



Pension Proposal – August 25, 2019

Ralphs has proposed to invest more than \$227 million to secure your pension over the next three years. *What does that mean for you?* Ralphs associates and retirees will continue to have a secure and stable pension benefit for the three-year term of this contract.

Pensions are rare anymore. A pension is a retirement savings account that is completely funded by a company for its employees. Ralphs (Kroger) is part of the less than 7% of the Fortune 500 companies that still pay a traditional pension. In other words, Ralphs associates do not contribute to their pension fund for retirement.

As a company, we make contributions to ensure that the pension fund stays stable and healthy. As a matter of fact, we are contributing more money in this new contract to ensure that it remains secure and funded for associates and retirees for the three-year term of our agreement.

In our current proposal, our contributions would increase to maintain your current level of pension benefits, which includes an early retirement option for some associates at age 50, depending on your years of service – that's unheard of in today's workplace.