None	

¹ Rates based on the American Rescue Plan Act 2021

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

Attained age	Percentage			
	Withdrawal		Disability incidence	
	Male	Female	Male	Female
25	8.88%	18.99%	0.08%	0.10%
30	6.89%	16.09%	0.08%	0.11%
35	4.00%	7.94%	0.10%	0.12%
40	1.65%	3.50%	0.12%	0.15%
45	0.73%	1.68%	0.16%	0.22%
50	0.29%	0.71%	0.24%	0.33%
55	0.00%	0.15%	0.40%	0.58%
60	0.00%	0.00%	0.84%	1.18%
65	0.00%	0.00%	0.00%	0.00%

Rationale for significant economic assumptions

- **Funding segment rates** – These are IRS prescribed rates. The plan sponsor elected this methodology (segment rates with no look-back months) from alternative IRS prescribed options.
- **Expected investment return (funding)** – The expected rate of return on plan assets is based on 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, net of an adjustment of 20 basis points for expenses assumed to be paid from plan assets.
- **Funding expense load** – Expected 2021 expenses based on prior year expenses adjusted for expected change in PBGC premium, rounded to the nearest thousand.

Rationale for significant demographic Assumptions

- **Funding mortality** – Prescribed by the IRS and based on The Kroger Co.'s election.
- All other demographic assumptions remain unchanged from those used by the prior actuary. Please refer to MassMutual Financial Group's actuarial reports *titled Actuarial Valuation Report for Retirement Plan for Employees of Shop-Rite, Inc., Plan Year: January 1, 2018 through December 31, 2018, Measurement Date: January 1, 2018, Contract Number: SA 12842-02*, dated October 12, 2017 and *Financial Accounting Standards Board ASC 715 January 30, 2017 Expense and Disclosure Report for Shop-Rite, Inc. Retirement Plan Fiscal year: December 19, 2016 through January 30, 2017 Measurement Date: January 30, 2017*, dated February 5, 2017 for summaries of the rationale documented by the prior actuary.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial methods for funding****Asset methods**

The asset valuation method is an average of the adjusted market value for each year during the last two 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.
- **Insurance contracts:** The plan does not have any insurance contracts.

Minimum funding methods

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

A detailed description of the calculation follows:

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

Schedule SB, line 24 — Change in Actuarial Assumptions

The following changes were made since the January 1, 2020 valuation:

- The expense component of normal cost increased from \$120,000 to \$130,000 to reflect our expectations for the current plan year.
- The expected investment return was updated from 4.67% for 2020 to 4.22% for 2021.

Schedule SB, line 26 — Schedule of Active Participant Data**Distribution of active participants as of January 1, 2021**

Attained age	Years of credited service										Total
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	
Under 25											
25–29				1							1
30–34			1	6	3						10
35–39				6	9	5					20
40–44				2	1	6					9
45–49				1	1	7	1				10
50–54				2	5	1	3	3			14
55–59				2	10	2	10	8	3	1	36
60–64				4	3	1	3	3	3		17
65–69			1	1	5			1			8
70 & up				1							1
Total			2	25	37	16	23	16	6	1	126

In each cell, the top number is the count of active participants for each age/service combination.

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

Effective date and plan year	Original plan: January 1, 1976 Restated plan: January 1, 2012 Plan year: January 1 – December 31
Status of the plan	Plan participation was closed on August 13, 2007. Any Participant on that date will continue as a Participant. No other person shall become a Participant after that date. Benefit accruals were frozen effective December 31, 2012 (September 1, 2012 for Monroe Wisconsin).
Significant events that occurred during the year	None
Definitions	
• Covered employees	Any employee who is not an officer or manager of Shop-Rite, Inc. and is hired on or before August 13, 2007.
• Participation	Each eligible employee shall become a Participant on the first January 1 worked; provided he is 21 or his 21st birthday will be reached by the next July 1. Shop-Rite employees hired after August 13, 2007 shall not be eligible to participate in the Plan.
• Employee contributions	None
• Vesting service	Years of employment with Shop-Rite, Inc during which an employee is compensated for 500 or more hours.
• Credited service	Calendar years of employment in which the employee is credited with 1,800 or more hours. If the participant is credited with fewer than 1,800 hours but at least 900 hours, one-half year of credited service is given. If the participant is credited for fewer than 900 hours but at least 500 hours, one-quarter year of credited service is given. No credit is given for fewer than 500 hours. For Employees at the Monroe, Wisconsin facility, no credited service after September 1, 2012 will be granted. For Employees at a facility other than Monroe, Wisconsin, no credited service after December 31, 2012 will be granted.
• Accrued benefit	The Normal Retirement Benefit as calculated using Credited Service to the earlier of the date of determination and freeze date. The accrued benefits for employees at the Monroe, Wisconsin facility were frozen as of September 1, 2012. The accrued benefits for all other employees were frozen as of December 31, 2012.
Normal retirement	
• Eligibility	The first day of the calendar month coincident with or next following the later of age 65 and 5 years of participation.
• Benefit	A monthly benefit equal to: Shop-Rite Employees \$10.50 times credited service to December 31, 1986 plus \$12.00 times credited service from January 1, 1987 to December 31, 1987 plus

Schedule SB, Part V — Summary of Plan Provisions

\$13.50 times credited service from January 1, 1988 to December 31, 1988
plus
\$15.00 times credited service from January 1, 1989 to December 31, 1989
plus
\$17.00 times credited service from January 1, 1990 to December 31, 1990
plus
\$18.50 times credited service from January 1, 1991 to December 31, 1991
plus
\$20.00 times credited service from January 1, 1992 to December 31, 1992
plus
\$21.00 times credited service from January 1, 1993 to December 31, 1993
plus
\$22.00 times credited service from January 1, 1994 to December 31, 1994
plus
\$23.00 times credited service from January 1, 1995 to December 31, 1995
plus
\$24.00 times credited service from January 1, 1996 to December 31, 1996
plus
\$25.00 times credited service from January 1, 1997 to December 31, 1997
plus
\$26.00 times credited service from January 1, 1998 to December 31, 1998
plus
\$28.00 times credited service from January 1, 1999 to December 31, 1999
plus
\$30.00 times credited service from January 1, 2000 to December 31, 2000
plus
\$32.00 times credited service from January 1, 2001 to December 31, 2001
plus
\$34.00 times credited service from January 1, 2002 to December 31, 2004
plus
\$36.00 times credited service from January 1, 2005 to December 31, 2005
plus
\$38.00 times credited service from January 1, 2006 to December 31, 2006
plus
\$40.00 times credited service from January 1, 2007 to December 31, 2007
plus
\$43.00 times credited service after December 31, 2007.

Monroe Employees

\$23.00 times credited service from January 1, 1991 to December 31, 1998
plus
\$25.00 times credited service from January 1, 1999 to December 31, 2001
plus
\$28.00 times credited service from January 1, 2002 to December 31, 2002,
plus

Schedule SB, Part V — Summary of Plan Provisions

	\$30.00 times credited service from January 1, 2003 to December 31, 2003, plus \$32.00 times credited service after December 31, 2003.
Early retirement	
• Eligibility	The first day of the calendar month coincident with or next following the later of attainment of age 55, and completion of 10 years of vesting service.
• Benefit	Accrued Benefit reduced $\frac{1}{2}$ of one-percent for each month of the first 60 months by which the early retirement date precedes normal retirement date and reduced $\frac{1}{3}$ of one-percent for each month in excess of 60 months that early retirement date precedes normal retirement date.
Late retirement	
• Eligibility	Termination of employment after having reached normal retirement.
• Benefit	Greater of accrued benefit on late retirement date and the accrued benefit on normal retirement date actuarially increased to late retirement date.
Deferred vested	
• Eligibility	100% vested after five years of vesting service
• Benefit	Accrued Benefit payable as early as age 55 based on the early retirement reduction schedule.
Disability	
• Eligibility	No special provisions
Pre-retirement death	
• Eligibility	Five years of vesting service
• Benefit before retirement	The surviving spouse receives a survivor annuity as if participant separated from service on date of death, survived to the earliest retirement age, commenced payments under the 50% joint and survivor annuity and died on the day after benefits commenced.
• Benefit after retirement	None except as provided by the annuity form elected.
Form of benefits	
• Automatic form for unmarried participants	Single Life Annuity
• Automatic form for married participants	Actuarially equivalent Joint and 50% Survivor Annuity
• Optional forms	100%, 75%, 66-2/3%, or 50% contingent annuity options, certain and continuous options, Social Security level income option, or life annuity.
• Actuarial equivalence basis	- Mortality: 1971 Group Annuity table, blended 50% male and 50% female - Interest rate: 6.00%
Miscellaneous	
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2021, the limit is \$230,000.

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

Unless noted below, all benefits provided by the plan, as restated and amended through the Fourth Amendment, are included in this valuation:

- **Plan amendments excluded:** None
- **Late retirement increases:**
 - *Active participants:* The plan applies late retirement actuarial increases for all participants who defer retirement beyond their normal retirement date and this valuation includes those increases.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase. This increase is limited to the amount that would have been payable at age 71 for those currently over age 71 due to the assumption that several such participants are deceased.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Additional benefits included or excluded

- **IRC Section 436 benefit restrictions:**
 - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits for events that occurred before the valuation date but includes contingent event benefits for events that are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
 - *Plan amendments:* See above.
 - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Plan provision changes since prior valuation

Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2020 to 2021.

**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

2021**This Form is Open to Public
Inspection**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

▶ **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 RETIREMENT PLAN FOR EMPLOYEES OF SHOP-RITE, INC.	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF SHOP-RITE, INC.	D Employer Identification Number (EIN) 39-1134847
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>2021</u>			
2 Assets:			
a Market value		2a	22,577,373
b Actuarial value		2b	20,319,636
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.....	277	8,182,536	8,182,536
b For terminated vested participants.....	157	3,699,714	3,699,714
c For active participants	126	3,153,567	3,157,074
d Total.....	560	15,035,817	15,039,324
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	5.63%	
6 Target normal cost.....			
a Present value of current plan year accruals.....		6a	0
b Expected plan-related expenses		6b	130,000
c Total (line 6a + line 6b)		6c	130,000

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 <i>RCH</i>	Signature of actuary	10/07/2022	Date
ROBYN C. HAMILTON	Type or print name of actuary	2006652	Most recent enrollment number
MERCER	Firm name	713-276-2107	Telephone number (including area code)
4400 COMERICA BANK TOWER 1717 MAIN STREET DALLAS TX 75201 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) 2021
v. 201209**

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	3,916,969
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	151,047
9 Amount remaining (line 7 minus line 8)	0	3,765,922
10 Interest on line 9 using prior year's actual return of <u>16.85%</u>	0	634,558
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
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>5.44%</u>		0
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		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	147,000
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	0	4,253,480

Part III Funding Percentages

14 Funding target attainment percentage	14	106.82%
15 Adjusted funding target attainment percentage	15	135.11%
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	98.75%
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
Totals ▶			18(b)	0	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	0

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: 4.75 %	2nd segment: 5.36 %	3rd segment: 6.11 %
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 0
22 Weighted average retirement age			22 65
23 Mortality table(s) (see instructions) ☐ 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 6c)	31a	130,000	
b Excess assets, if applicable, but not greater than line 31a	31b	130,000	
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	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b		
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