

June 17, 2025

Mr. Jeff Ianniello
Associated Administrators, LLC
911 Ridgebrook Road
Sparks, MD 21152

***Re: UFCW Unions and Participating Employers Pension Fund
SuperValu, Inc. 2024 Estimated Withdrawal Liability Calculation***

Dear Jeff:

We have estimated the Withdrawal Liability amounts attributable to the SuperValu, Inc. controlled group assuming a 2024 withdrawal from the UFCW Unions and Participating Employers Pension Fund. We have provided estimates under two scenarios to reflect the uncertainty that surrounds the treatment of a retroactive contribution increase under the requirements of the Multiemployer Pension Reform Act of 2014.

Under Scenario 1, we estimate that SuperValu would be allocated Unfunded Vested Liabilities of \$146,087,216 and that the Withdrawal Liability Payments would be \$2,159,205.75 per quarter for 20 years (payments being limited by ERISA's 20-year cap).

Under Scenario 2, we estimate that SuperValu would be allocated Unfunded Vested Liabilities of \$145,321,997 and that the Withdrawal Liability Payments would be \$1,892,637.00 per quarter for 20 years (payments being limited by ERISA's 20-year cap).

More details on the estimates and scenarios follow.

Information Used

In calculating the employer's initial Withdrawal Liability, we relied on the employer's contribution rates and contributions, total fund contributions, and contributions for previously withdrawn employers as given to us by the fund administrator for years up to 2023.

Following the Multiemployer Pension Reform Act of 2014 (MPRA), non-benefit-bearing contribution increases required by a Rehabilitation Plan after December 31, 2014 are not included in an employer's contributions for either the purpose of allocating Unfunded Vested Liabilities or the calculation of the Withdrawal Liability Payment amount. SuperValu's contract history shows that a contract was entered into after December 31, 2014 with a non-benefit-bearing contribution increase applicable retroactively to August 2014. Based on discussions with the Fund's counsel it is not clear if the retroactive increase is to be used in withdrawal calculations. We have therefore provided two separate sets of estimations: under Scenario 1, the calculations are based on the retroactive rates as if they were in use in 2014, and under Scenario 2, the calculations are based on the rates that were actually used at the time payments were made. We defer to counsel / the Trustees on whether the retroactive or actual rates should be used in these calculations.

Under Scenario 1, SuperValu's highest rate used in determining the Withdrawal Liability payment is \$1.62 per hour. Under Scenario 2, the highest rate is \$1.42 per hour.

Please advise us immediately of any variance between your data and the data shown in the attached calculations.

Use of Approximations

For SuperValu and Associated Administrators, the contribution rate structure was changed from multi-tiered contribution rates to a single contribution rate. This change took place in 2017. Because rate increases after 2014 are to be disregarded in calculating the employer contribution histories used to allocate Unfunded Vested Liabilities, the tiered structure in force at December 31, 2014 should be used to replace the recent single contribution rate structure. However, the reporting of hours and contributions has not preserved the tiers and we are unable to precisely transform the contributions paid on the new structure to what would have been paid on the old structure (two scenarios for SuperValu).

For the purpose of these estimates, we have calculated the single contribution rate that would have been in place on December 31, 2014 and used it to ratio down the actual contributions. Under Scenario 1, this means using a rate of \$0.8573 for Shoppers and \$0.9871 for Metro/Basics. Under Scenario 2, this means using a rate of \$0.7523 for Shoppers and \$0.8642 for Metro/Basics. For Associated Administrators, the rate used is \$0.8352.

Since the tiered contribution rates had higher contribution levels for earlier hires than for more recent hires, the average contribution rate weighted by the employees is expected to decline over time. We have not factored a decline into our estimates and so the 2017 – 2023 contributions used in the allocation are approximations. These allocations will result in a slight over allocation of Unfunded Vested Liability. However, the payment schedules are not impacted because the 20-year cap applies.

Allocation Method and Actuarial Assumptions

Our calculations are based on the Presumptive Method modified to use a 10-year contribution fraction for allocating liability pools. This calculation also reflects a merger, effective December 31, 2006 with the UFCW Local 400 Meat and Poultry Pension Fund. The assumptions are set out in the actuarial valuation report for the plan year commencing January 1, 2024.

De Minimis Amounts and 20 Annual Payment Limit

The Fund uses the standard de minimis adjustment whereby an employer's Withdrawal Liability may be reduced by the lesser of \$50,000 or 0.75% of the total unfunded vested benefits. The reduction is phased out dollar for dollar by the amount the employer's Withdrawal Liability exceeds \$100,000. In this case, the Withdrawal Liability was not subject to a de minimis adjustment. The law also limits an employer's obligation to 20 years of payments. In this case, the 20-year payment limit does apply.

Mr. Jeff Ianniello

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Summary

As mentioned, please check the amounts that were used in the calculation. If you discover any questionable items, please report them to us as soon as possible so we can revise our calculation.

This letter and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as a credentialed actuary, I meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this letter. This letter does not address any contractual or legal issues. I am not an attorney, and our firm does not provide any legal services or advice.

This Withdrawal Liability estimate was prepared exclusively for the Board of Trustees for the purpose for providing a Withdrawal Liability estimate to SuperValu, Inc. Other users of this estimate are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

Please call if you have any questions.

Sincerely,

Cheiron



Peter R. Hardcastle, CFA, FSA, EA, MAAA
Principal Consulting Actuary

Attachments

cc: Jim Kimble, Esq.
Sarah Sanchez, Esq.
Andrew Dietrich, Esq.
Brett Warren, FSA, EA, MAAA, CERA
Bob Murray, ASA, EA, MAAA

UFCW Unions and Participating Employers Pension Fund
Withdrawal Liability Calculation for: SuperValu, Inc.

Plan Year of Withdrawal: 2024

Initial Plan Year Allocation of Non-Food Plan (Allocation prior to 12/31/2006 merger.)

Plan Year Ending Dec. 31	10-Year Contribution History			Employer's Share of
	Withdrawing Employer	Active Employers	Outstanding UVB Pool	UVB Pool
2002	\$ 10,797,700	\$ 18,981,294	\$ 10,154,399	\$ 5,776,432
2003	\$ 12,077,467	\$ 19,729,359	\$ (447,177)	\$ (273,743)
2004	\$ 14,285,714	\$ 21,559,942	\$ 2,189,123	\$ 1,450,522
2005	\$ 17,422,583	\$ 24,630,251	\$ 129,252	\$ 91,428
2006	\$ 20,604,919	\$ 28,185,622	\$ 3,661,449	\$ 2,676,679
Initial Plan Year Allocable UVB				\$ 9,721,318
Portion Remaining				20%
Current Initial Plan Year UVB				\$ 1,944,264

UVB Arising after the Initial Plan Year

Plan Year Ending Dec. 31	10-Year Contribution History			Outstanding	Employer's
	Withdrawing Employer	Active Employers	Previously Withdrawn Ers	Outstanding UVB Pool	Share of UVB Pool
2007	\$ 23,643,335	\$ 33,841,683	\$ 310,668	\$ (609,266)	\$ (422,745)
2008	\$ 26,010,112	\$ 36,987,078	\$ 475,769	\$ 10,647,329	\$ 7,593,903
2009	\$ 28,208,594	\$ 40,159,100	\$ 454,088	\$ 251,103	\$ 178,397
2010	\$ 29,936,339	\$ 42,914,050	\$ 1,018,330	\$ 666,491	\$ 494,252
2011	\$ 31,586,524	\$ 45,535,456	\$ 1,155,513	\$ 8,059,889	\$ 5,736,463
2012	\$ 33,003,391	\$ 48,205,748	\$ 2,603,429	\$ 3,071,527	\$ 2,225,454
2013	\$ 34,955,703	\$ 51,223,695	\$ 6,195,222	\$ 22,636,052	\$ 17,669,999
2014	\$ 36,309,429	\$ 53,146,978	\$ 7,486,260	\$ 5,493,021	\$ 4,559,792
2015	\$ 37,152,702	\$ 54,116,161	\$ 10,837,823	\$ 30,006,014	\$ 25,796,336
2016	\$ 37,898,686	\$ 53,938,733	\$ 12,121,181	\$ (6,778,881)	\$ (5,274,251)
2017	\$ 38,568,991	\$ 53,544,463	\$ 10,835,911	\$ 6,976,543	\$ 6,363,823
2018	\$ 39,088,775	\$ 52,888,799	\$ 9,555,379	\$ 12,012,173	\$ 11,394,638
2019	\$ 39,381,364	\$ 51,868,136	\$ 8,162,662	\$ 14,151,577	\$ 13,771,104
2020	\$ 38,586,188	\$ 49,640,945	\$ 6,634,216	\$ 33,206,431	\$ 29,793,235
2021	\$ 37,536,346	\$ 47,178,037	\$ 5,072,729	\$ 4,505,827	\$ 4,016,887
2022	\$ 36,213,543	\$ 44,214,060	\$ 3,512,436	\$ 17,293,541	\$ 15,386,619
2023	\$ 34,114,463	\$ 40,664,068	\$ 2,136,084	\$ 5,487,680	\$ 4,859,046

Allocable UVB \$ 144,142,952

Employer's Total Withdrawal Liability

Share of Initial Plan Year UVB	\$ 1,944,264
Share of Additional UVB	\$ 144,142,952
Total Allocable UVB	\$ 146,087,216
De minimis adjustment	\$ 0
Withdrawal Liability	\$ 146,087,216

UFCW Unions and Participating Employers Pension Fund Withdrawal Liability Calculation for: SuperValu, Inc.

Plan Year of Withdrawal: 2024

(a) Withdrawal liability \$ 146,087,216.00

Hours of contributions for fiscal years ended December 31:

2014	5,469,601	2019	4,156,045
2015	5,316,815	2020	2,629,423
2016	5,207,700	2021	2,250,254
2017	5,041,139	2022	1,995,190
2018	4,662,020	2023	2,002,432

(b) Highest consecutive three-year average hours in last 10 years 5,331,372

(c) Highest contribution rate (excluding RP increases post 2014) in 10 years ending with year of withdrawal \$ 1.62

(d) Required annual payment: (b) x (c) \$ 8,636,823.00

(e) Amortization ratio: (a) / (d) 16.914462

(f) Years to amortize Withdrawal Liability 999.99

(g) Number of whole years for value (f) (Max of 20 years) 20.00

(h) Amount of initial assessment amortized in (g) years \$ 97,903,529.71

(i) Amount of initial assessment left to amortize: (a) - (h) \$ 48,183,686.29

(j) Amount to amortize in the final year: (i) plus interest N/A

(k) Quarterly payment: (d) ÷ 4 N/A

(l) Full quarters to pay in final year: integer part of (j) ÷ (k) N/A

(m) Amount in final quarter: (j) - [(k) x (l)] N/A

The payment schedule requires \$2,159,205.75 per quarter for 80 quarters.

UFCW Unions and Participating Employers Pension Fund
Table of Contributions for: SuperValu, Inc.

Plan Year of Withdrawal: 2024

Calendar Year	SuperValu, Inc.				UFCW Local 400 Meat And Poultry Pension Fund	UFCW Unions and Participating Employers Pension Fund				Both Funds Combined	10 Year Sum of Previous Withdrawn Employers	Both Funds 10 Year Sums Adjusted for Withdrawn Employers
	Gross	Surcharge	Net	10-year Sums	Gross	Gross	Surcharge	Net	10 Year Sums			
1993	\$ 649,902		\$ 649,902			\$ 1,788,747		\$ 1,788,747				
1994	744,129		744,129			1,763,704		1,763,704				
1995	785,261		785,261			1,831,092		1,831,092				
1996	730,211		730,211			1,575,363		1,575,363				
1997	795,241		795,241			1,601,224		1,601,224				
1998	1,288,929		1,288,929		\$ 134,523	2,015,470		2,015,470		\$ 2,149,993		
1999	1,231,476		1,231,476		140,484	1,881,926		1,881,926		2,022,410		
2000	1,442,230		1,442,230		178,238	2,105,788		2,105,788		2,284,026		
2001	1,431,142		1,431,142		179,944	2,108,276		2,108,276		2,288,220		
2002	1,699,179		1,699,179	\$ 10,797,700	185,590	2,309,704		2,309,704	\$ 18,981,294	2,495,294		
2003	1,929,669		1,929,669	12,077,467	199,837	2,536,812		2,536,812	19,729,359	2,736,649		
2004	2,952,376		2,952,376	14,285,714	228,520	3,594,287		3,594,287	21,559,942	3,822,807		
2005	3,922,130		3,922,130	17,422,583	297,639	4,901,401		4,901,401	24,630,251	5,199,040		
2006	3,912,547		3,912,547	20,604,919	313,088	5,130,734		5,130,734	28,185,622	5,443,822		
2007	3,833,657		3,833,657	23,643,335		5,399,422		5,399,422		5,399,422	\$ 310,668	\$ 33,531,015
2008	3,655,706		3,655,706	26,010,112		5,295,388		5,295,388		5,295,388	475,769	36,511,309
2009	3,429,958		3,429,958	28,208,594		5,194,432		5,194,432		5,194,432	454,088	39,705,012
2010	3,406,356	\$ 236,381	3,169,975	29,936,339		5,316,698	\$ 277,722	5,038,976		5,038,976	1,018,330	41,895,720
2011	3,357,961	276,634	3,081,327	31,586,524		5,315,167	405,540	4,909,626		4,909,626	1,155,513	44,379,943
2012	3,200,462	84,416	3,116,046	33,003,391		5,330,257	164,671	5,165,586		5,165,586	2,603,429	45,602,319
2013	3,881,981	0	3,881,981	34,955,703		5,754,596	0	5,754,596		5,754,596	6,195,222	45,028,473
2014	4,306,102	0	4,306,102	36,309,429		5,746,090	0	5,746,090		5,746,090	7,486,260	45,660,719
2015	4,765,403	0	4,765,403	37,152,702		6,168,223	0	6,168,223		6,168,223	10,837,823	43,278,339
2016	4,658,531	0	4,658,531	37,898,686		5,266,394	0	5,266,394		5,266,394	12,121,181	41,817,553
2017	4,503,962	0	4,503,962	38,568,991		5,005,152	0	5,005,152		5,005,152	10,835,911	42,708,553
2018	4,175,490	0	4,175,490	39,088,775		4,639,724	0	4,639,724		4,639,724	9,555,379	43,333,421
2019	3,722,547	0	3,722,547	39,381,364		4,173,769	0	4,173,769		4,173,769	8,162,662	43,705,475
2020	2,374,799	0	2,374,799	38,586,188		2,811,785	0	2,811,785		2,811,785	6,634,216	43,006,730
2021	2,031,485	0	2,031,485	37,536,346		2,446,718	0	2,446,718		2,446,718	5,072,729	42,105,308
2022	1,793,243	0	1,793,243	36,213,543		2,201,609	0	2,201,609		2,201,609	3,512,436	40,701,624
2023	1,782,901	0	1,782,901	34,114,463		2,204,604	0	2,204,604		2,204,604	2,136,084	38,527,984

**UFCW Unions and Participating Employers Pension Fund
Withdrawal Liability Calculation for: SuperValu, Inc.**

Plan Year of Withdrawal: 2024

Initial Plan Year Allocation of Non-Food Plan (Allocation prior to 12/31/2006 merger.)

Plan Year Ending Dec. 31	10-Year Contribution History			Employer's Share of
	Withdrawing Employer	Active Employers	Outstanding UVB Pool	UVB Pool
2002	\$ 10,797,700	\$ 18,981,294	\$ 10,154,399	\$ 5,776,432
2003	\$ 12,077,467	\$ 19,729,359	\$ (447,177)	\$ (273,743)
2004	\$ 14,285,714	\$ 21,559,942	\$ 2,189,123	\$ 1,450,522
2005	\$ 17,422,583	\$ 24,630,251	\$ 129,252	\$ 91,428
2006	\$ 20,604,919	\$ 28,185,622	\$ 3,661,449	\$ 2,676,679
Initial Plan Year Allocable UVB				\$ 9,721,318
Portion Remaining				20%
Current Initial Plan Year UVB				\$ 1,944,264

UVB Arising after the Initial Plan Year

Plan Year Ending Dec. 31	10-Year Contribution History			Outstanding	Employer's
	Withdrawing Employer	Active Employers	Previously Withdrawn Ers	Outstanding UVB Pool	Share of UVB Pool
2007	\$ 23,643,335	\$ 33,841,683	\$ 310,668	\$ (609,266)	\$ (422,745)
2008	\$ 26,010,112	\$ 36,987,078	\$ 475,769	\$ 10,647,329	\$ 7,593,903
2009	\$ 28,208,594	\$ 40,159,100	\$ 454,088	\$ 251,103	\$ 178,397
2010	\$ 29,936,339	\$ 42,914,050	\$ 1,018,330	\$ 666,491	\$ 494,252
2011	\$ 31,586,524	\$ 45,535,456	\$ 1,155,513	\$ 8,059,889	\$ 5,736,463
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2013	\$ 34,955,703	\$ 51,223,695	\$ 6,195,222	\$ 22,636,052	\$ 17,669,999
2014	\$ 36,309,429	\$ 53,146,978	\$ 7,486,260	\$ 5,493,021	\$ 4,559,792
2015	\$ 36,566,434	\$ 53,513,895	\$ 10,837,823	\$ 30,006,014	\$ 25,747,577
2016	\$ 36,739,173	\$ 52,758,887	\$ 12,100,848	\$ (6,778,881)	\$ (5,258,698)
2017	\$ 36,855,163	\$ 51,810,263	\$ 10,815,539	\$ 6,976,543	\$ 6,335,268
2018	\$ 36,860,930	\$ 50,640,582	\$ 9,535,007	\$ 12,012,173	\$ 11,327,577
2019	\$ 36,695,258	\$ 49,161,658	\$ 8,142,290	\$ 14,151,577	\$ 13,672,087
2020	\$ 35,607,448	\$ 46,641,833	\$ 6,613,844	\$ 33,206,431	\$ 29,539,237
2021	\$ 34,307,290	\$ 43,928,609	\$ 5,052,357	\$ 4,505,827	\$ 3,976,276
2022	\$ 32,763,644	\$ 40,743,789	\$ 3,492,064	\$ 17,293,541	\$ 15,210,018
2023	\$ 30,445,237	\$ 36,974,470	\$ 2,115,712	\$ 5,487,680	\$ 4,792,876

Allocable UVB \$ 143,377,733

Employer's Total Withdrawal Liability

Share of Initial Plan Year UVB	\$ 1,944,264
Share of Additional UVB	\$ 143,377,733
Total Allocable UVB	\$ 145,321,997
De minimis adjustment	\$ 0
Withdrawal Liability	\$ 145,321,997

UFCW Unions and Participating Employers Pension Fund Withdrawal Liability Calculation for: SuperValu, Inc.

Plan Year of Withdrawal: 2024

(a) Withdrawal liability \$ 145,321,997.00

Hours of contributions for fiscal years ended December 31:

2014	5,469,601	2019	4,156,045
2015	5,316,815	2020	2,629,423
2016	5,207,700	2021	2,250,254
2017	5,041,139	2022	1,995,190
2018	4,662,020	2023	2,002,432

(b) Highest consecutive three-year average hours in last 10 years 5,331,372

(c) Highest contribution rate (excluding RP increases post 2014) in 10 years ending with year of withdrawal \$ 1.42

(d) Required annual payment: (b) x (c) \$ 7,570,548.00

(e) Amortization ratio: (a) / (d) 19.195704

(f) Years to amortize Withdrawal Liability 999.99

(g) Number of whole years for value (f) (Max of 20 years) 20.00

(h) Amount of initial assessment amortized in (g) years \$ 85,816,667.89

(i) Amount of initial assessment left to amortize: (a) - (h) \$ 59,505,329.11

(j) Amount to amortize in the final year: (i) plus interest N/A

(k) Quarterly payment: (d) ÷ 4 N/A

(l) Full quarters to pay in final year: integer part of (j) ÷ (k) N/A

(m) Amount in final quarter: (j) - [(k) x (l)] N/A

The payment schedule requires \$1,892,637.00 per quarter for 80 quarters.

UFCW Unions and Participating Employers Pension Fund
Table of Contributions for: SuperValu, Inc.

Plan Year of Withdrawal: 2024

Calendar Year	SuperValu, Inc.				UFCW Local 400 Meat And Poultry Pension Fund	UFCW Unions and Participating Employers Pension Fund				Both Funds Combined	10 Year Sum of Previous Withdrawn Employers	Both Funds 10 Year Sums Adjusted for Withdrawn Employers
	Gross	Surcharge	Net	10-year Sums	Gross	Gross	Surcharge	Net	10 Year Sums			
1993	\$ 649,902		\$ 649,902			\$ 1,788,747		\$ 1,788,747				
1994	744,129		744,129			1,763,704		1,763,704				
1995	785,261		785,261			1,831,092		1,831,092				
1996	730,211		730,211			1,575,363		1,575,363				
1997	795,241		795,241			1,601,224		1,601,224				
1998	1,288,929		1,288,929		\$ 134,523	2,015,470		2,015,470		\$ 2,149,993		
1999	1,231,476		1,231,476		140,484	1,881,926		1,881,926		2,022,410		
2000	1,442,230		1,442,230		178,238	2,105,788		2,105,788		2,284,026		
2001	1,431,142		1,431,142		179,944	2,108,276		2,108,276		2,288,220		
2002	1,699,179		1,699,179	\$ 10,797,700	185,590	2,309,704		2,309,704	\$ 18,981,294	2,495,294		
2003	1,929,669		1,929,669	12,077,467	199,837	2,536,812		2,536,812	19,729,359	2,736,649		
2004	2,952,376		2,952,376	14,285,714	228,520	3,594,287		3,594,287	21,559,942	3,822,807		
2005	3,922,130		3,922,130	17,422,583	297,639	4,901,401		4,901,401	24,630,251	5,199,040		
2006	3,912,547		3,912,547	20,604,919	313,088	5,130,734		5,130,734	28,185,622	5,443,822		
2007	3,833,657		3,833,657	23,643,335		5,399,422		5,399,422		5,399,422	\$ 310,668	\$ 33,531,015
2008	3,655,706		3,655,706	26,010,112		5,295,388		5,295,388		5,295,388	475,769	36,511,309
2009	3,429,958		3,429,958	28,208,594		5,194,432		5,194,432		5,194,432	454,088	39,705,012
2010	3,406,356	\$ 236,381	3,169,975	29,936,339		5,316,698	\$ 277,722	5,038,976		5,038,976	1,018,330	41,895,720
2011	3,357,961	276,634	3,081,327	31,586,524		5,315,167	405,540	4,909,626		4,909,626	1,155,513	44,379,943
2012	3,200,462	84,416	3,116,046	33,003,391		5,330,257	164,671	5,165,586		5,165,586	2,603,429	45,602,319
2013	3,881,981	0	3,881,981	34,955,703		5,754,596	0	5,754,596		5,754,596	6,195,222	45,028,473
2014	4,306,102	0	4,306,102	36,309,429		5,746,090	0	5,746,090		5,746,090	7,486,260	45,660,719
2015	4,179,135	0	4,179,135	36,566,434		5,565,957	0	5,565,957		5,565,957	10,837,823	42,676,073
2016	4,085,286	0	4,085,286	36,739,173		4,688,814	0	4,688,814		4,688,814	12,100,848	40,658,040
2017	3,949,647	0	3,949,647	36,855,163		4,450,798	0	4,450,798		4,450,798	10,815,539	40,994,725
2018	3,661,473	0	3,661,473	36,860,930		4,125,707	0	4,125,707		4,125,707	9,535,007	41,105,576
2019	3,264,286	0	3,264,286	36,695,258		3,715,508	0	3,715,508		3,715,508	8,142,290	41,019,369
2020	2,082,165	0	2,082,165	35,607,448		2,519,151	0	2,519,151		2,519,151	6,613,844	40,027,990
2021	1,781,169	0	1,781,169	34,307,290		2,196,402	0	2,196,402		2,196,402	5,052,357	38,876,252
2022	1,572,400	0	1,572,400	32,763,644		1,980,766	0	1,980,766		1,980,766	3,492,064	37,251,725
2023	1,563,574	0	1,563,574	30,445,237		1,985,277	0	1,985,277		1,985,277	2,115,712	34,858,758