

SHOPRITE SUPERMARKETS, INC. 401(k) PLAN

SUMMARY PLAN DESCRIPTION

Revised: November 2022

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INTRODUCTION

This is a summary of the ShopRite Supermarkets, Inc. 401(k) Plan (the “Plan,” previously known as the ShopRite Supermarkets, Inc. Payroll Deduction Savings Plan), which was originally established as of October 1, 1988. This summary reflects the provisions of the Plan as in effect on and after January 1, 2022. If you terminated employment before that date, different rules may apply to you.

The purpose of the Plan is to help you build additional savings to give you greater financial security when you retire, or to help you meet financial emergencies during your working years. Shop-Rite Supermarkets, Inc., trading as ShopRite Supermarkets, Inc. (referred to in this summary as the “Company”) is the Plan sponsor. No other employers participate in the Plan.

The Plan permits you to save and, at the same time, to reduce your current tax liability through regular payroll deductions. The Company matches a percentage of your savings, making contributions to your Plan account. In addition, the Company makes a contribution equal to 3% of your compensation each year, regardless of whether you have chosen to make your own contribution. You can invest your savings and the Company’s contributions in professionally managed investment funds.

Investing your savings in the Plan has a number of tax advantages. There are also provisions enabling you to temporarily suspend your savings, and you may withdraw a portion of your savings if you experience financial hardship.

The Plan is subject to and is designed to conform with applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and Internal Revenue Code and the regulations thereunder.

This booklet is a summary of the provisions of the Plan and is designed to answer your questions about the Plan. It explains who administers the Plan, how the Plan is structured, when benefits are payable from the Plan, and what your rights and obligations are under the Plan. This booklet, however, is intended **only** as a summary of the Plan.

Please read this summary carefully. If it appears to you that there may be a conflict between this summary and your understanding of the Plan and Trust documents, you should bring this to the attention of the Benefits Committee (the “Committee”), which has been delegated responsibility for administering the Plan by the Board of Directors.

PLEASE KEEP IN MIND THAT THE OFFICIAL PLAN AND TRUST DOCUMENTS ARE THE CONTROLLING LEGAL DOCUMENTS AND YOU SHOULD RELY SOLELY ON THE PROVISIONS OF THOSE DOCUMENTS. THUS, IF ANY CONFLICT SHOULD ARISE BETWEEN THIS SUMMARY AND THE TERMS OF THE PLAN AND TRUST DOCUMENTS, THE TERMS OF THE PLAN AND TRUST DOCUMENTS WILL GOVERN IN ALL CASES.

In no event should you make a decision with respect to your rights and obligations under the Plan unless you fully understand the consequences of such a decision for yourself and your beneficiaries. Remember, the Plan was adopted and is operated for the exclusive benefit of participants and their beneficiaries.

The Plan and Trust documents are available for your inspection during regular working hours, upon request to the Committee. You may also request a copy of the Plan and Trust documents for a minimal charge. The Committee will be happy to answer any questions you may have concerning the Plan and how it applies to you. In no event should you rely on any statements made by anyone other than the Committee concerning your rights or obligations under the Plan. Only a member of the Committee is legally authorized to explain your rights and obligations to you; no one else has the authority.

ELIGIBILITY FOR PLAN PARTICIPATION

All employees of the Company are eligible to participate in the Plan, other than:

- Employees who are members of a union that bargained separately for retirement benefits, unless the collective bargaining agreement provides for participation in the Plan;
- Individuals who are not treated as common law employees on the Company's payroll records (such as independent contractors), even if a court or administrative agency later determines that these individuals are common law employees and not independent contractors;
- Leased employees; and
- Nonresident aliens who receive no U.S. earned income.

If you are an eligible employee, you will become a participant in the Plan and may choose to begin making contributions on the first day of the calendar quarter (January 1, April 1, July 1, or October 1) on or after the later of (1) the date you reach age 21, or (2) the date you complete a Year of Eligibility Service. A *Year of Eligibility Service* is an Eligibility Computation Period (defined below) in which you earn at least 1,000 Hours of Service.

You receive credit for one *Hour of Service* for each hour that you are paid or entitled to payment for the performance of duties or for other reasons such as paid vacations or holidays, or for which you receive back pay. (Instead of counting your actual hours, the Company may credit your Hours of Service by using a calculation method approved by the Secretary of Labor; for example, if you are paid on a weekly basis, you may be credited with 45 Hours of Service for each week in which you actually perform at least one Hour of Service.) Generally, you will not receive credit for more than 501 Hours of Service for any single continuous period during which you perform no work. However, if your absence is due to qualified military service and you return to employment within the time period required by law, you will receive service credit to the extent required by

Federal law. Please note that you do *not* get credit for Hours of Service when you are receiving payments made solely for purposes of workers' compensation, unemployment compensation, disability insurance, or reimbursement of medical expenses. "Hour of Service" is a technical term which is more fully defined in the Plan document.

Your Hours of Service for purposes of determining your eligibility to participate are counted during 12-month *Eligibility Computation Periods*. Your initial Eligibility Computation Period is the 12-month period beginning with the day you start working for the Company (your "date of hire"). If you are credited with 1,000 or more "Hours of Service" in this 12-month period, you will have earned a Year of Eligibility Service. Your subsequent Eligibility Computation Periods include each Plan Year (calendar year) beginning after your date of hire. If you do not earn 1,000 Hours of Service in your initial Eligibility Computation Period, you will earn a Year of Eligibility Service in the first Plan Year beginning after your date of hire in which you earn at least 1,000 Hours of Service.

In determining service for eligibility purposes, you will receive credit for service you completed with any employer which is affiliated with the Company (but only during the period of affiliation). Previous service with Big V Supermarkets, Inc., will also be taken into account to the extent provided in the Plan.

If you terminate employment with the Company and its affiliates before you earn a vested benefit under the Plan (see **VESTING IN YOUR ACCOUNTS** on page 6) and you are later rehired, your previous Years of Eligibility Service will be disregarded if you have at least five consecutive "Breaks in Service" and the number of consecutive Breaks in Service equals or exceeds your Years of Eligibility Service before the Breaks. For this purpose, a *Break in Service* is a Plan Year in which you are credited with not more than 500 Hours of Service. If your previous Years of Eligibility Service are disregarded, you will be considered a new employee for all purposes under the Plan.

ENROLLMENT

Once you are eligible to participate in the Plan, you will need to complete an enrollment form available from the Plan Recordkeeper, Empower (see **WHO HOLDS YOUR SAVINGS – TRUSTEE AND RECORDKEEPER INFORMATION** on page 10). You should fill out an enrollment form even if you do not wish to contribute to the Plan when you first become eligible. In filling out the form, you will:

- Choose the percentage of your pay (if any) that you want to be deducted by the Company for investment in your Plan account;
- Choose the funds in which you wish your savings and any Company contributions to be invested;
- Select one or more beneficiaries to receive your vested account balance in the event of your death. (See **DEATH BENEFITS** on page 13.)

If you choose to contribute to the Plan, your deductions will begin as of the first payroll period following your enrollment in the Plan or as soon as administratively possible thereafter.

HOW MUCH YOU MAY SAVE

Deferral Contributions: You may make Deferral Contributions to the Plan by salary reduction equal to any whole percentage of your compensation up to 15%, up to the maximum dollar amount permitted by law. This maximum amount is \$20,500 for 2022 and is subject to adjustment for future years.

For purposes of the Plan, your *compensation* is generally the amount of your total taxable compensation from the Company received which is reported in Box 1 of your Form W-2 (Wage and Tax Statement), plus the amounts you contribute on a pre-tax basis under this Plan or another 401(k) plan, under the Company's cafeteria plan, or for a qualified transportation fringe. There is a dollar limit imposed by law on the amount of compensation that can be taken into account for each Plan Year. The limit is \$305,000 for 2022 and is subject to adjustment for future years.

Deferral Contributions up to 6% of your compensation are called *Basic* Deferral Contributions. Company matching contributions are based only on the amount of your Basic Deferral Contributions. Deferral Contributions which exceed 6% of your compensation are called *Additional* Deferral Contributions and are not matched.

Your Deferral Contributions are deducted from your gross pay before Federal income taxes are calculated and are therefore referred to as "pre-tax" contributions. (Deferral Contributions are, however, subject to Social Security taxes, and may also be subject to state and local taxes in some states.) Your Deferral Contributions are credited to your Elective Deferral Account.

Catch-Up Contributions: If you are age 50 or will reach age 50 by the end of the Plan Year, you may make additional contributions, known as Catch-Up Contributions, provided you have elected the maximum amount of Deferral Contributions permitted under the Plan. Like Deferral Contributions, Catch-Up Contributions are deducted from your compensation on a pre-tax basis for Federal income tax purposes. Catch-Up Contributions are subject to a dollar limit imposed by law; the limit is \$6,500 for 2022 and is subject to adjustment for future years. Catch-Up Contributions are not matched.

Catch-Up Contributions will be credited to your Elective Deferral Account and will be treated in the same manner as Deferral Contributions except as otherwise noted.

After-Tax Contributions: Before 2008, participants were allowed to make contributions to the Plan on an after-tax basis. After-Tax Contributions to the Plan are not allowed after 2007. If you made After-Tax Contributions before 2008, those contributions were credited to your After-Tax Contribution Account.

Excess Deferrals: If you participated in more than one 401(k), 403(b), or similar arrangement during a year and your regular pre-tax contributions or your catch-up contributions under this Plan and any other 401(k), 403(b), or similar arrangements exceed the dollar limits

described above for Deferral Contributions and Catch-Up Contributions, you must decide from which plan or plans the excess amount should be distributed. If you wish to have all or a portion of the excess amount for a calendar year distributed from this Plan, you must notify the Committee by March 1 of the next calendar year. The Plan will then distribute the excess amount to you, adjusted for earnings (or losses) through the end of the calendar year in which the contributions were made.

CHANGING OR SUSPENDING YOUR CONTRIBUTIONS

You may change the rate of your Deferral and Catch-Up Contributions to the Plan (in increments of 1%), or completely suspend your contributions, by filing a request with the Committee or the Plan Recordkeeper. Changes in your contribution percentage, or suspension of your contributions, will be implemented as soon as the Company can reasonably process your request, in accordance with procedures established by the Committee.

Please remember that if you suspend your Deferral Contributions, Company Matching Contributions will also stop. When you resume saving, you may not make up any contributions you missed.

Note: If you are on a leave of absence approved by the Company, you may be able to continue to participate in the Plan for a limited period of time by arranging to continue your contributions. If this situation applies to you, the Committee can explain the rules for continuing your contributions. Also, if you return to employment after qualified military service within the time prescribed by law, you will be permitted to make contributions and to have the Company make contributions on your behalf with respect to the period of your military leave to the extent required by law.

COMPANY MATCHING CONTRIBUTIONS

The Company will match 40% of your Basic Deferral Contributions up to the first 3% of your compensation, plus 20% of your Basic Deferral Contributions up to the next 3% of your compensation. The following table shows the amount of matching contributions (as a percentage of your compensation) for each rate of Basic Deferral Contributions:

<u>Basic Deferral Contributions</u>	<u>Matching Contributions</u>
1%	0.4%
2%	0.8%
3%	1.2%
4%	1.4%
5%	1.6%
6%	1.8%

Thus, if you contribute the maximum Basic Deferral Contributions (6% of compensation), the Company will make a matching contribution of 1.8% of your compensation. For example, an employee who is earning \$50,000 a year and who decides to save 10% of his or her pay through the Plan will have total savings for the year as follows:

Deferral Contributions (10% of \$50,000)	=	\$5,000
40% match on 3% of \$50,000 plus 20% match on 3% of \$50,000 = \$600 + \$300		<u>900</u>
Total		\$5,900

Matching contributions will be determined and contributed to the Plan on a payroll basis. Matching contributions will be credited to your Matching Contribution Account. As noted above, the Company does not match your Catch-Up Contributions or Additional Deferral Contributions (i.e., Deferral Contributions in excess of 6% of compensation). However, you may wish to make Additional Deferral Contributions or Catch-Up Contributions in order to take advantage of the convenience of saving by payroll deduction, the opportunity to invest in professionally managed funds without paying commissions, and the other tax advantages offered by the Plan (see **TAX ADVANTAGES** on page 17). Please note, though, that your Additional Deferral Contributions count against the dollar limit on Deferral Contributions (\$20,500 for 2022) and may therefore reduce the amount of Basic Deferral Contributions you can make.

COMPANY NONELECTIVE CONTRIBUTIONS

In addition to matching contributions, the Company will make a contribution each year equal to 3% of the compensation you receive while participating in the Plan, whether or not you make Deferral Contributions to the Plan. This contribution is called a “nonelective” contribution because it does not depend on your election to contribute. Nonelective contributions will be credited to your Nonelective Contribution Account after the end of the year for which they are made. (For example, contributions based on your 2022 compensation will be made in 2023.)

MONEY PURCHASE ACCOUNT

The Shop-Rite Supermarkets, Inc. Money Purchase Pension Plan (the “MPP”) was merged with and into the Plan effective December 31, 2007. If you previously participated in the MPP, amounts in your MPP account were transferred to this Plan and credited to your Money Purchase Account. The Company does not make contributions to your Money Purchase Account. If you did not participate in the MPP, you will not have a Money Purchase Account.

VESTING IN YOUR ACCOUNTS

You are always 100% vested in – that is, you have a nonforfeitable right to – the amounts in your Elective Deferral Account, Nonelective Contribution Account, and After-Tax Contribution Account (if any).

You become vested in your Matching Contribution Account and your Money Purchase Account (if any) according to the following schedule:

<u>Period of Service</u>	<u>Percentage Vested</u>	
	<u>Matching Account</u>	<u>Money Purchase Account</u>
Less than 1 year	0%	0%
1 year but less than 2 years	20%	0%
2 years but less than 3 years	40%	0%
3 years but less than 4 years	60%	100%
4 years but less than 5 years	80%	100%
5 years or more	100%	100%

If you leave the Company before you become fully vested in your Matching Contribution and Money Purchase Accounts, you will forfeit the amount in which you are not vested (see **FORFEITURES AND REPAYMENTS TO THE PLAN** on page 8). The Company uses forfeited amounts to reduce its future contributions to the Plan.

Regardless of the length of your Period of Service, you will automatically become 100% vested in your Matching Contribution and Money Purchase Accounts if you are working for the Company at or after age 65, or if you die or become disabled while employed by the Company. *Disability* for this purpose means permanent incapacity (determined in accordance with the Federal Social Security Act) which results in your being unable to engage in any regular gainful employment or occupation by reason of any medically demonstrable physical or mental condition. Disability will be deemed to exist only when a written application has been filed with the Company and when your disability is certified by a licensed physician approved by the Company. Your disability will not be considered established unless it has continued for a period of at least five months.

SERVICE FOR VESTING

Your *Period of Service* for purposes of vesting is generally measured from your date of hire or rehire to your date of termination of employment. If you are absent from work for more than one year without terminating employment, your Period of Service will end on the first anniversary of the first day of your absence. If you return to work for the Company after an absence of less than one year (whether or not you have terminated employment), the period of absence will also be treated as a Period of Service. All of your Periods of Service are aggregated, except for Periods of Service which are disregarded under the rules described below.

You will receive credit, in determining your Period of Service, for any service you completed with any employer which is affiliated with the Company (but only during the period of affiliation, except that any service while you were a participant in the Wakefern Food Corporation 401(k) Savings Plan will be counted). Also, if you are absent to due qualified military service, you will receive service credit and contributions with respect to such qualified military service to the extent required by Federal law.

For purposes of determining the vested percentage of your Money Purchase Account (if any), your Period of Service will include any period which would have been taken into account for vesting purposes under the MPP.

PERIODS OF SEVERANCE

A *Period of Severance* generally includes any period which is not a Period of Service. However, if you are absent from work for maternity or paternity reasons (including your pregnancy, the birth of your child, the placement of a child with you for adoption, and the care of your child for a period immediately after birth or placement), your Period of Severance will not begin until the second anniversary of the first day of your absence. All or part of a Period of Severance may also be disregarded to the extent required by the Family and Medical Leave Act of 1993.

When you return to work after a Period of Severance, the following rules will apply in determining whether your service before the Period of Severance is taken into account:

- Unless and until you complete a one-year Period of Service after your Period of Severance, any service before the Period of Severance is disregarded.
- Once you complete a one-year Period of Service after your Period of Severance, any previous Periods of Service are taken into account as follows:
 - If you had any vested benefit under the Plan before your Period of Severance, all of your previous Periods of Service will be taken into account.
 - Otherwise, your previous Periods of Service will be taken into account only if your Period of Service was shorter than five years (or, if longer, the length of your Periods of Service taken into account before the Period of Severance).

FORFEITURES AND REPAYMENTS TO THE PLAN

If you leave the Company and receive a distribution of your vested accounts, you will forfeit any nonvested portion of your Matching Contribution and Money Purchase Accounts. If you return to work within five years after you receive the distribution, you can repay the entire amount of the distribution in order to have your Accounts restored. If this situation becomes applicable to you, the Committee will advise you of the date by which you must repay your distribution in order to restore your Accounts. If you do not restore your Accounts, you will never be entitled to the previously forfeited amounts, even if you later complete enough service to be 100% vested in those Accounts.

If you leave the Company before you have any vested interest in your accounts, you will forfeit any nonvested account balance. If you return to work within five years, the nonvested account balance will automatically be restored.

If you are partially vested in your accounts when you leave the Company and all affiliated companies and you do not take a distribution, you will forfeit any nonvested portion of your Matching Contribution and Money Purchase Accounts when you have a five-year Period of Severance.

ROLLOVER AND TRANSFER CONTRIBUTIONS

If you are an eligible employee (see **ELIGIBILITY FOR PLAN PARTICIPATION** on page 2) and you receive a distribution from an eligible retirement plan maintained by a former employer or from a traditional individual retirement account or annuity (“IRA”), you may make a Rollover Contribution of that distribution to your Rollover Account under the Plan. However, you may not roll over after-tax amounts to the Plan. There are special rules concerning acceptance of Rollover Contributions. Therefore, if you wish to make a Rollover Contribution to the Plan, contact the Committee for more details.

If you terminated employment with an affiliated entity that also maintains a Section 401(k) plan (the “Affiliate Plan”) to become an employee of the Company, you may be entitled to transfer your account balance from the Affiliate Plan to this Plan to be held in your Transferred Contributions Account. If you believe you qualify for such a transfer, please consult the Committee for more details.

Your Rollover Account and Transferred Contributions Account, if any, will always be 100% vested (nonforfeitable).

Certain accounts (including outstanding loan balances) may also be transferred to the Plan from terminated plans of the Company or an affiliate. These amounts will be allocated to the corresponding accounts under the Plan and may be subject to special rules. Please contact the Committee for further information.

HOW YOU MAY INVEST YOUR ACCOUNTS

The Plan offers you the opportunity to invest in various investment funds. Each of the funds has a different investment goal, so you should make your selections carefully. You may invest your Plan accounts in one or all of the funds. If you do not make specific investment elections, the Plan Recordkeeper will direct the Trustee to invest your deposits in the default investment fund or funds designated by the Committee.

Information regarding the investment alternatives available under the Plan, including the risk and return characteristics and the type and diversification of assets of each designated investment alternative, is available from the Committee. You may also obtain the following additional fund information from the Plan Recordkeeper:

- A description of the annual operating expenses of each designated investment alternative (*e.g.*, investment management fees, administrative fees, and transaction costs) which reduce the rate of return to participants and beneficiaries, and the aggregate amount of such expenses expressed as a percentage of average net assets of the designated investment alternative.
- Copies of any financial statements and reports and of any other materials relating to the investment alternatives available under the Plan.

- A list of the assets making up the portfolios of each of the investment alternatives provided under the Plan, and the value of each asset (or the portion of the investment alternative which it makes up).
- Information concerning the value of shares or units in the investment alternatives available to you or your beneficiary under the Plan as well as the past and current investment performance of each alternative, determined, net of expenses, on a reasonable and consistent basis.
- Information concerning the value of shares or units of investment alternatives in which you have invested.

Investment of Contributions. You may decide how your future Employee Deferral, Catch-Up, Matching, Nonelective, and Rollover and Transferred Contributions are to be invested among the alternatives offered. You may change the manner in which your future Employee Deferral, Catch-Up, Matching, Nonelective, and Rollover and Transferred Contributions will be invested among the currently available investment alternatives by calling 800-743-5274, or online at www.retiresmart.com.

Investment of Accounts. You, or your beneficiary, may transfer all or any portion of your existing Plan accounts among any of the available investment funds. Please keep in mind that such a transfer does not affect the investment mix of your future Employee Deferral, Catch-Up, Matching, Nonelective, and Rollover and Transferred Contributions. You can request a transfer by calling 800-743-5274, or online at www.retiresmart.com. You can also use this telephone number to obtain information on the value of your accounts.

The Committee may impose reasonable restrictions, limitations, or conditions on the ability of participants and beneficiaries to transfer amounts between investment funds in order to prevent or discourage abusive trading practices (such as excessive trading or market timing).

INVESTMENT RISKS

Consider your investment elections carefully. With respect to your directed investment of your Plan accounts, the Plan is intended to constitute a plan described in section 404(c) of ERISA. This means that fiduciaries of the Plan may be relieved of liability for any losses which are the direct and necessary result of your investment choices. AMOUNTS CONTRIBUTED TO THE PLAN ARE SUBJECT TO THE RISKS NORMALLY INCIDENT TO THE OWNERSHIP OF SECURITIES. INVESTMENT IN ANY OF THE INVESTMENT FUNDS INVOLVES A SIGNIFICANT NUMBER OF RISKS, INCLUDING POSSIBLE LOSS OF PRINCIPAL. THE INVESTMENT FUNDS DIFFER SIGNIFICANTLY IN TERMS OF SPECIFIC RISKS. YOU SHOULD RECOGNIZE THAT YOUR ACCOUNTS ARE NOT PROTECTED AGAINST LOSS.

WHO HOLDS YOUR SAVINGS – TRUSTEE AND RECORDKEEPER INFORMATION

Your accounts are held by the Plan Trustee, Reliance Trust Company. The Trustee's mailing address is:

Reliance Trust Company
1100 Abernathy Road, N.E. Suite 400
Atlanta, GA 30328-5634

Records regarding Plan accounts are maintained by the Plan Recordkeeper, Empower. The Plan Recordkeeper's mailing address is:

Empower
1295 State Street
Springfield, MA 01111

The Plan Recordkeeper will keep a record of all contributions which you and the Company make to the Plan, and of all earnings and losses to your accounts.

REPORTS ON YOUR ACCOUNTS

Within a reasonable time after the end of each calendar quarter, you will receive a report indicating all contributions and earnings (or losses) credited to your account during the previous three months, as well as figures indicating the current value of your total account. You may also receive the value of your account in total or by each fund by calling 800-743-5274, or online at www.retiresmart.com. Your account balance is current as of the prior business day.

DISTRIBUTIONS FROM THE PLAN

Distributions from the Plan are normally made in a cash lump sum shortly after your termination of employment with the Company (and its affiliates) for any reason, including retirement, death, or disability. However, distribution will not be made to you without your consent until April 1 of the calendar year following the year in which you reach age 72 (or, if later, the year in which you terminate employment), unless your vested account balance under the Plan is \$5,000 or less (determined without taking into account the amount in your Rollover Account). When you receive a distribution, you may choose to make a direct rollover as explained at page 16 under the heading **WITHHOLDING AND ROLLOVERS**.

If, at the time of you terminate employment with the Company and its affiliates, your vested account balance is \$5,000 or less (determined without taking into account the amount in your Rollover Account), you will receive a distribution of your vested account balance shortly after your termination. If the amount is \$1,000 or less, it will be paid to you by check. Otherwise, unless you choose another option, the distribution will automatically be rolled over into an IRA with Millennium Trust Company in your name and will be invested in an investment product designed to preserve principal and to provide a reasonable rate of return and liquidity. Any fees and expense attendant to the IRA will be paid from the IRA. For more information regarding this automatic rollover and the fees and expenses attendant to the IRA, contact the Committee.

Under certain circumstances, you may be permitted to make a withdrawal from your Plan accounts while you are still working for the Company or an affiliate (see **WITHDRAWALS FROM THE PLAN** on page 14).

The amount you receive will be based on the value of your total Plan account as of the date of distribution.

Note: If you terminate employment with the Company to become an employee of an affiliated company that also maintains a 401(k) plan and you are eligible to participate in that plan, you may be entitled to transfer your Plan account balance (including any outstanding loan balance) to the affiliate's 401(k) plan. If you believe you qualify for such a transfer, please consult the Committee.

SPECIAL RULES FOR MONEY PURCHASE ACCOUNT

If your vested account balance in the Plan (excluding your Rollover Account) exceeds \$5,000, then your vested Money Purchase Account (if any) will be distributed in one of the automatic annuity forms described below, unless you and your spouse (if you are married) consent to a lump-sum distribution. (For purposes of the Plan, your marital status is determined in accordance with Federal law.)

Single Life Annuity: If you are *unmarried* when your benefit payments begin, the automatic form of payment of your benefit will be a single life annuity. Under this form of distribution, you receive monthly annuity payments for your lifetime, and payments end upon your death.

Joint and Survivor Annuity: If you are *married* when your benefit payments begin, the automatic form of payment of your benefit will be a qualified joint and survivor annuity. Under this form of distribution, you receive monthly annuity payments for your lifetime and, after your death, your surviving spouse will receive a monthly annuity for his or her lifetime in an amount equal to 50% (or, if you choose, 75%) of the monthly annuity payable during your lifetime. For example, if, under a joint and 50% survivor annuity, a participant was receiving a monthly pension of \$400 at the time of his death, his surviving spouse would receive a monthly pension of \$200 after the participant's death for the remainder of her life.

To provide either of these annuities, the Plan Recordkeeper will direct the Trustee use your vested Money Purchase Account balance to purchase an annuity contract from an insurance company. The amount of the monthly annuity will be the amount that can be purchased at the time your benefit payments begin.

The Plan Recordkeeper will provide you with a written notice explaining these annuity forms, your waiver rights, and, if you are married, the spousal consent requirements. The notice will explain the economic effect of taking your benefits in the automatic annuity form. The Plan Recordkeeper will also provide you with an appropriate form to use in making your election as to whether to receive the automatic annuity or a lump sum. If you are married, your spouse must

consent in writing to any election not to take the joint and survivor annuity form of payment, and your spouse's consent must be witnessed by a notary public or a Plan representative.

DEATH BENEFITS

If you die before you begin to receive payments from the Plan, your entire vested account balance will be paid to your beneficiary, except as otherwise provided below with regard to your Money Purchase Account.

If you are married (as determined for purposes of Federal law), your beneficiary is automatically your spouse unless you elect another beneficiary and your spouse consents to the designation in writing. Your spouse's consent must be witnessed by a Plan representative or a notary public.

If no designated beneficiary survives you, or if you fail to designate a beneficiary, your account balance will be paid to one of the following in the following order: (1) your spouse, if you are married; (2) if you are not married, your children in equal shares, with distribution to descendants of deceased children, or (3) if you are not married and have no descendants, your estate.

If you die while performing qualified military service, death benefits will be paid as if you had died while employed by the Company.

The Plan Recordkeeper or the Committee will provide you with the necessary beneficiary designation and spousal consent forms.

MONEY PURCHASE ACCOUNT DEATH BENEFITS

If you are married and you die before distribution of your vested account balance begins, the Plan will use your vested Money Purchase Account (if any) to provide a preretirement survivor annuity to your surviving spouse, unless you waive this annuity benefit with your spouse's consent. Under a preretirement survivor annuity, your surviving spouse will receive monthly annuity payments for life. (Your spouse may choose to delay commencement of these payments until December 31 of the calendar year in which you would have reached age 72 or, if later, December 31 of the year immediately following the year in which you die.) The amount of the annuity will be the amount which can be purchased from an insurance company with your vested Money Purchase Account.

The Plan Recordkeeper will provide you an appropriate form to elect whether to have the Plan pay a preretirement survivor annuity. The form will explain the economic effect of taking death benefits in the form of a preretirement survivor annuity. Your spouse must consent in writing to any election not to receive a preretirement survivor annuity, and your spouse's consent must be notarized or witnessed by a Plan representative. You may waive the preretirement survivor annuity (with your spouse's consent) at any time; however, if your waiver is made before the first day of the year in which you reach age 35 and before you terminate employment, it will become invalid as of

the first day of the year in which you reach age 35. You must then execute a new waiver (with your spouse's consent).

If your spouse is entitled to a preretirement survivor annuity but your vested account balance at the time of your death is \$5,000 or less (determined without taking into account the amount in your Rollover Account), an immediate lump-sum payment of 100% of your vested account balance will be made to your spouse in lieu of the preretirement survivor annuity. If your vested account balance is greater than \$5,000, your spouse may elect to receive a lump-sum payment in lieu of the preretirement survivor annuity.

If you are married and you waive the preretirement survivor annuity, your spouse must consent to your designation of any nonspouse beneficiary with respect to your Money Purchase Account. The Committee will provide you with the necessary beneficiary designation and spousal consent forms. If you do not designate a beneficiary, or if your beneficiary does not survive you, your beneficiary will be (1) your spouse, if you are married; (2) if you are not married, your children, in equal shares, with distribution to descendants of deceased children; and (3) if you are not married and have no descendants, your estate.

Note: If you die after your benefit commencement date under the Plan, the preretirement survivor annuity coverage will not apply.

WITHDRAWALS FROM THE PLAN

The Plan is designed as a long-term investment for your future and, therefore, the Company does not encourage withdrawals while you are still working. On the other hand, the Company recognizes that we all have financial emergencies from time to time. Therefore, you may withdraw your money from the Plan under the following terms and conditions:

- You may not make more than two withdrawals in any Plan Year.
- The amount of each withdrawal must be at least \$1,000 (or, if less, the full amount of your vested account balance).
- You may withdraw any amounts from your After-Tax Contribution Account, Rollover Account, and Transferred Contributions Account.
- You may withdraw any vested amounts from your Elective Deferral Account, Matching Account, and Nonelective Account after you reach age 59½.
- You may withdraw any amounts from your Elective Deferral Account before you reach age 59½ if you qualify for a "hardship withdrawal." A hardship withdrawal is permissible only for an immediate and heavy financial need. You are permitted to withdraw only the amount necessary to alleviate a financial need arising from:

- Unreimbursed medical expenses previously incurred by you, your spouse, your dependents (as defined in the Plan), or your designated Beneficiary, or necessary for any of you to obtain medical care;
- Purchase of your primary residence (excluding mortgage payments);
- Tuition payments, related educational fees, and room and board for the next 12 months of post-secondary education for you or your spouse, child, dependent (as defined in the Plan), or designated Beneficiary;
- Payments to prevent eviction from your primary residence or foreclosure on the mortgage on your primary residence;
- Payments for burial or funeral expenses for your deceased spouse, parent, child, dependent (as defined in the Plan), or designated Beneficiary;
- Expenses for the repair of damage to your principal residence that would qualify for the casualty loss deduction for Federal income tax purposes; or
- Any other event deemed an immediate and heavy financial need by the Commissioner of Internal Revenue in revenue rulings, notices and other documents of general applicability.

You are eligible for a hardship withdrawal only if all of the following requirements are met:

- The distribution does not exceed the amount of the need (including amounts necessary to pay any Federal, state, or local income taxes reasonably expected to result from the distribution);
- You represent that you have insufficient cash or other liquid assets reasonably available to satisfy the need; and
- You have obtained all other distributions currently available under all plans maintained by the Company or an affiliate.

You should note that, under Federal law, in-service distributions which you receive before age 59½ are generally subject to a 10% early distribution tax (in addition to regular income tax).

- You are not permitted to withdraw amounts from Money Purchase Account while you are still working for the Company or an affiliate, under any circumstances.

All requests for withdrawals must be made in writing to the Committee. You may want to discuss the tax implications of making a withdrawal with your own personal tax advisor before taking any action.

LOANS

If you are actively employed by the Company or an affiliate, you may apply for a Plan loan. The amount of your loan must be at least \$1,000 and, when added to the outstanding balance of any other loan under the Plan or another plan maintained by the Company or an affiliate, cannot exceed the smaller of:

- \$50,000 reduced by the excess, if any, of the highest outstanding loan balance with respect to your account (or under any other plan maintained by the Company or an affiliate) in the past 12 months, over the outstanding loan balance on the date the new loan is made; or
- One-half of your eligible vested account balance.

In general, you can have only one loan outstanding at a time. However, certain additional loans were permitted in 2020 pursuant to the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”). The interest rate charged on the loan will be a rate that is commensurate with the prevailing rates for loans under similar circumstances in the marketplace as required by law. (Keep in mind that since you are repaying the loan into your own account, you are, in effect, paying yourself the interest.)

A loan must be paid back within five years, unless it is to be used to acquire your principal residence, in which case it must be paid back within 15 years. (Certain extensions may apply under the CARES Act.) Loans must be repaid through level deductions of principal and interest from your regular paychecks for the duration of the loan. Your loan will be secured by up to 50% of your vested accounts.

If your employment terminates and you have an outstanding loan, the loan will be accelerated and the remaining balance (principal and interest) will be deducted from benefits payable to you from the Plan. The amount deducted will be considered a distribution to you for Federal income tax purposes. By accepting the terms of the loan agreement, you are agreeing to this loan default arrangement.

To request a loan or a copy of the Plan’s loan policy, contact the Plan Recordkeeper at 800-743-5274, or online at www.retiresmart.com.

Note: As required by Federal law, the Plan also permits loans to former employees who are parties in interest (as defined under the law) with respect to the Plan. An employee who is a party in interest may continue to repay an outstanding loan if he or she terminates employment.

WITHHOLDING AND ROLLOVERS

Withholding at the rate of 20% applies to all payments from the Plan which are “eligible rollover distributions” (see definition below) and which are not directly rolled over to an “eligible

retirement plan” (see definition below). The amount withheld will be sent to the Internal Revenue Service as Federal income tax withholding.

An “eligible rollover distribution” is any distribution of all or any portion of your benefit in a qualified plan with certain exceptions. The exceptions include (1) annuity payments, (2) required distributions after age 72, (3) hardship withdrawals, and (4) distributions that are reasonably expected to total \$200 or less.

An “eligible retirement plan” means a tax-qualified retirement plan (under section 401(a) or 403(a) of the Internal Revenue Code), an IRA, a Roth IRA, a tax-deferred annuity plan (under section 403(b) of the Internal Revenue Code), or a governmental plan (under section 457 of the Internal Revenue Code) which agrees to account separately for the rolled over amount. After-tax amounts may be rolled over only to an IRA or to a defined contribution plan described in section 401(a), 403(a), or 403(b) of the Code which agrees to account separately for the after-tax amounts.

If you choose a direct rollover of your payment from the Plan, Federal income tax will not be withheld from the portion directly rolled over. That is, if you choose to have your payment made directly to an eligible retirement plan that accepts your rollover, the full amount of the payment will be transferred to that eligible retirement plan, and no Federal income tax will generally be due until you take the money out of the eligible retirement plan.

Generally, a direct rollover cannot include any outstanding loan balance. However, in the case of a direct rollover to a plan maintained by an affiliate of the Company, the direct rollover can include an outstanding loan balance.

When you become eligible to receive a payment from the Plan, you will receive more detailed information about the withholding rules. If you have any questions concerning direct rollovers and your rights, you should contact the Committee.

TAX ADVANTAGES

The Plan qualifies for favorable tax treatment under the Internal Revenue Code. These tax advantages have been designed by Congress to encourage saving and investment among the country’s working population and can make a significant contribution to the growth of your account balance over the years. Here are some of the major tax considerations that are effective as long as you leave your account balance in the Plan:

- Your Deferral Contributions and Catch-Up Contributions are not currently taxed as income for Federal income tax purposes;
- Company contributions to your account are not currently taxed as income;
- Earnings on your investments are not taxed each year; and
- If you do not take distribution of your account until you retire, you may be in a lower tax bracket, and additional tax breaks may be available to you at that time.

You should consider these tax advantages carefully before you decide to make a withdrawal from the Plan. Remember that, with the exception of After-Tax Contributions, any withdrawals you make from the Plan will be taxed in the year in which you receive them, and amounts which you withdraw before age 59½ will generally be subject to a 10% excise tax.

HOW YOUR BENEFITS COULD BE ADVERSELY AFFECTED

As explained above, you always have a 100% vested right to your Elective Deferral, Nonelective Contribution, After-Tax Contribution, Rollover Contribution, and Transferred Contribution Accounts. However, if you terminate employment before you are vested, you may forfeit some or all of your Matching Contribution and Money Purchase Accounts.

Your benefit may be reduced by adverse investment experience, by taxes assessed against you or payable by the Trust, and by administrative costs incurred by the Committee, the Plan Recordkeeper, or the Trustee and not paid directly by the Company.

If the Company makes a mistake with respect to, for example, your compensation and, as a result, makes a mistake as to your Matching or Nonelective Contributions, the Company is entitled to the return of the portion of the contribution attributable to the mistake within a certain period of time. Also, if a Federal tax deduction for any contribution by the Company is disallowed, the amount of the disallowance may be refunded by the Trust to the Company.

Your payments from the Plan may be delayed if you fail to notify the Committee of a change of address and the payments become undeliverable.

Federal law provides limitations on the maximum amount that can be allocated to your account in any one year. If these limitations become applicable to you, the Committee will advise you how your Deferral Contributions or Company Matching or Nonelective Contributions will be affected.

Finally, if anyone entitled to benefits is a minor or is legally incapable of receiving payments, the Committee may pay the benefits to someone else for the benefit of the recipient (for example, a legal guardian). Benefits may also be paid to an alternate person under a qualified domestic relations order relating to child support, alimony, or marital property rights (see “Your Right to Benefits” on page 21).

ADDITIONAL PLAN INFORMATION

Plan Administration

The Plan is administered by the Committee appointed by the Board of Directors. The Committee controls the management, operation, and administration of the Plan. The specific duties of the Committee are set forth in the legal document which governs the administration of the Plan. The Committee may delegate to any agent such duties and powers as it deems appropriate.

You may get in touch with the Committee by writing to or calling:

Shop-Rite Supermarkets, Inc.
Benefits Committee
176 North Main Street
Florida, NY 10921
(845) 651-4411

Members of the Committee as of July 1, 2022, are:

President and Chief Operating Officer (currently Steve Savas)
Vice President of Operations (currently Michael Schoendorf)
Controller (currently Andrew Abellonio)
Director of Human Resources (currently Alina Svizzero)
Vice-President of Merchandising (currently Michael Martin)

Legal process may be served upon the Committee as Plan Administrator. The Committee has designated Steve Savas (at the above address) as agent for service of legal process. Legal process may also be served on the Trustee of the Plan.

Plan Amendment or Termination

The Company reserves the right to amend or terminate the Plan at any time. In the event the Plan is terminated or all contributions are completely discontinued, you will become fully vested in your Matching Contribution and Money Purchase Accounts. Under no circumstances will any of the assets of the Plan ever be diverted to or used for any purpose other than the exclusive benefit of Plan participants and their beneficiaries and the payment of reasonable expenses of administering the Plan.

Claims Procedure

Claims for benefits from the Plan must be made in writing on a form supplied by the Committee. You cannot bring a court action regarding a claim for benefits under the Plan unless and until you have exhausted your rights to review under the Plan's claim procedures. Once you have filed a claim, you will be advised within 90 days (45 days if the claim involves a determination of disability) as to whether your claim is approved, unless an extension of time is required, as described below. Should your claim be denied, you will be given the specific reason or reasons for the denial, specific references to provisions of the Plan upon which the denial is based, a description of any additional material or information necessary for review of the claim with an explanation regarding why such material or information is necessary, and an explanation of the review procedures and time limits and your rights following denial upon review. You or a representative has the right to review, and/or receive copies of, all documents related to your claim free of charge.

You may appeal the denial of a claim by filing, within 60 days after receiving notice of the denial (180 days with respect to a determination of disability), a written notice of appeal, setting forth all the facts upon which your appeal is based. You may submit written issues, documents, and

other information related to your claim, all of which will be considered without regard to whether it was submitted or considered in the initial claim determination. Your case will be heard and decided by the Committee within a reasonable period of time after it receives your notice of appeal. You may make an oral presentation at the hearing. You will receive notice of a denial within 60 days (45 days for a disability determination), unless an extension of time is required, as described below. The denial of a claim or review will set forth specific reasons with references to specific Plan provisions, will apprise you of your right to receive copies of all relevant information free of charge, and will explain your right to bring an action under ERISA §502(a).

In the case of a denial of a claim or appeal involving a determination of disability, in addition to the information described above, you will receive:

- A discussion of the decision, including an explanation of the basis for disagreeing with or not following (i) the views presented by you to the Plan of health care professionals treating you and/or vocational professionals who evaluated you; (ii) the view of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with the claim denial, regardless of whether the advice was relied upon in making the claim decision; and (iii) any Social Security disability determination that you provided to the Plan;
- If the denial is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, or a statement that such explanation will be provided free of charge upon request;
- Either the specific internal rules, guidelines, protocols, standards, or other criteria of the Plan relied upon in making the claim determination, or a statement that such rules, guidelines, protocols, standards, or other similar rules of the Plan do not exist; and
- In the case of an appeal denial, a description of any applicable contractual limitations period that applies to your right to bring a civil action in state or Federal court, including the calendar date on which the contractual limitations period expires for the claim.

The decision periods with respect to initial claims and appeals of claims may be extended in special circumstances if notice describing the special circumstances requiring a specified amount of additional time is provided to you before the end of the initial 90-day or 60-day period (or 45-day period in the case of a disability determination), respectively. If you fail to submit information necessary to decide the claim or appeal, the decision period will be tolled until you respond to the request for additional information.

Plan Identification

The Employer Identification Number (EIN) assigned by the Internal Revenue Service to the Company is 22-1705981. The Plan Number assigned to the Plan by the Company is 001.

The Plan Year is the calendar year.

Your Right to Benefits

The Plan was designed to help provide financial security to you and your family in your later years. Therefore, you are not permitted to assign your benefit to another person or to use your benefit as collateral.

Federal law does permit, however, a distribution of all or a portion of your account to an alternate payee if such a distribution is required by a “qualified domestic relations order” which relates to child support, alimony, or marital property rights payments.

The Committee has established procedures by which it will determine whether benefits are payable to an alternate payee as required by a qualified domestic relations order. The Committee will advise you of the necessary information if any part of your account is to be assigned to an alternate payee under a qualified domestic relations order.

Terms and Conditions of Employment

Neither the establishment of the Plan, nor the participation therein by an employee, will be deemed to constitute a contract of employment or a promise, express or implied, of continued employment. Every employee, whether or not a Participant, will remain subject to discharge, just as though the Plan had never been adopted.

Plan Documents

This booklet highlights the major provisions of your Plan. Full details of the Plan are contained in the official Plan and trust documents which govern its operation. If you wish to receive a copy of these documents or of any other instrument used to administer the Plan, please write to:

Shop-Rite Supermarkets, Inc.
Benefits Committee
176 North Main Street
Florida, NY 10921

Your request will be honored within 30 days. A charge may be made for the materials sent to you. In addition, all documents pertaining to the Plan are available for your review during normal working hours at the above location.

Type of Plan

The Plan is classified by the Department of Labor as a “defined contribution” plan. Benefits under the Plan are not covered by the Pension Benefit Guaranty Corporation (“PBGC”). The PBGC was established to insure benefits under “defined benefit” plans.

STATEMENT OF ERISA RIGHTS

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that, as a Plan participant, you are entitled to:

- (1) *Information about Your Plan and Benefits.* As a Plan participant, you may:
 - Examine, without charge, at the Committee’s office and at other specified locations, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
 - Obtain, upon written request to the Committee, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 series) and updated summary plan description. The Committee may make a reasonable charge for the copies.
 - Receive a summary of the Plan’s annual financial report. The Committee is required by law to furnish each participant with a copy of this summary annual report.
 - Obtain a statement telling you whether you have a vested right to the employer contributions made on your behalf if you stop working under the Plan now. If you are not fully vested, the statement will tell you how many more years you have to work to become fully vested. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.
- (2) *Prudent Actions by Plan Fiduciaries.* In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for operating the Plan. The people who operate your Plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.
- (3) *Enforcement of Your Rights.* If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents

relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file a suit in a Federal court. In such a case, the court may require the Committee to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Committee. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court (after you exhaust the claims and appeals procedures under the Plan). In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in a Federal court.

If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

- (4) *Assistance with Your Questions.* If you have any questions about your Plan, you should contact the Committee. If you have any questions about your rights under ERISA, or if you need assistance in obtaining documents from the Committee, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.