

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 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>THE KROGER CONSOLIDATED RETIREMENT BENEFIT PLAN SPIN OFF</u>	1b Three-digit plan number (PN) ▶ <u>011</u> 1c Effective date of plan <u>09/01/2017</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>THE KROGER CO.</u> <div style="display: flex; justify-content: space-between;"> <div>1014 VINE ST CINCINNATI, OH 45202-1141</div> <div>1014 VINE ST CINCINNATI, OH 45202-1141</div> </div>	2b Employer Identification Number (EIN) <u>31-0345740</u> 2c Plan Sponsor's telephone number <u>877-373-3397</u> 2d Business code (see instructions) <u>445110</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2022	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.

Form 5500 (2021)
v. 210624

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	18207
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)	5705
a(2) Total number of active participants at the end of the plan year		6a(2)	4998
b Retired or separated participants receiving benefits.....		6b	3763
c Other retired or separated participants entitled to future benefits		6c	5523
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	14284
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	292
f Total. Add lines 6d and 6e		6f	14576
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: 1A 1D 1C			
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>THE KROGER CONSOLIDATED RETIREMENT BENEFIT PLAN SPIN OFF</u>	B Three-digit plan number (PN) ▶ <u>011</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>THE KROGER CO.</u>	D Employer Identification Number (EIN) <u>31-0345740</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>3081112806</u>
b Actuarial value	2b <u>2773001526</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment.....	(1) Number of participants <u>5987</u> (2) Vested Funding Target <u>1579725385</u> (3) Total Funding Target <u>1579725385</u>
b For terminated vested participants.....	<u>6635</u> <u>240450982</u> <u>240450982</u>
c For active participants	<u>5705</u> <u>490471852</u> <u>496227834</u>
d Total.....	<u>18327</u> <u>2310648219</u> <u>2316404201</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>5.52</u> %
6 Target normal cost.....	
a Present value of current plan year accruals.....	6a <u>543965</u>
b Expected plan-related expenses	6b <u>7444000</u>
c Total (line 6a + line 6b)	6c <u>7987965</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
Signature of actuary		
<u>ROBYN C. HAMILTON</u> Type or print name of actuary		<u>20-06652</u> Most recent enrollment number
<u>MERCER</u> Firm name		<u>713-276-2107</u> Telephone number (including area code)
<u>4400 COMERICA BANK TOWER</u> <u>1717 MAIN STREET</u> <u>DALLAS, TX 75201</u> Address of the firm		

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

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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	426548000
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	41922944
9 Amount remaining (line 7 minus line 8)	0	384625056
10 Interest on line 9 using prior year's actual return of <u>16.86</u> %	0	64847784
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>5.32</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	28000000
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	421472840

Part III Funding Percentages

14 Funding target attainment percentage	14	101.51 %
15 Adjusted funding target attainment percentage	15	119.71 %
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	92.35 %
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**

62

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** 7987965**b** Excess assets, if applicable, but not greater than line 31a **31b** 7987965**32** Amortization installments:**a** Net shortfall amortization installment Outstanding Balance 0 Installment 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**35** Balances elected for use to offset funding requirement Carryover balance 0 Prefunding balance 0 Total balance 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** 0**39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) **39** 0**40** Unpaid minimum required contributions for all years **40** 0**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)****41** If an election was made to use PRA 2010 funding relief for this plan:**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	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

A Name of plan <u>THE KROGER CONSOLIDATED RETIREMENT BENEFIT PLAN SPIN OFF</u>	B Three-digit plan number (PN) ►	<u>011</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>THE KROGER CO.</u>	D Employer Identification Number (EIN) <u>31-0345740</u>	

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)
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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 <u>31-0345740-008</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>2724550000</u>
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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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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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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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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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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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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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a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

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

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

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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 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		
A Name of plan THE KROGER CONSOLIDATED RETIREMENT BENEFIT PLAN SPIN OFF	B Three-digit plan number (PN) ►	011
C Plan sponsor's name as shown on line 2a of Form 5500 THE KROGER CO.	D Employer Identification Number (EIN) 31-0345740	

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)	3082709000	2724550000
(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	3082709000 2724550000
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness.....	1i	
j	Other liabilities.....	1j	1035000 932000
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	1035000 932000
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	3081674000 2723618000

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
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)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		176573000
(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		176573000
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	234201000	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)	277646000	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		511847000
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)	26267000	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		26267000
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		538114000
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		-361541000
l Transfers of assets:			
(1) To this plan.....	2l(1)		3485000
(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?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)			
4i		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
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 <u>444114</u> .			

<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

<div>A Name of plan THE KROGER CONSOLIDATED RETIREMENT BENEFIT PLAN SPIN OFF</div>	<div>B Three-digit plan number (PN) ► 011</div>
<div>C Plan sponsor's name as shown on line 2a of Form 5500 THE KROGER CO.</div>	<div>D Employer Identification Number (EIN) 31-0345740</div>

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

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

<div>1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....</div>	<div>1</div>
<div>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</div> <div>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</div>	
<div>3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year</div>	<div>3 1072</div>

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.)
---------	--

<div>4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?</div> <div>If the plan is a defined benefit plan, go to line 8.</div>	<div>☐ Yes ☒ No ☐ N/A</div>
<div>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.</div>	
<div>6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)</div>	<div>6a</div>
<div>b Enter the amount contributed by the employer to the plan for this plan year</div>	<div>6b</div>
<div>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).....</div>	<div>6c</div>
<div>If you completed line 6c, skip lines 8 and 9.</div>	
<div>7 Will the minimum funding amount reported on line 6c be met by the funding deadline?</div>	<div>☐ Yes ☐ No ☐ N/A</div>
<div>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?</div>	<div>☐ Yes ☐ No ☒ N/A</div>

Part III	Amendments
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<div>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.....</div>	<div>☐ Increase ☐ Decrease ☐ Both ☒ No</div>
--	---

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.
---------	--

<div>10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?</div>	<div>☐ Yes ☐ No</div>
<div>11 a Does the ESOP hold any preferred stock?</div>	<div>☐ Yes ☐ No</div>
<div>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.)</div>	<div>☐ Yes ☐ No</div>
<div>12 Does the ESOP hold any stock that is not readily tradable on an established securities market?</div>	<div>☐ Yes ☐ No</div>

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 _____

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF**

**REPORT ON AUDIT OF
FINANCIAL STATEMENTS**

December 31, 2021 and 2020

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
INDEX OF FINANCIAL STATEMENTS
December 31, 2021 and December 31, 2020**

	<u>Pages</u>
Independent Auditors' Report	1-3
Financial Statements:	
Statements of Net Assets Available for Benefits	4
Statements of Changes in Net Assets Available for Benefits	5
Statement of Accumulated Plan Benefits	6
Statement of Changes in Accumulated Plan Benefits.....	7
Notes to Financial Statements.....	8-28

INDEPENDENT AUDITORS' REPORT

To the Participants and the Retirement Benefit Plan Management Committee of
The Kroger Consolidated Retirement Benefit Plan Spin Off

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 Kroger Consolidated Retirement Benefit Plan Spin Off, 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 Kroger Consolidated Retirement Benefit Plan Spin Off 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 Kroger Consolidated Retirement Benefit Plan Spin Off'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 Kroger Consolidated Retirement Benefit Plan Spin Off'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 Kroger Consolidated Retirement Benefit Plan Spin Off'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 Kroger Consolidated Retirement Benefit Plan Spin Off. 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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
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>\$ 2,724,550</u>	<u>\$ 3,082,709</u>
Total assets	<u>2,724,550</u>	<u>3,082,709</u>
LIABILITIES		
Accounts payable	<u>932</u>	<u>1,035</u>
Total liabilities	<u>932</u>	<u>1,035</u>
Net assets available for benefits	<u><u>\$ 2,723,618</u></u>	<u><u>\$ 3,081,674</u></u>

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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
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)	\$ 176,573	\$ 468,062
Transfers from other plans	<u>3,485</u>	<u>7,084</u>
Total additions to net assets	<u>180,058</u>	<u>475,146</u>
Deductions From Net Assets:		
Retirement benefits	234,201	145,224
Administrative expenses	26,267	21,105
Transfer of pension plan obligation	<u>277,646</u>	<u>-</u>
Total deductions from net assets	<u>538,114</u>	<u>166,329</u>
Net increase (decrease)	<u>(358,056)</u>	<u>308,817</u>
Net assets available for benefits:		
Beginning of year	<u>3,081,674</u>	<u>2,772,857</u>
End of year	<u>\$ 2,723,618</u>	<u>\$ 3,081,674</u>

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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
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	\$ 1,544,295
Other participants	<u>735,930</u>

2,280,225

Nonvested benefits

5,068

Total actuarial present value of accumulated
plan benefits

\$ 2,285,293

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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS
for the period ended December 31, 2020
(in thousands)**

Actuarial present value of accumulated plan benefits at beginning of the year	\$ 2,198,212
Increase (decrease) during the period attributable to:	
Change in actuarial assumptions	99,816
Increase for interest due to decrease in discount period	127,173
Benefits paid	(145,224)
Benefits accumulated	<u>5,316</u>
Net increase	<u>87,081</u>
Actuarial present value of accumulated plan benefits at end of year	<u><u>\$ 2,285,293</u></u>

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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020**

1. DESCRIPTION OF THE PLAN:

Information about The Kroger Consolidated Retirement Benefit Plan Spin Off (the Spin Off Plan) document, the vesting and benefit provisions and the Pension Benefit Guaranty Corporation's (PBGC) benefit guarantee is contained in the Spin Off Plan's Summary Plan Description. Copies of this document are available from The Kroger Co.'s (the Company) Total Rewards Department.

Pension Benefits

The Spin Off Plan was created, effective September 1, 2017, to provide benefits for certain participants who were former participants in The Kroger Consolidated Retirement Benefit Plan (the CRBP). In general, the following CRBP participants were transferred to the Spin Off Plan:

- Grandfathered participants not in pay status as of September 1, 2017;
- Vested participants who were no longer employed by the Company as of September 1, 2017 and who were not in pay status as of that date;
- Active participants in the CRBP as of August 31, 2017 who were not grandfathered participants, who were covered by a collective bargaining agreement and/or who were still accruing benefits under the CRBP as of August 31, 2017;
- Participants, beneficiaries (including surviving spouses) and alternate payees under a qualified domestic relations order who were receiving a monthly benefit of \$1,000 per month or more from the CRBP as of September 1, 2017;
- Participants in the CRBP who were eligible for benefits under The Kroger Co. Consolidated Retirement Excess Benefit Plan (the Excess Plan) as of August 31, 2017 if the time and form of payment of his or her benefit under the Excess Plan was controlled by the participant's election under the CRBP; and
- Participants in the CRBP as of August 31, 2017 who were not included on the list created and maintained by the plan committee pursuant to Appendix J of the CRBP.

Spin Off Plan participants are eligible for their Spin Off Plan benefit after termination of employment with vested rights. Spin Off Plan participants become vested in the Spin Off Plan upon the later of their 65th birthday or the completion of five years of participating service (or the fifth anniversary of participation in the CRBP). Upon termination of employment, the normal form of distribution is an annuity, with other optional forms available upon election.

Effective December 31, 2019, the Company amended the Spin Off Plan to provide that future benefit accruals for all participants who were currently accruing benefits and were not covered by a collective bargaining agreement requiring the continuance of benefits under the Spin Off Plan shall be frozen.

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020**

During 2021, the Company entered into a group annuity contract to pay for certain benefits of the Plan. As reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2021, the Plan transferred approximately \$278 million of pension obligation to the insurance company to be paid under the group annuity contract. This annuity transfer occurred in October 2021 and is not reflected in the statement of accumulated plan benefits as of January 1, 2021. The impact of this annuity transfer is to reduce the accumulated plan benefits by approximately \$278 million.

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.

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 Spin Off 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.

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020**

Organization

The Spin Off Plan covers all employees, excluding leased employees, employees covered by a collective bargaining agreement that excludes participation, independent contractors, and employees covered by a separate defined benefit pension plan maintained by the Company or any affiliate employer. The Plan was closed to all new participants as of September 1, 2017.

Investment Valuation

Spin Off 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 Spin Off Plan had an 84.51% ownership interest in the Master Trust at December 31, 2021 and an 84.31% 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 Spin Off 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 Spin Off 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 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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020**

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

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.

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020**

Subsequent Events

The Spin Off 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 Spin Off Plan is based upon a review of specific requirements and upon evaluation of the assets and liabilities of the Spin Off Plan.

Contributions are determined pursuant to actuarial calculations and are made to the Spin Off 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 Spin Off Plan serves to reduce future contributions that would otherwise be required to provide for the defined level of benefits under the Spin Off Plan. The Spin Off Plan has met the ERISA minimum funding requirements. No contributions were made for the 2021 or 2020 Plan years.

4. TERMINATION PRIORITIES:

While the Company 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 the Company. To the extent unfunded vested benefits exist, ERISA provides that such benefits are payable by the PBGC to participants, up to specified limitations, as described in ERISA.

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 KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020**

The more significant assumptions underlying the actuarial computations are:

Interest rate5.5%.

Employee turnoverAnnual rate of termination is based on a study of the Company's actual experience.

Mortality basis*Non Annuitants:* Pri-2012 sex-distinct, separate employee table(s) with contingent survivor adjustments for existing survivors with 40% blue collar and 60% white collar adjustments, with generational projection using the Mercer Modified improvement Scale (MMP-2019) applied. *Annuitants:* The Mercer Industry Specific Consumer Goods & Food and Drink mortality table with 40% blue collar and 60% white collar adjustment, 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 with five years of participation service.

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

Asset valuation methodMarket value of assets.

Primary Social Security BenefitsPrimary Social Security Benefits are based on the law in effect on the valuation date. Future annual inflation is assumed at 2.2%.

The foregoing actuarial assumptions are based on the presumption that the Spin Off Plan will continue. Were the Spin Off Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Spin Off 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.

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020**

6. UNAUDITED INFORMATION:

The Spin Off 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 periods then ended, has not been audited by the independent auditors.

The Bank of New York Mellon, the trustee for the Spin Off Plan as of December 31, 2021 and 2020, holds the Spin Off 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	<u>\$ 2,724,550</u>	<u>\$ 3,082,709</u>
Changes in Net Assets		
Additions:		
Net unrealized appreciation (depreciation)	\$ (96,635)	\$ 244,780
in fair value of investments		
Interest, dividend & other income	64,081	59,867
Gain realized on disposition of investments	<u>209,127</u>	<u>163,415</u>
Net income from investment in Master Trust	<u>\$ 176,573</u>	<u>\$ 468,062</u>

7. INVESTMENTS (Unaudited):

Investments held by the Spin Off 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
Interest in the Kroger Co. Master Retirement Trust	<u>\$ 2,724,550</u>	<u>\$ 176,573</u>	<u>\$ 3,082,709</u>
			<u>\$ 468,062</u>

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
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 the Company. The value of the Spin Off Plan's interest in the Master Trust is based on the beginning of year value of the Spin Off 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 Spin Off Plan's ownership interest in the Master Trust was 84.51% and 84.31%, respectively. The following is summarized financial data related to the Master Trust at December 31, 2021 and 2020, and for the periods then ended (in thousands):

	2021		2020	
	Total Master Trust Balance	Plan's Interest in Master Trust Balances	Total Master Trust Balance	Plan's Interest in Master Trust Balances
Cash and Cash Equivalents	\$ 67,581	\$ 57,116	\$ 110,631	\$ 93,272
Corporate Stocks	107,006	90,432	91,872	77,456
Corporate Bonds	1,222,889	1,033,478	1,362,872	1,149,022
U.S. Government Securities	140,084	118,387	238,287	200,897
Mutual Funds	278,371	235,254	339,047	285,847
Collective Trusts/Comingled Funds	903,903	763,899	1,042,648	879,045
Hedge Funds	84,939	71,782	85,445	72,038
Private Equity	332,088	280,652	281,561	237,381
Real Estate	53,364	45,099	54,911	46,295
Other	96,213	81,311	125,949	106,185
Total investments at fair value	3,286,438	2,777,410	3,733,223	3,147,438
Plus:				
Net Receivables	37,835	31,974	55,378	46,688
Less:				
Net Payables	(100,381)	(84,834)	(132,154)	(111,417)
Total	\$ 3,223,892	\$ 2,724,550	\$ 3,656,447	\$ 3,082,709

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
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>

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
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.

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020**

- **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 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 Plan 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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020**

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 Plan financial statements.

- 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.

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.

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

<u>(in thousands)</u>					
<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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
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)

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
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 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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
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, 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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020**

The following table represents the Plan's level 3 financial instruments, 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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
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

**THE KROGER CONSOLIDATED RETIREMENT BENEFIT
PLAN SPIN OFF
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020**

9. TAX STATUS:

The Spin Off Plan obtained its latest determination letter dated April 30, 2021, in which the Internal Revenue Service stated that the Spin Off Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Spin Off Plan has been amended since receiving the determination letter. Plan management and Spin Off Plan's tax counsel believe that the Spin Off 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 Spin Off Plan's financial statements.

10. RELATED PARTY TRANSACTIONS:

The Bank of New York Mellon is the trustee of the Spin Off Plan as well as the Master Trust. The Spin Off Plan pays trustee fees through the Master Trust to the Bank of New York Mellon. As described in Note 2, the Spin Off 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 periods presented, the Spin Off Plan sponsor provided administrative services to the Spin Off 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 Spin Off 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

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 62.

(A) Retirement age	(B) Retirement percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	5.0%	10,000.00	500.00	27,500.00
56	5.0%	9,500.00	475.00	26,600.00
57	5.0%	9,025.00	451.25	25,721.25
58	5.0%	8,573.75	428.69	24,863.88
59	10.0%	8,145.06	814.51	48,055.87
60	10.0%	7,330.56	733.06	43,983.34
61	15.0%	6,597.50	989.63	60,367.13
62	20.0%	5,607.88	1,121.58	69,537.66
63	20.0%	4,486.30	897.26	56,527.39
64	25.0%	3,589.04	897.26	57,424.65
65	35.0%	2,691.78	942.12	61,238.00
66	35.0%	1,749.66	612.38	40,417.08
67	25.0%	1,137.28	284.32	19,049.39
68	25.0%	852.96	213.24	14,500.28
69	25.0%	639.72	159.93	11,035.14
70+	25.0%	479.79	119.95	8,396.30
71+	100.0%	359.84	359.84	25,548.75
Total			10,000.00	620,766.11
Average				62.08

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

	<u>Stabilized¹</u>	<u>Nonstabilized</u>
• 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 nonannuitant 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.

Cash balance plans

- Interest accumulation rate

Graded assumption	
Year	Rate
2020	2.28%
2021	1.62%
2022	2.04%
2023	2.46%
2024	2.88%
2025+	3.30%
- Whipsaw calculations No
- Annuity conversion Not Applicable – all cash balance participants are assumed to elect a lump sum

Other economic assumptions

- Salary increases See table of sample rates. These rates apply to the prior year base earnings and then the target bonus percentage is added to determine the valuation pay. If no target bonus percentage is provided then the salary increase rates are applied to the prior year plan compensation.
- Social Security taxable wage base increases 3.00% per year
- Inflation 2.20% per year

¹ Rates based on the American Rescue Plan Act 2021.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Other economic assumptions (continued)**

- Grandfathered profit sharing balance interest credit 7.50% per year
- Expected investment return 5.64% for 2019, 4.67% per year for 2020, and 4.22% for 2021.
- Expenses \$7,444,000 added to current year normal cost.

Demographic Assumptions

- Withdrawal

Percentages

Attained Age	Hourly	Salaried
25	16.40%	7.10%
30	11.60%	5.80%
35	8.60%	4.80%
40	7.00%	3.90%
45	6.30%	3.40%
50	6.10%	3.40%
55	6.10%	4.00%

- Disability incidence See table of sample rates.

- Retirement age

Attained age	Percentage
55	5%
56	5%
57	5%
58	5%
59	10%
60	10%
61	15%
62	20%
63	20%
64	25%
65	35%
66	35%
67	25%
68	25%
69	25%
70+	25%
71+	100%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Demographic Assumptions (Continued)**

•	Benefit commencement age for				
–	Annuity Benefits				
–	Future vested deferred	Age 62 – if grandfathered; otherwise age 65			
–	Current vested deferred	Age 62, if grandfathered, otherwise age 65, or attained age if later			
–	Cash Balance Lump Sums				
–	Future vested deferred	40% take immediate lump sum upon termination, 5% of remaining take a lump sum each year until age 65			
–	Current vested deferred	40% take lump sum within one year of termination, 5% of remaining take a lump sum each year until age 65			
•	Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>		
–	Percentage married	80%	70%		
–	Spouse age difference	3 years younger	3 years older		
	Form of payment	<u>Lump sum</u>	<u>Single life</u>	<u>50% J&S</u>	<u>100% J&S</u>
•	Grandfathered actives expected to retire	0%	50%	25%	25%
•	Cash balance actives expected to retire	100%	0%	0%	0%
•	Grandfathered future vested deferred	0%	50%	25%	25%
•	Cash balance future vested deferred	100%	0%	0%	0%
•	Grandfathered future disabilities	0%	50%	25%	25%
•	Cash balance future disabilities	100%	0%	0%	0%
•	Grandfathered current vested deferred	0%	65%	20%	15%
•	Cash balance current vested deferred	100%	0%	0%	0%
	Unpredictable contingent event assumptions	Not applicable			
	Profit sharing offset conversion assumption	Mortality: Applicable 2021 417(e) Table Interest: Applicable 2021 417(e) Segment Rates (0.53% / 2.31% / 3.09%)			

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

Attained Age	Percentage		
	Disability Incidence		Salary Increases
	Male	Female	
20	0.112%	0.112%	10.52%
25	0.112%	0.112%	9.12%
30	0.138%	0.138%	7.63%
35	0.164%	0.164%	6.38%
40	0.227%	0.227%	5.33%
45	0.290%	0.290%	4.46%
50	0.600%	0.600%	3.73%
55	0.910%	0.910%	3.12%
60	1.220%	1.220%	2.61%
65	0.000%	0.000%	2.50%

Rationale for 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.
- **Cash balance crediting rate** – The interest crediting rate for a plan year is based on the 30-year Treasury Rate for the month of November of the prior plan year. This assumption is set as a long term assumption with reference to the 30-year treasury assumption periodically published by Mercer Investment Consulting in their Capital Markets Outlook, and evaluated periodically for reasonability.
- **Salary increase** – This assumption is based on an experience study performed in 2010. Assumption is applied to base earnings or, if target bonus is not provided, is applied to prior year plan compensation.
- **Inflation** – This assumption is made with reference to the inflation assumption periodically published by Mercer Investment Consulting in the Capital Markets Outlook.
- **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 Markets 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 expected 2021 PBGC premium plus estimated administrative expenses as provided by The Kroger Co., rounded to the nearest hundred thousand.

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

- **Mortality** – Prescribed by the IRS and based on The Kroger Co.'s election.
- **Withdrawal incidence** – The withdrawal rates are based on an experience analysis completed in 2013 covering the period January 1, 2007 to January 1, 2012 and the expectation that future withdrawal patterns and circumstances of the employer will not differ significantly from the period studied. Withdrawal rates were not included in the scope of an experience study completed in 2019, since the impact on plan benefits is limited by the plan freeze.
- **Retirement incidence** – The retirement rates are based on an experience analysis completed in 2019 covering the period January 1, 2014 to January 1, 2018 and the expectation that future retirement patterns and circumstances of the employer will not differ significantly from the period studied.
- **Benefit commencement age** – The benefit commencement age for cash balance participants is based on an experience study completed in 2019 covering the period January 1, 2014 to January 1, 2018 which showed about 40% of terminating participants elected an immediate lump sum upon termination.
- **Form of payment** – The form of payment assumption is based on an experience study completed in 2019 covering the period January 1, 2014 to January 1, 2018. 100% of cash balance participants are assumed to elect a lump sum of their cash balance account based on the analysis that shows less than 2% of participants elect an annuity.
- **Spouse assumptions** – The assumptions regarding percent married/spouse age difference at death or benefit commencement are based on the actuary's experience with many plans. This assumption does not impact participants covered under the cash balance provisions as lump sums are assumed to be paid upon termination, retirement, or death.

Actuarial methods for funding**Asset Methods**

The asset valuation method is an average of the adjusted market value for each year during the last 12 months 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.

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

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

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does 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 are the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's funding target is the sum of the individual **funding target** 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 change from \$8,370,000 to \$7,444,000 to reflect our expectations for the current plan year.
- The expected investment return updated from 4.67% to 4.22%.
- The cash balance interest crediting rate graded assumption was updated from 3.36% for 2019, 2.28% for 2020, and 2.55% for 2021 and 2.90% for 2022 and 3.25% for 2023 and 3.60% for later years to 1.62% for 2021 and 2.04% for 2022 and 2.46% for 2023, 2.88% for 2024 and 3.30% for 2025 and later years.

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	2	1								4
35–39	163	45	8	4	6						226
	44,014	47,600									
40–44	270	76	14	4	8	1					373
	45,221	48,508									
45–49	361	87	50	9	5	6	1				519
	45,979	48,984	54,010								
50–54	484	92	99	37	18	16	8	28	13		795
	49,189	50,538	57,647	52,149				136,513			
55–59	538	65	126	60	34	40	41	560	141	58	1,663
	44,560	43,260	54,953	70,362	72,002	59,519	70,164	129,433	87,339	106,357	
60–64	436	64	94	52	33	80	186	269	263	103	1,580
	41,349	46,573	45,379	67,805	52,470	65,450	73,604	99,975	112,710	86,187	
65–69	156	25	23	12	15	11	56	36	32	32	398
	36,212	33,077	42,176				55,450	73,045	87,553	77,602	
70 & up	76	9	10	4	7	7	9	7	6	11	146
	29,290										
Total	2,486	465	425	182	126	161	301	900	455	204	5,705
											65,440

In each cell, the top number is the count of active participants for each age/service combination and the bottom number is average pay for 2020 limited to \$285,000. Average pay is not shown for cells with fewer than 20 participants.

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

Attained age	Years of credited service										
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	Total
Under 25											
25–29	1										1
30–34	1	2	1								4
35–39	150	41	7	2	3						203
	2,871	19,948									
40–44	251	73	10	4	5	1					344
	6,883	20,044									
45–49	340	60	21	8	5	2					436
	8,961	25,781	11,307								
50–54	461	64	32	16	11	6	2	1			593
	11,355	31,857	11,598								
55–59	513	37	31	24	10	5	2	5	1		628
	11,281	21,951	11,077	13,475							
60–64	415	34	16	15	12	3	6	2			503
	10,103	15,657									
65–69	151	11	3		5	1	1	2			174
	13,362										
70 & up	73	6	5	2		1	1	1			89
	7,647										
Total	2,356	328	126	71	51	19	12	11	1		2,975
											11,531

In each cell, the top number is the count of active participants for each age/service combination and the bottom number is average cash balance as of January 1, 2021. Average cash balance is not shown for cells with fewer than 20 participants.

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

Effective date and plan year	Prior plan: December 27, 1968 Restated plan: September 1, 2017 (spin off date) Plan year: January 1 – December 31
Most recent amendment	Amendment Number Six effective May 31, 2020
Status of the plan	The Plan is frozen as of December 31, 2019 for most participants except certain collectively bargained participants.
Significant events	None
Sponsoring employer	The Kroger Co.

Following is a summary of the major plan provisions for cash balance employees of the Retirement Benefit Plan used to determine the plan's financial position. It should not be used in determining plan benefits.

Definitions

• Participating employees	All employees, excluding leased employees, employees covered by a collective bargaining agreement that excludes participation, independent contractors, and employees covered by a separate defined benefit pension plan maintained by Kroger or any affiliate employer.
• Type of plan	Cash Balance
• Employers included	The Kroger Co. and any affiliate that elects to adopt the plan.
• Eligibility	The first date on which an employee has both completed 1,000 Hours of Service in a twelve-month period and attained age 21.
• Cash Balance Formula	Pay Credit: Five percent of annual earnings during the plan year. Interest Credit: Annual rate of interest on 30 year Treasury Bonds for the month of November of the preceding year. Interest will be credited annually on the beginning of year account balance. Effective January 1, 2007, the cash balance formula is frozen with respect to future pay credits. Interest credits will continue to be credited to the account balance. Certain Dillon and Delaware union employees will continue to earn pay credits. For participants on April 1, 1999, who were covered under the prior Ralph's Grocery Company Retirement Plan, an additional 7% of the opening pay credit account balance under the prior Fred Meyer Plan is added each year.
• Accrued Benefit	Greater of the Benefit Account converted to a monthly annuity or the participant's predecessor plan benefit plus a life annuity actuarial equivalent of the Pay Credit Account. Actuarial equivalent conversions use the current 417(e) mortality table and an interest rate equal to the average rate of return for 30-year Treasury securities for the month of November immediately preceding the Plan Year in which the Annuity Starting Date occurs.
• Participant contributions	None

Schedule SB, Part V — Summary of Plan Provisions

• Service considered	Credited Service: One year after each year of continuous service following the later of 1,000 Hours of Service or attainment of age 21. Vested Service: One year for each year of continuous service following the later of employment or attainment of age 18.
• Vesting Percentage	For terminations before January 1, 2008 – after December 31, 2007, 20% after one year of Vested Service, 40% after two years, 60% after three year, 80% after 4 years, and 100% after five or more years. For terminations after December 31, 2007 – 20% after one year of Vested Service, 40% after two years, and 100% after three or more years.
• Annual Compensation Considered	Base pay, overtime, bonuses, including amounts subject to a salary reduction agreement pursuant to IRC Section 125 or 401(k), paid to employee during a calendar year for personal services rendered to any employer.
• Normal Retirement Age	First of month coinciding with or next following the attainment of age 65 with five years of participation service.
• Normal Retirement Benefit	Monthly pension benefit determined as of actual retirement date payable as a lump sum.
• Late Retirement Benefit	Monthly pension benefit determined as of actual retirement date payable as a lump sum.
• Deferred Vested Benefit	Lump sum value of the monthly accrued benefit, or a deferred monthly annuity, multiplied by the Vested Percentage.
• Disability Benefit	Lump sum value of the monthly accrued benefit, or a deferred monthly annuity, multiplied by the Vested Percentage.
• Death Benefit	Lump sum value of the monthly accrued benefit, or a monthly annuity.
• Optional Forms of Retirement Benefits	Lump sum, life annuity, qualified joint and survivor annuity and for those retiring after age 55, 50%, 75% or 100% contingent annuity.
• Actuarial equivalence	1984 Unisex Pension Mortality Table with a one year age set forward for Participants and a four year age setback for Beneficiaries and a 9% per annum compound interest rate assumption.
• Cost of Living Increase	None
• Benefits Not Included In The Valuation	None
• Significant Events	None
• Maximum Compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2021, the limit is \$290,000.
• 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.
• Other Plan Provisions	The above outline of the basic benefit structure of the Plan is not intended to provide sufficient information to determine individual benefits. The outline should be used simply as an overview of benefit structure and an aid in understanding and interpreting the remaining sections of the report.

Schedule SB, Part V — Summary of Plan Provisions

Following is a summary of the major plan provisions for grandfathered employees of the Retirement Benefit Plan used to determine the plan's financial position. It should not be used in determining plan benefits.

• Participating Employees	Generally, an employee was grandfathered if, as of December 31, 2000, the employee was vested and either age 39½ or had a combined age plus service of 50. Grandfathering only applied to participants in the prior Kroger Retirement Benefit Plan, Dillon Minimum Benefit Plan, or Jay C Retirement Plan.
• Type of Plan	Final average pay
• Employers Included	The Kroger Co. and any affiliate that elects to adopt the plan.
• Participant Contributions	None
• Service Considered	One year for each year of continuous service following the latter of employment or attainment of age 21.
• Compensation Considered	Regular cash compensation received during the year, including overtime pay and bonuses.
• Average Annual Compensation	The average of the highest five years of earnings during the last 10 years before termination.
• Accrued Benefit	The greater of: <ol style="list-style-type: none"> 1½% of average annual compensation less 1¼% of the participant primary Social Security benefit multiplied by the number of years of credited service. 1% of average annual compensation multiplied by the number of years of credited service. Minimum benefit.
• Normal Retirement Age	Age 65, with 5 years of vesting service.
• Early Retirement Age	Retirement before Normal Retirement Age and on or after attaining age 55, with 5 years of vesting service.
• Normal Retirement Benefit	Monthly accrued benefit determined as of Normal Retirement Date.
• Late Retirement Benefit	Monthly accrued benefit using pay and service to actual retirement date.
• Early Retirement Benefit	Monthly accrued benefit determined as of early retirement date, reduced 4% for each year before age 62 to age 60, then 6% for each year to age 55.
• Deferred Vested Benefit	Monthly accrued benefit determined as of terminating date and payable at participant's Normal Retirement Date, or payable at an age not earlier than age 55 with a reduced benefit.
• Death Benefit	The amount that would have been payable if the participant terminated on the date of death, elected payment at the earliest eligibility for early retirement in the form of a qualified joint and survivor annuity, and died before the first payment.
• Disability Benefit	Monthly pension benefit determined as of the disability retirement date without reduction for early commencement and payable on the disability retirement date.
• Optional Forms of Retirement Benefits	Life annuity, 50%, 66-2/3%, 75% or 100% contingent annuity with or without restoration, life annuity with guaranteed payments, level income.

Schedule SB, Part V — Summary of Plan Provisions

• Optional form conversion factors	Contingent Optional Benefit Forms Reduction Factors			
	<u>Near age of Employee</u>	<u>100% J&S</u>	<u>66-2/3% J&S</u>	<u>50% J&S</u>
	55	.850	.900	.920
	56	.850	.900	.920
	57	.840	.890	.910
	58	.840	.890	.910
	59	.830	.880	.910
	60	.830	.880	.910
	61	.820	.870	.900
	62	.820	.870	.900
	63	.810	.860	.900
	64	.810	.860	.900
	65	.800	.850	.890
	Increase (decrease) for each year contingent annuitant is older (younger) than employee	.008	.006	.005
	Maximum Factor	.950	.970	.980
	Minimum Factor	.700	.750	.800
	Additional Reduction for Restoration Option	.960	.970	.980
Other Optional Benefit Forms Reduction Factors				
	10 year Certain and Life Annuity	.95		
	15 year Certain and Life Annuity	.90		
	Level Income Option	Reduction is .006 times number of months between near age and 62		
• Cost of Living Increases	None			
• Benefits Not Included in the Valuation	None			
• Significant Events	None			
• Maximum Compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2021, the limit is \$290,000.			
• 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.			
• Other Plan Provisions	The above outline of the basic benefit structure of the Plan is not intended to provide sufficient information to determine individual benefits. The outline should be used simply as an overview of benefit structure and an aid in understanding and interpreting the remaining sections of the report.			

Schedule SB, Part V — Summary of Plan Provisions

Following is a summary of the major plan provisions for grandfathered employees of the Minimum Benefit Plan used to determine the plan's financial position. It should not be used in determining plan benefits.

• Participating Employees	Generally, an employee was grandfathered if, as of December 31, 2000, the employee was vested and either age 39½ or had a combined age plus service of 50. Grandfathering only applied to participants in the prior Kroger Retirement Benefit Plan, Dillon Minimum Benefit Plan, or Jay C Retirement Plan.
• Type of Plan	Final average pay
• Employers Included	The Kroger Co. and any affiliate that elects to adopt the plan.
• Service Considered	Vesting Service: One year for each 1,000-hour calendar year of employment by the Central Division. Benefit service: Completed years of service as a covered employee. There is a maximum of 25 years of service for employees of Fry's of Arizona and Fry's of California which only applies to the accrued benefit calculation under Formula 1.
• Compensation Considered	Base pay, overtime, and bonuses (including amounts subject to salary reduction agreements made pursuant to the Dillon Companies, Inc. Employees' Stock Ownership and Savings Plan) paid to the employees during a calendar year for personal services rendered.
• Average Annual Compensation	Under the accrued benefit definition, Formula 1, it is the average of the highest three consecutive calendar years of pensionable pay during the 10 year period ending on the earlier of the participant's termination date or retirement date. Under the accrued benefit definition, Formula 2, it is the average of the highest five calendar years of pensionable pay during the 10 year period ending on the earlier of the participant's termination date or retirement date. Under Formula 3, it is the average of the 60 consecutive months of pensionable pay preceding the date of separation.
• Accrued Benefit	The greater of: Formula 1: 1% of average earnings multiplied by the number of years of benefit service. Applies only to an employee participating on or before January 1, 1995. Formula 2: 1 ½% of average earnings less 1 ¼% of the participant's primary Social Security Benefit; multiplied by the number of years of benefit service, with a maximum of 40 years considered. This benefit is then multiplied by a conversion factor, based on 7% interest and the 1983 Unisex Group Annuity Mortality Table, to convert a life annuity benefit payable to life with 120 months. Formula 3: \$10 times years of service, plus 1% of monthly average earnings in excess of \$650 times years of service converted to a benefit payable for life with 120 months guaranteed as described in Formula 2. Applies only to Turkey Hill Dairy participants hired before January 1, 1996.

Schedule SB, Part V — Summary of Plan Provisions

• Profit Sharing Benefit	The annuity provided by the Dillon Companies, Inc. Profit-Sharing Plan computed in accordance with the 1983 Unisex Group Annuity Mortality Table and an interest rate of 7% per year. In computing the profit-sharing benefit in the event of termination before early retirement age, deferred annuity rates are used. Immediate annuity rates are used in the event of early, normal, or delayed retirement. The immediate or deferred annuity that is calculated is a life annuity with 120 months of payments guaranteed.
• Social Security Benefit	The projected amount of the participant's primary Social Security benefit payable at age 65 according to the law in effect at the date of termination of employment, assuming no wages to be earned after termination.
• Normal Retirement Age	Age 65
• Early Retirement Age	Retirement before Normal Retirement Age and on or after attaining age 55 and ten years of vesting service.
• Normal Retirement Benefit	The excess of the participants accrued benefit over the profit sharing benefit.
• Late Retirement Benefit	Monthly pension benefit determined as of actual retirement date.
• Early Retirement Benefit	The excess of the larger of the benefit formulas below over the profit sharing benefit: 1) The accrued benefit under Formula 1 at the Early Retirement Date, reduced 3% for each year of payment before NRD to age 60, then 6% for each year to 55. 2) The accrued benefit under Formula 2 at the Early Retirement Date, reduced 4% for each year of payment before age 62 to age 60, then 6% for each year to 55. The benefit is reduced for early retirement before it is converted from a life annuity to a life annuity with 120 months guaranteed. 3) The accrued benefit under Formula 3 at the Early Retirement Date, reduced 7.2% for each year of payment before NRD to age 60, then 4.8% for each year to 55.
• Deferred Vested Benefit	Monthly accrued benefit determined as of termination date and payable at participant's Normal Retirement Date, or payable at an age not earlier than age 55 with a reduced benefit.
• Disability Benefit	Monthly pension benefit determined as of the termination date and payable at the participants NRD, or payable at an early retirement date, reduced to an actuarially equivalent of the benefit that would otherwise have been received at the NRD, based on the 1983 Group Annuity Mortality Table and an interest of 7% per year.
• Death Benefit	50% of the monthly pension benefit as of the date of death reduced or the 50% joint and survivor election, which is actuarially equivalent to the life annuity with 120 months of payments guaranteed payable to a single participant, and reduced for payment as early as the participant's 55th birthday.

Schedule SB, Part V — Summary of Plan Provisions

• Optional Forms of Retirement Benefits	Preretirement spouse benefits are payable for the lifetime of the surviving spouse. The normal form of payment for single participants is a life annuity with 120 months of payments guaranteed. The normal form for married participants is the actuarial equivalent of the single participants' normal form, payable as a qualified joint and survivor annuity. Optional forms are a straight life annuity for the life of the participant and a 50% or 100% joint and survivor annuity (which is actuarially equivalent to the straight-life annuity for the life of the participant).
• Actuarial Equivalence	1983 Unisex Pension Mortality Table and a 7% per annum compound interest rate assumption.
• Cost of Living Increases	None
• Benefits Not Included in the Valuation	None
• Significant Events	None
• Maximum Compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2021, the limit is \$290,000.
• 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.
• Other Plan Provisions	The above outline of the basic benefit structure of the Plan is not intended to provide sufficient information to determine individual benefits. The outline should be used simply as an overview of benefit structure and an aid in understanding and interpreting the remaining sections of the report.

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

Unless noted below, all benefits provided by the plan, as adopted and effective as of September 1, 2017 and amended through Amendment Number Five, are included in this valuation:

- **Most recent plan amendments included:** Amendment Number Five effective December 31, 2019
- **Plan amendments excluded:** None
- **Late retirement increases:**
 - Active grandfathered and all cash balance participants: The plan provides benefit suspension notices to participants who work beyond normal retirement. These participants continue to earn additional annuity benefits or cash balance interest credits. Late retirement actuarial increases are not reflected in this valuation.
 - Active with frozen annuities and deferred vested participants: Valued including the late retirement actuarial increase, except for deferred vested participants over age 70.
- **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 that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
 - Plan amendments: See above.
 - Prohibited payments: Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - Benefit accruals: The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
 - **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Schedule SB, Part V — Summary of Plan Provisions

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 THE KROGER CONSOLIDATED RETIREMENT BENEFIT PLAN SPIN OFF		B Three-digit plan number (PN) ▶	011
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF The KROGER CO.		D Employer Identification Number (EIN) 31-0345740	
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	3,081,112,806
b Actuarial value		2b	2,773,001,526
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	5,987	1,579,725,385	1,579,725,385
b For terminated vested participants	6,635	240,450,982	240,450,982
c For active participants	5,705	490,471,852	496,227,834
d Total	18,327	2,310,648,219	2,316,404,201
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		5.52%
6 Target normal cost			
a Present value of current plan year accruals	6a	543,965	
b Expected plan-related expenses	6b	7,444,000	
c Total (line 6a + line 6b)	6c	7,987,965	

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>RC</u>	10/07/2022
Signature of actuary		Date
ROBYN C. HAMILTON		2006652
Type or print name of actuary		Most recent enrollment number
MERCER		713-276-2107
Firm name		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	426,548,000
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	41,922,944
9 Amount remaining (line 7 minus line 8)	0	384,625,056
10 Interest on line 9 using prior year's actual return of <u>16.86%</u>	0	64,847,784
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>5.32%</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	28,000,000
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	0	421,472,840

Part III Funding Percentages

14 Funding target attainment percentage	14	101.51%
15 Adjusted funding target attainment percentage	15	119.71%
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	92.35%
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 62
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	7,987,965
b Excess assets, if applicable, but not greater than line 31a		31b	7,987,965
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	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39	0
40 Unpaid minimum required contributions for all years		40	0

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

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