April 30, 2023

UFCW CONSOLIDATED PENSION PLAN ANNUAL FUNDING NOTICE

www.ufcwemprfund.org | pensiondepartment@ufcwemprfund.org | 770-997-9910

Introduction

This notice includes important information about the funding status of your pension plan ("the Plan" or "the Consolidated Plan"). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes, and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning January 1, 2022 and ending December 31, 2022 (referred to hereafter as "Plan Year").

How Well Funded is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funded percentage." The Plan divides its assets by its liabilities on the Valuation Date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period.

Funded Percentages (Beginning of Year)			
Plan Year	2022	2021	2020
Valuation Date	January 1, 2022	January 1, 2021	January 1, 2020
Funded Percentage	91.4%	93.1%	86.6%
Value of Assets	$5,311,106,406	$4,693,478,086	$4,267,007,821
Value of Liabilities	$5,810,836,604	$5,036,990,937	$4,926,513,520

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They are also "actuarial values." Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan's funded status at a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan's assets for each of the two preceding plan years.

Fair Market Values of Assets (End of Year)			
Plan Year	2022	2021	2020
Year End Date	December 31, 2022	December 31, 2021	December 31, 2020
Value of Assets	$5,011,985,631 (approx.)	$5,868,625,052	$5,046,640,868

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan generally is in "endangered" status if its funded percentage is less than 80 percent. A plan is in "critical" status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in "critical and declining" status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

The Plan was not in endangered, critical, or critical and declining status (in other words, the Plan was in the "green zone") in the Plan Year beginning January 1, 2022. The Plan continues to be in the green zone for the Plan Year beginning January 1, 2023. If the Plan had been in endangered, critical, or critical and declining status for the plan year beginning January 1, 2023, separate notification of that status would have been provided.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date, January 1, 2022, was 257,419. Of this number, 87,956 were current employees, 59,019 were retired and receiving benefits, and 110,444 were retired or no longer working for an employer and have a right to future benefits.

Funding and Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits.

The funding policy of the Plan is described in a Memorandum of Understanding ("MOU") between The Kroger Co. ("Kroger") and the fourteen Local Unions of the United Food and Commercial Workers that established the Plan. Under the terms of the MOU, Kroger will, at a minimum, make contributions to the Plan that are sufficient (1) to pay down the unfunded liabilities as of December 31, 2011 over a period of six years (which has already been done), (2) to pay for the cost of benefits to be earned each year in the future, (3) to pay for any future actuarial losses over a period of ten years, and (4) to meet the minimum funding requirements of the Employee Retirement Income Security Act of 1974. Other special rules also apply under the MOU, which may increase or decrease the amount of the contribution required from Kroger in any given year, depending on the funding levels of the Plan.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The Plan's investment policy is to invest in a diversified portfolio of assets that will maximize investment return over the long term within reasonable and prudent levels of risk and maintaining sufficient liquidity to pay Plan benefits and administrative expenses. Under the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations (End of Year)	Percentage
Stocks	18%
Investment grade debt instruments	6%
High-yield debt instruments	3%
Real estate	4%
Other	69%

Events Having a Material Effect on Assets or Liabilities

By law this notice must contain a written explanation of new events that have a material effect on plan liabilities or assets. This is because such events can significantly impact the funding condition of a plan. An event is generally viewed as material if, for example, it is expected to increase or decrease total Plan assets or total Plan liabilities by five percent or more.

For the plan year ending December 31, 2023, there are no events expected to occur that will have a material effect on plan liabilities or assets.

Pre-Merger Plan Information

Effective December 31, 2011, there was a merger of four UFCW pension plans that resulted in the creation of the UFCW Consolidated Pension Plan. The Consolidated Plan is currently better funded than any of the four plans prior to the merger. As described earlier, the funding policy of the Plan is described in a Memorandum of Understanding ("MOU") between The Kroger Co. ("Kroger") and fourteen UFCW Local Unions whose members are covered under the Plan as a result of the merger. Under the terms of the MOU, Kroger, which is the employer to over 90% of the active participants in the Consolidated Plan, was required to make contributions sufficient to return the Consolidated Plan to the "green zone" for the plan year beginning January 1, 2012 and was also required to pay down the unfunded liabilities of the Consolidated Plan more rapidly than is required by law. Kroger was also allowed to accelerate its required contributions to the Consolidated Plan.

Consistent with this commitment, Kroger accelerated its contribution obligation and made special contributions totaling $857,886,089 to the Consolidated Plan during 2012. These special contributions covered the cost of benefits to be earned in 2012 and eliminated the unfunded liabilities of the Consolidated Plan. Prior to the special contributions, as of January 1, 2012, the Consolidated Plan was 74.0% funded on a market value of assets basis. After the special contributions, as of December 31, 2012, it was 101.8% funded on a market value of assets basis. Under the MOU, Kroger is required to make contributions to maintain the Consolidated Plan in the "green zone."

Since 2012, you have received Annual Funding Notices from the Plan under its current name, the UFCW Consolidated Pension Plan. Notices you received with respect to the plan years prior to 2012 were under the prior plan names, as described below.

Former Plan Name, as of December 31, 2011	Short Plan Name	EIN/PN
United Food and Commercial Workers Unions and Employers Pension Plan	Atlanta Plan	58-6101602 / 001
UFCW Unions and Food Employers Pension Plan of Central Ohio	Central Ohio Plan	31-6089168 / 001
Indiana Area UFCW Unions and Retail Food Employers Joint Pension Plan	Indiana Plan	35-6244695 / 001
Northwest Ohio UFCW Union and Employers Joint Pension Fund	NW Ohio Plan	34-0947187 / 001

New Plan Name, effective January 1, 2012	Short Plan Name	EIN/PN
UFCW Consolidated Pension Plan	Consolidated Plan	58-6101602 / 001

Transfers of Plan Assets and Liabilities

As reported in prior year Notices, there were four transfers of assets and liabilities prior to the 2022 Plan Year. In general, the transferred assets and liabilities were related to benefits attributable to Kroger under the other plans. The transfers did not have a material impact on the funding condition of the Plan.

Additionally, effective June 30, 2021, assets and liabilities attributable to Kroger for benefits earned prior to July 1, 2021 were transferred from the Sound Retirement Trust to the Consolidated Plan. The asset transfers of $192,262,688 and Kroger contributions of $150,772,924 associated with this transfer are reflected in the December 31, 2021 assets, but the liability is not reflected in the January 1, 2021 liability because this transfer occurred after the measurement date. Participants with a benefit transferred from the Sound Retirement Trust to the Consolidated Plan will accrue future benefits under the Sound Variable Annuity Pension Plan (rather than the Consolidated Plan) for covered employment with Kroger on or after July 1, 2021.

Each of the five transfers occurred under the terms of the applicable transfer agreements between the Consolidated Plan and the other plans. The resulting unfunded liabilities transferred into the Consolidated Plan are required to be funded by Kroger under the terms of the applicable contribution agreements between the Consolidated Plan and Kroger, which have similar funding requirements as the MOU described earlier in this notice. Under each of the contribution agreements, Kroger is permitted to accelerate its required contributions to the Consolidated Plan.

For reference, the following table shows the plans from which of assets and liabilities have been transferred to the Consolidated Plan since 2012.

Former Plan Name	EIN/PN
Washington Meat Industry Pension Trust	91-6069306 / 001
Central Ohio UFCW Unions and Retail Employers Pension Plan	31-6089169 / 001
UFCW Unions and Participating Employers Pension Plan	52-6117495 / 002
United Food and Commercial Workers Unions and Employers Midwest Pension Fund	36-6508328 / 001
Sound Retirement Trust	91-6069306 / 001

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202.693.8673. You may also obtain a copy of the Plan's annual report by making a written request to the Plan Administrator. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact your Plan Administrator if you want information about your accrued benefits. Your Plan Administrator is identified under "Where to Get More Information."

Summary of Rules Governing Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multi-employer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called "vested benefits") are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multi-employer plans. Your Plan is covered by PBGC's multi-employer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first $11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next $33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is $35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of $600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($600/10), which equals $60. The guaranteed amount for a $60 monthly accrual rate is equal to the sum of $11 plus $24.75 (.75 x $33), or $35.75. Thus, the participant's guaranteed monthly benefit is $357.50 ($35.75 x 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of $200, the accrual rate for purposes of determining the guarantee would be $20 (or $200/10). The guaranteed amount for a $20 monthly accrual rate is equal to the sum of $11 plus $6.75 (.75 x $9), or $17.75. Thus, the participant's guaranteed monthly benefit would be $177.50 ($17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified pre-retirement survivor benefits (which are pre-retirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under the plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multi-employer Page on PBGC's website at https://www.pbgc.gov/about/factsheets/page/multi-facts. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information About Your Plan," below.

Your Right to a Benefit Statement

Under ERISA, as a participant in the Consolidated Plan, you have the right to obtain a statement telling you whether you have a right to receive a benefit at your Normal Retirement Date (generally age 65) and, if so, what your benefits would be at your Normal Retirement Date if you stop participating in the Plan now. If you do not have a right to a benefit under the Plan, the statement will tell you how many more years you have to work to have a right to a benefit under the Plan. This statement must be requested in writing and is not required to be given more than once a year. The statement must be provided free of charge. Contact information for the UFCW Consolidated Pension Fund Office can be found below.

Where to Get More Information

For more information about this notice, you may contact:

Board of Trustees
UFCW Consolidated Pension Fund
1740 Phoenix Parkway
Atlanta, Georgia 30349
(770) 997-9910 or (800) 241-7701

For identification purposes, the official plan number is 001, the Plan sponsor's name is the Board of Trustees of the UFCW Consolidated Pension Fund, and the Plan sponsor's employer identification number or "EIN" is 58-6101602.

Modifications to the UFCW Consolidated Pension Fund

Summary Of Material Modifications To UFCW Consolidated Pension Plan

This notice, called a Summary of Material Modifications, describes changes to the UFCW Consolidated Pension Plan (the "Plan") and supplements the information in the Summary Plan Description (employee booklet) dated January 1, 2012 that was previously distributed to you. The changes described in this summary are effective as of January 1, 2022. You should keep this summary with your employee booklet.

Summary of Changes:

1. The following is added at the end of the section in your SPD entitled "Disability Benefit" beginning on page 3:

> Notwithstanding the foregoing, if you become totally and permanently disabled on or after January 1, 2022 while employed by a contributing Employer and you have at least 10 years of Eligibility Service (as determined for vesting purposes), you may be eligible for a Disability Benefit.

2. The first paragraph of the section in your SPD entitled "Eligibility" beginning on page 21 (page 16 if you work or worked for a Non-Kroger Employer) is deleted and replaced with the following:

> If you become totally and permanently disabled, you will qualify for a Disability Benefit, regardless of your age, if all of the following conditions apply:
>
> - You terminate from covered Employment for reason of Disability, and
> - You have completed at least 20 years of Eligibility Service, as determined for vesting purposes, (or 10 years of Eligibility Service, as determined for vesting purposes, for disabilities occurring on or after January 1, 2022) as of the date of your Disability, and you have filed a written application for a Disability Benefit with the Fund Office.
> - These changes reduce the number of years you need to work to be eligible for a disability pension from 15 years to 10 years.

Summary Of Material Modifications To United Food and Commercial Workers Union and Employers Pension Plans

This notice, called a Summary of Material Modifications, describes changes to the United Food and Commercial Workers Unions and Employers Pension Plan (the "Atlanta Plan") and supplements the information in the Summary Plan Description (employee booklet) dated December 31, 2011 that was previously distributed to you. The changes described in this summary are effective as of January 1, 2022. You should keep this summary with your employee booklet.

Summary of Changes:

1. The following is added after the first sentence of the section in your SPD entitled "Disability Pension" beginning on page 1:

> Notwithstanding the foregoing, if you become totally and permanently disabled on or after January 1, 2022 while employed by a contributing Employer and you have at least 10 years of Eligibility Service, you may be eligible for a Disability Pension.

2. The first paragraph of the section in your SPD entitled "Eligibility" beginning on page 28 (page 25 if you work or worked for a Non-Kroger Employer) is deleted and replaced with the following:

> If you become totally disabled, you will qualify for a Disability Pension, regardless of your age, if all of the following conditions apply:
>
> - You terminate from covered Employment for reason of Disability, and
> - You have completed at least 15 years of Eligibility Service, or 10 years of Eligibility Service for disabilities occurring on or after January 1, 2022, and
> - You have filed a written application for a Disability Pension with the Fund Office, and
> - You are covered under the Preferred Schedule (and not the Default Schedule) as of the date of your termination for reason of Disability.

3. The list of Trustees on page 39 of your SPD (page 36 if you work or worked for a Non-Kroger Employer) is updated to read as follows:

These changes reduce the number of years you need to work to be eligible for a disability pension from 15 years to 10 years for service before 2012.

Board of Trustees as of April, 2023

Additional Information:

If you have any questions, please contact the Plan Administrator at:

UFCW Unions and Employers Pension Fund
c/o UFCW Consolidated Pension Fund
1740 Phoenix Parkway
Atlanta, Georgia 30349
(770) 997-9910
(800) 241-7701

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News and Updates

Form W-4P Tax Withholding Forms Have Changed

Attention Retirees: Monthly pension payments received from the Fund are subject to voluntary federal income tax withholding. The IRS requires that pensioners be notified annually of their right to change a withholding election. If you are a U.S. citizen or a resident alien, you may elect to have no withholding from your pension benefit. If you do not want to change your prior withholding election, no action is needed. To change your withholding election, please complete and submit to the Fund Office an updated Form W-4P. The Form W-4P is available at www.ufcwemprfund.org.

End of the COVID-19 National Emergency

The federal government recently announced that the COVID-19 National Emergency has ended on April 10, 2023. Guidance from the federal government temporarily extended the deadline for participants and beneficiaries to file benefit claims and appeals with the Fund from the beginning of the COVID-19 National Emergency on March 1, 2020 through 60 days after the date the COVID-19 National Emergency ends. This period is called the Outbreak Period. Because of the federal government's recent announcement, we believe that the Outbreak Period will end June 9, 2023, but it is possible that the Outbreak Period may be extended beyond 60 days after April 10, 2023 to coincide with when the Outbreak Period would have ended based on the government's initial announcement of May 11, 2023 as the end of the COVID-19 National Emergency, which would be July 10, 2023. Generally, the deadline to file an appeal under the Fund's Plan Document is 60 days from the date you receive notification of a denial. However, in accordance with the temporary federal guidance, the Fund has "tolled" these deadlines, meaning it has disregarded the Outbreak Period when calculating the due date to submit benefit claims and file appeals. If the Outbreak Period ends on June 9, 2023, your deadlines will begin to run again on that date. For example, if you receive a benefit claim denial between March 1, 2020 and June 9, 2023, the deadline for you to file an appeal will be August 8, 2023. Please keep this in mind when considering claim and appeal deadlines. If the government decides to further extend the Outbreak Period as noted above, we will let you know via an update to the Fund's website.

UFCW Consolidated Pension Fund
1740 Phoenix Parkway
Atlanta, Georgia 30349

The FUND OFFICE
Consolidated Pension Fund

Need Help?

Need help with anything? Please contact the Fund Office at 770-997-9910 or 1-800-241-7701.

FOR MORE INFORMATION

The Board of Trustees
of the
UFCW Consolidated Pension Fund
is committed to providing retirement
security for the participants.

For questions or more information,
please contact the Fund Office at:

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