**Risk Factors Comparison 2024-02-28 to 2023-03-01 Form: 10-K**

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The Company faces many risks. If any of the events or circumstances described in the following risk factors occur, the Company' s financial condition or profitability may suffer, and the trading price of the Company' s common stock could decline. We provide these risk factors for investors as permitted by and to obtain the rights and protections under the Private Securities Litigation Reform Act of 1995. It is not possible to predict or identify all such factors. Consequently, investors should not consider the following to be a complete discussion of all potential risks or uncertainties applicable to our business. This discussion of risk factors should be read in conjunction with the other information in this Annual Report on Form 10- K. All of these forward- looking statements are affected by the risk factors discussed in this item and this discussion of risk factors should be read in conjunction with the discussion of forward- looking statements, which appears at the beginning of this report. Business and Operational Risks The Company operates in an extremely competitive industry where many of the Company' s competitors are much larger and may be able to compete more effectively. The grocery industry is highly competitive. The Company' s Wholesale and Retail segments have many competitors, including regional and national grocery distributors, large chain stores that have integrated wholesale and retail operations, mass merchandisers, e- commerce providers, deep discount retailers, limited assortment stores and wholesale membership clubs. Many of the Company' s competitors have greater resources than the Company and may be able to compete more effectively. **Additionally, rising headwinds including reduced consumer demand have further intensified the competitive environment.** Industry consolidation, alternative store formats, nontraditional competitors and e- commerce have contributed to market share losses for traditional grocery stores. The Company' s Wholesale and Retail segments are primarily focused on traditional retail grocery trade, which faces competition from faster growing alternative retail channels, such as dollar stores, discount supermarket chains, Internet- based retailers and meal- delivery services. The Company expects these trends to continue. If the Company is not successful in effectively competing with these alternative channels, or growing sales into such channels, its business or financial results may be adversely impacted. The Company faces competitive pressures from e- commerce activity, as consumers continue to adopt this format and do more of their shopping online. While the Company offers e- commerce services at many of its stores, some of its stores and many of its independent retailer customers do not. Other e- commerce providers may offer lower prices, superior online ordering or delivery service, or greater convenience than the Company. If the Company fails to compete successfully, it could face lower sales and may decide or be compelled to offer greater discounts to its customers, which could result in decreased profitability. A significant portion of the Company' s sales are with major customers and the Company' s success is heavily dependent on retaining this business and on ~~our~~ **its** customers' ability to maintain and grow their business. The Company depends heavily on ~~our~~ **its** customer base which includes certain large and growing customers, and ~~our~~ **its** success is dependent on ~~our~~ **its** customers' ability to maintain and grow their **own** business **. During the current year, the Company has observed sales volume declines across its Wholesale distribution businesses, including to some of its major customers** . To the extent that major customers decide to utilize alternative sources of products, whether through other distributors or self- distribution, or decide to discontinue offering certain products, the Company' s financial condition or profitability may be materially and adversely affected. Similarly, if major customers are not able to maintain or grow their business and honor the terms of ~~our~~ **its** distribution agreements, the Company may be materially and adversely affected through a reduction in revenue and profitability. Sales to one of the Company' s customers accounted for 16 %, **16 % and** 17 % ~~and 17 %~~ of the Company' s net sales in **2023,** 2022 ~~,~~ **and** 2021 ~~and 2020~~ , respectively. The Company' s ability to maintain a close, mutually beneficial relationship with major customers is an important determinant of the Company' s continued growth and profitability. The Company may not be able to achieve its growth strategy through successful implementation of its transformation initiatives. The Company' s long- term strategy includes a focus on revenue growth from new customers, market share gains, and continued expansion into value- add offerings, as well as driving incremental profitability through initiatives including supply chain transformation, merchandising transformation, **changes to its go- to- market strategy,** and other margin- enhancing innovations, including OwnBrands execution, automation, and retail execution. The successful design and implementation of these initiatives may present significant challenges, many of which are beyond the Company' s control. In addition, the initiatives may not advance the Company' s business strategy as expected. Events and circumstances, such as financial or strategic difficulties, delays, and unexpected costs may occur that could result in the Company not realizing all or any of the anticipated benefits or not realizing the anticipated benefits within the expected timetable. If the Company is unable to realize the anticipated financial performance of the initiatives, its ability to fund other initiatives may be adversely affected. Any failure to implement the initiatives in accordance with expectations could adversely affect the Company' s ability to achieve its long- term revenue and profitability targets.- 9- In addition, the complexity of the initiatives requires a substantial amount of management and operational resources. The Company' s management team must successfully implement operational changes necessary to achieve the anticipated benefits of the initiatives. These and related demands on its resources may divert the Company' s attention from existing core businesses and could also have adverse effects on existing business relationships with suppliers and customers. As a result, the Company' s financial condition, profitability, or cash flows may be adversely affected. ~~Changes~~ **The Company may not be able to achieve its strategy of growth through acquisitions, may encounter difficulties successfully integrating acquired businesses, and may not realize the anticipated benefits of business acquisitions. The Company' s strategy includes growth through the acquisition of additional wholesale distribution and retail store operations. Given the recent consolidation activity, which has resulted** in **a limited number of potential acquisition targets within the food industry,**

**the Company may not be able to identify suitable targets for acquisition or may be required to make acquisitions which do not achieve the desired level of profitability or sales. Additionally, future acquisitions of retail grocery stores could result in the Company competing with its independent retailer customers which could adversely affect existing business** relationships with **those customers. As a result, the Company may not be able to actively identify or pursue suitable acquisition targets in the future, complete acquisitions or obtain the necessary financing all of which may adversely affect the Company' s ability to grow profitably. Furthermore, if the Company fails to successfully integrate business acquisitions and realize planned synergies, the business may not perform to expectations. The integration of acquired businesses may also cause us to incur unforeseen costs which may prevent the Company from realizing the anticipated economic, operational, and other benefits and synergies timely and efficiently, all of which may negatively impact sales and long- term growth plans. Disruptions to the Company' s information technology systems, including security breaches and cyber- attacks, could negatively affect the Company' s business. Vulnerabilities within the security of the Company' s information technology (" IT ") applications could create risk for the Company. The Company utilizes IT systems to conduct operations and also receive, transmit, and store many types of sensitive information, including consumers' personal information, personal health information, information belonging to customers, vendors, business partners, and other third parties, and the Company' s proprietary, confidential, or sensitive information. Cyber threats evolve rapidly and are becoming more sophisticated, which may defeat the security programs and disaster recovery facilities and procedures implemented by the Company. As a result, the Company faces risks of security breaches, theft, espionage, inadvertent release of information, and other technology- related disruptions. Associate error, faulty password management or other problems may compromise the security measures and result in a breach of the Company' s information systems, systems disruptions, data theft or other criminal activity. This could result in a loss of sales or profits or cause the Company to incur significant costs to restore its systems or to reimburse third parties for damages. Availability and performance of the Company' s IT systems are vital to the Company' s business. Failure to successfully execute IT projects and have IT systems available to the business would adversely impact the Company' s operations. The Company has a complex IT infrastructure that is vital to its business operations. The effectiveness of these applications is relevant in supporting management' s effective financial reporting and forecasting on a regular basis. Failures in the operating effectiveness of these applications could create risk for the Company. If the Company is unable to successfully modernize legacy systems in a coordinated manner across internal and external stakeholders, the Company could be subject to business interruption or reputational risk with its customers, suppliers or Associates. The failure of these systems could adversely impact the Company' s business plans and potentially impair the day- to- day business operations. In addition, the Company' s IT systems may be vulnerable to damage or interruption from circumstances beyond its control, including, power outages, computer and telecommunication failures, viruses, errors by Associates, and catastrophic events such as fires, earthquakes, tornados and hurricanes. Any debilitating failure of the Company' s critical IT systems, data centers and backup systems would require significant investments in resources to restore IT services and may cause serious impairment in the Company' s business operations including loss of business services, increased cost of moving merchandise and failure to provide service to its customers. Failure to modernize legacy systems efficiently and effectively could result in the loss of the Company' s competitive position and adversely impact its financial condition and results of operations. Changes in relationships with** the Company' s vendor base ~~and supply chain disruptions~~ may adversely affect its business operations. The Company sources the products it sells from a wide variety of vendors. The Company generally does not have long- term written contracts with its major suppliers that would require them to continue supplying merchandise. The Company depends on its vendors for appropriate allocation of merchandise, assortments of products, operation of vendor- focused shopping experiences within its stores, and funding for various forms of promotional allowances. **Changes in relationships** ~~Recent supply chain disruptions within~~ -- **with suppliers could lead to** ~~the industry, including labor availability, raw material shortages, and rising costs have placed constraints on the Company' s vendors resulting in reduced inbound fill rates and~~ decreased product availability, **changes in the Company' s assortment, and decreased promotional funding,** which could ~~negatively~~ impact ~~sales~~ **the Company' s product offering and prices offered to customers, and lead to reduced consumer demand decreasing both revenue** and profitability. **- 10- Changes** ~~There has been significant consolidation~~ in **product availability** ~~the food industry,~~ and ~~this consolidation~~ **product pricing from vendors** may ~~continue to the Company' s commercial disadvantage. Such consolidations could have a material adverse~~ **adversely** impact ~~on~~ the Company' s ~~revenues~~ **business operations** and profitability. The Company **'** ~~is vulnerable to decreases in the supply and increases in the price of raw materials and labor, manufacturing, distribution and other costs, and it may not be able to offset increasing costs by increasing prices to its customers. The Company'~~ s suppliers purchase agricultural products, including vegetables, oils and spices and seasonings, meat, poultry, packaging materials and other raw materials from growers, commodity processors, other food companies and packaging manufacturers. These products are subject to increases in price attributable to a number of factors, including changes in crop size, federal and state agricultural programs, export demand, currency exchange rates, energy and fuel costs, water supply, weather conditions during the growing and harvesting seasons, insects, plant diseases and fungi, and glass, metal and plastic prices. These increased prices, as well as other related expenses that they pass through to their customers, could result in higher costs for the products these vendors supply to the Company. Fluctuations in commodity prices can lead to retail price volatility and intensive price competition ~~,~~ and can influence consumer buying patterns. The cost of labor, manufacturing, energy, fuel, packaging materials and other costs related to the production and distribution of the products the Company purchases from its vendors can from time to time increase significantly and unexpectedly. The Company **has faced** ~~attempts to manage these risks by entering into supply contracts, implementing cost saving measures~~ and **could continue** ~~by raising sales prices. The Company expects~~ to face ~~continued~~ industry- wide cost inflation. To the extent it is unable to offset present and future cost increases, the Company' s operating results could be materially and adversely affected. **Additionally, the Company faces vendor supply chain disruptions from labor availability, raw material shortages, and rising costs. These supply chain disruptions have placed and could continue to place constraints on the Company’ s vendors resulting in reduced inbound fill rates and decreased product availability, which could negatively impact sales and profitability.** Changes in macroeconomic conditions may **lead to reduced consumer demand and** adversely affect the Company' s performance. Macroeconomic uncertainty, including rising inflation, potential economic recession, and increasing interest rates, among other negative macroeconomic conditions, could lead to ~~decreased~~ **reduced disposable income for the Company’ s** consumer ~~spending from the Company' s customer~~ base, **resulting in less demand for the Company’ s products and services. Reduced consumer demand could lead to lower sales and increased product shrink** which could adversely affect the Company’ s profitability and growth. It may be difficult for the Company to attract and retain well- qualified ~~associates~~ **Associates** and effectively manage increased labor costs. The Company has **previously** experienced, and may continue to experience, a shortage of qualified labor, particularly for retail store ~~associates~~ **Associates** , warehouse workers, and truck drivers. Such a shortage has caused upward pressure on wages. If the Company is unable to attract and retain quality ~~associates~~ **Associates** to meet its needs without significant changes to its compensation offering, the Company could be required to reduce staffing below optimal levels or rely more on higher- cost third- party providers, which could significantly reduce the Company’ s profitability and growth. **The** ~~Customers to whom the~~ Company ~~extends credit or~~ **may not successfully retain** ~~for~~ - **or manage transitions with executive leaders** ~~whom the Company guarantees loans or lease obligations may fail to repay the Company. From time to time, the Company may advance funds, extend credit and lend money to certain independent retailers and guarantee loan or lease obligations of certain customers. The Company seeks to obtain security interest~~ and other ~~credit support in connection with~~ **key personnel. The Company’ s success depends upon** ~~these~~ -- **the continued services** ~~arrangements, but the collateral may not be sufficient to cover the Company’ s exposure. Greater than expected losses from existing or future credit extensions, loans, guarantee commitments or sublease arrangements could negatively and materially impact the Company’ s operating results and financial condition.- 10- The Company may not be able to achieve its strategy~~ of **executive leaders** ~~growth through acquisitions, may encounter difficulties successfully integrating acquired businesses, and may not realize the anticipated benefits of business acquisitions. The Company’ s strategy includes growth through the acquisition of additional wholesale distribution and retail operations. Given the recent consolidation activity which has resulted in a limited number of potential acquisition targets within the food industry, the Company may not be able to identify suitable targets for acquisition or may be required to make acquisitions which do not achieve the desired level of profitability or sales. Additionally, future acquisitions of retail grocery stores could result in the Company competing with its independent retailer customers which could adversely affect existing business relationships with those customers. As a result, the Company may not be able to actively identify or pursue suitable acquisition candidates in the future, complete acquisitions or obtain the necessary financing all of which may adversely affect the Company’ s ability to grow profitably. Furthermore, if the Company fails to successfully integrate business acquisitions and realize planned synergies, the business may not perform to expectations. The integration of acquired businesses may also cause us to incur unforeseen costs which may prevent the Company from realizing the anticipated economic, operational,~~ and other benefits and synergies timely and efficiently,....... The Black Sea region is a key **Associates** international grain and fertilizer export market and...... position or cash flows. Climate change , as well as **its ability to effectively transition to their successors. The loss of such personnel may be disruptive to the Company, and if the Company is unable to execute** an **orderly transition** ~~increasing focus by stakeholders on environmental sustainability~~ and ~~corporate responsibility matters~~ **successfully integrate the new executives or personnel to successfully develop and implement strategic initiatives** , ~~could~~ **the Company’ s revenue, operating results and financial performance may be** adversely ~~affect~~ **affected . Any future changes to the executive leadership team, including hires or departures, could cause further disruption to** the business ~~, brand~~ -- **and** ~~or reputation. The Company is susceptible to risks associated with climate change, which may cause more frequent and extreme weather events. Risks associated with climate change include disruptions to the operations and supply chain; increased operating costs including those associated with use of natural gas, diesel fuel, gasoline and electricity; as well as increased costs and use of operational resources associated with complying with any new climate- related legal or regulatory requirements, including mandated use of alternative energy sources such as renewable energy or reduction of greenhouse emissions, all of which could disrupt and adversely affect the business and profitability, financial position or cash flows. Additionally, there is increased focus by stakeholders, including governmental and nongovernmental organizations, investors and customers, on environmental sustainability and corporate responsibility matters, including climate change response, packaging and waste reduction, energy consumption, and diversity, equity and inclusion. The Company’ s disclosure on these matters and the failure, or perceived failure, to meet their commitments or otherwise effectively address these environmental sustainability and corporate responsibility matters, could adversely affect the business, brand or reputation. In particular, business incidents or practices, whether actual or perceived, that erode customer trust or confidence, particularly if they receive considerable publicity or result in litigation, could~~ have a negative impact on **operating performance, while** ~~the~~ **these operational areas are in transition. The Company may not be able to timely find suitable successors to key roles as transitions occur or may not successfully integrate successors into its leadership team or the Company’ s** business **operations. The Company’ s inability to retain other key leaders or effectively transition to their successors, or any delay in filling any such critical positions, could harm its business and profitability** . The Company' s business and reputation may be adversely impacted by the increasing focus on environmental, social and governance matters. In recent years, there has been an increasing focus by **various** stakeholders ~~— including investors, governmental and non- governmental organizations, employees, and some customers, and suppliers —~~ on environmental, social and governance (“ ESG ”) matters. Implementation of ESG initiatives may have an adverse financial impact on the Company resulting from increased costs required to achieve desired results. Moreover, a partial or complete failure, whether real or perceived, to adequately address ESG priorities or to achieve progress on the Company' s reported ESG initiatives, could adversely affect the Company' s reputation and negatively impact the Company' s financial and business operations. Conversely, taking a position, whether real or perceived, on ESG, public policy, geopolitical or similar matters could also adversely impact the reputation of the Company and its financial condition stemming from increased operational and product costs, reputational damage, and shareholder activism. The Company may not successfully achieve its ESG- related goals, and any future investments that it makes in furtherance of achieving such goals may not produce the expected results or meet increasing stakeholder ESG expectations. Moreover, future events could lead the Company to prioritize other nearer- term interests over progressing toward current ESG- related goals based on business strategy, economic, regulatory, social or other factors. If the Company is unable to meet or properly report on the progress toward achieving the ESG- related goals, it could face adverse publicity and reactions from current or potential investors, activist groups or other stakeholders, which could result in reputational harm or other adverse effects to the Company.- ~~12~~ **11** - **international grain and fertilizer export market and** ~~those~~ -- **the conflict between Russia** ~~in eastern Europe,the Middle East,~~ and **Ukraine** ~~China,~~ could continue to disrupt supply and logistics operations and impact global margins due to increased commodity,energy,and input costs,which could negatively impact the Company' s profitability.To the extent ~~these~~ -- **the** ~~conflicts~~ - **conflict between Russia and Ukraine** adversely ~~affect~~ **affects** the Company' s business,it may also have the effect of heightening other risks disclosed in this document and could further materially and adversely affect the Company' s financial condition and profitability. **- 11-** Threats ~~due~~ to **security or** the occurrence of severe weather conditions,natural disasters or other unforeseen events ~~,all of which could become more frequent and extreme due to climate change,~~ could harm the Company' s business.The Company' s business could be **severely** impacted by severe weather conditions,natural disasters,or other events **that** ~~,all of which could become more frequent and extreme due to climate change.These events~~ could affect the warehouse and transportation infrastructure used by the Company and its vendors to supply the Company' s corporate owned retail stores,and Wholesale customers.Insurance programs may not fully cover losses,contingency plans adopted by the Company may fail,and the damage or destruction of Company facilities could compromise its ability to distribute products and generate sales and could increase energy costs needed to operate impacted facilities. ~~Additionally~~ **Unseasonable weather conditions that impact growing conditions and the availability of food could also adversely and materially affect profitability** , ~~risks associated with~~ **financial position or cash flows.** ~~climate~~ **Climate** change Disease outbreaks ~~, such as the COVID- 19 pandemic~~ and associated responses, may disrupt our business by increasing costs, negatively impacting our supply chain, driving change in consumer behavior, and having an adverse impact on the Company' s operations. ~~The~~ **Disease outbreaks, such as the** COVID- 19 pandemic **or similar communicable diseases,** and responses thereto **could** ~~continue to~~ affect our industry and our business **. Risks and uncertainties related to disease outbreaks, such** as **duration, concerns related** ~~many risks and uncertainties remain and some of the measures put in place in response~~ to the ~~pandemic continue to have material~~ **health and safety of our Associates and related labor impacts, costs associated with changes in demand,** adverse **supply chain** impacts ~~on business operations, including: • Duration of the COVID- 19 pandemic, increase in the number of COVID- 19 cases,~~ and **impacts** ~~the related effect of new variants, strains or mutations of the virus on economic activity and business operations; • Ongoing concerns about the health and safety of our associates, and our ability~~ to ~~meet staffing needs in our retail stores, distribution centers, and corporate offices; • Increased distribution and operational costs due to significant increases in customer traffic and demand for grocery products, and the corresponding inability to meet demand with the existing workforce or other assets; • Failure of~~ third parties ~~on~~ **in** which the Company relies, ~~including its customers, suppliers, contractors, commercial banks and other business partners to meet their obligations to the Company, which may be caused by their own financial or operational challenges, which could materially and adversely impact the Company; • Supply chain risks due to significantly~~ increased **labor** ~~demand following supply chain shutdowns and unprecedented disruptions and delays, including the availability of warehouse and transportation personnel and service providers or the inability to procure adequate quantities of certain goods; • Reduced workforce or temporary store and distribution center closures associated with the presence of COVID- 19 infections among the Company' s associates; • Increased~~ costs ~~relating to compliance with public health and safety requirements for the Company' s associates and customers; • Inability to accurately forecast financial results due to the uncertainty associated with the short- and long- term effects of the pandemic on the U. S. economy~~ , ~~our business,~~ and ~~consumer behavior; or • Increased~~ **increased** ~~and~~ **or** accelerated competition ~~from alternative channels, including e- commerce retailers, due to a change in consumer behavior post- pandemic and continued social distancing. Any of the foregoing factors~~ , or other effects **,** ~~of the pandemic~~ may materially increase costs, negatively impact sales and damage the Company' s financial condition, profitability, cash flows and its liquidity position. The significance and duration of any such impacts are not possible to predict due to the overall uncertainty associated with ~~COVID- 19 and~~ any future pandemic. ~~.~~ The private brand program for U.S.military commissaries may be terminated or not achieve the desired results.In December 2016,the Defense Commissary Agency (" DeCA "),which operates U.S.military commissaries worldwide,competitively awarded to the Company the contract to support and supply products for the Agency' s private brand product program.The current contract to provide DeCA with private branded products expires in December 2025.Private brand products had not previously been offered in the Agency' s commissaries.The Company has invested and plans to continue to invest significant resources as it partners with DeCA to expand this program.However,the program may not be successful,may be discontinued or DeCA may suspend,terminate,shorten the scope or change certain terms and conditions in its agreement with SpartanNash which could have a significant adverse impact on the Company' s profitability.The Company expects that DeCA will face significant competition in each product category from national brands that are familiar to consumers.If the Agency is unable to drive traffic and business at the commissaries by offering one- stop shopping for military customers through a combination of both national and private brand offerings,then both DeCA and the Company may be unable to achieve expected returns from this program,which could have a material adverse effect on the Company' s business and may negatively impact DeCA' s willingness to continue the program.The success of the program will depend,in part,on factors beyond the Company' s control,including the unilateral actions of DeCA. ~~Disruptions to~~ **- 12-** Impairment charges for goodwill or other long- lived assets could adversely affect the Company' s financial condition and profitability. The Company is required to perform an annual impairment test for goodwill and other long- lived tangible and intangible assets in the fourth quarter of each year, or more frequently if indicators are present or changes in circumstances suggest that impairment may exist. Testing goodwill and other assets for impairment requires management to make significant estimates about the Company' s future performance, cash flows, and other assumptions that can be affected by potential changes in economic, industry or market conditions, business operations, competition, or – for goodwill – the Company' s stock price and market capitalization. Changes in these factors, or changes in actual performance compared with estimates of the Company' s future performance, may affect the fair value of goodwill or other assets. This could result in the Company recording a non- cash impairment charge for goodwill or other long-lived assets in the period the determination of impairment is made. The Company cannot accurately predict the amount or timing of potential impairments of assets. Should the value of goodwill or other assets become impaired, the Company' s financial position and profitability may be adversely affected. ~~The Company may not successfully manage transitions associated with the executive leadership team. The Company' s success depends upon the continued services of executive officers and other key personnel, as well as its ability to effectively transition to their successors. Within the past two years, the Company has appointed several new executive leaders. These transitions may be disruptive to the Company, and if the Company is unable to execute an orderly transition and successfully integrate the new executives to successfully develop and implement strategic initiatives, the Company' s revenue, operating results and financial performance may be adversely affected. Any future changes to the executive leadership team, including hires or departures, could cause further disruption to the business and have a negative impact on operating performance, while these operational areas are in transition. The Company may not be able to timely find suitable successors to key roles as transitions occur or may not successfully integrate successors into its leadership team or the Company' s business operations. The Company' s inability to retain other key leaders or effectively transition to their successors, or any delay in filling any such critical positions, could harm its business and profitability.- 13-~~ Risks Related to the Company' s Indebtedness The Company is exposed to interest rate...... indebtedness becoming immediately due and payable. The Company' s level of indebtedness could adversely affect its financial condition and its ability to raise additional capital or obtain financing in the future, respond to business opportunities, react to changes in its business, and make required payments on its debt. As of December ~~31~~ **30** , ~~2022~~ **2023** , the Company had outstanding indebtedness of $ ~~503~~ **597** . ~~6~~ **5** million (net of unamortized debt issuance costs), primarily related to its asset- based lending facility (the" Revolving Credit Facility"). Refer to Note 6 in the accompanying notes to the consolidated financial statements for further information. If the Company is not able to generate cash flow from operations sufficient to service its debt, it may need to refinance its debt, dispose of assets or issue equity to obtain necessary funds. The Company may not be able to take any of such actions on a timely basis, on satisfactory terms or at all. Indebtedness could have significant consequences, including the following: • reduced ability to execute the Company' s growth strategy, including merger and acquisition opportunities; • reduced ability to invest in the Company, which may place it at a competitive disadvantage; • increased vulnerability to adverse economic and industry conditions; • exposure to interest rate increases; • reduced cash flow available for other purposes; or • limited ability to borrow additional funds for working capital, capital expenditures and other investments. The Company' s level of indebtedness may further increase from time to time. Although the Company' s agreements governing indebtedness contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions and, under certain circumstances, the amount of indebtedness, including secured debt, that could be incurred in compliance with these restrictions could be substantial. Incurring substantial additional indebtedness could further exacerbate the risks associated with the Company' s level of indebtedness. The Company is exposed to interest rate risk due to the variable rates on its indebtedness,which may increase debt service obligations if interest rates rise.The Company' s borrowings under the Revolving Credit Facility bear interest at variable rates and expose it to interest rate risk.The Company may not be able to accurately predict changes in interest rates or mitigate their impact.If interest rates increase,debt service obligations on the variable rate indebtedness would increase even though the amount borrowed remains the same and the Company' s profitability would decrease. **A** ~~Before consideration of hedging instruments,a~~ hypothetical 0.50 % increase in rates applicable to borrowings under the Revolving Credit Facility as of December ~~30~~ **31** , ~~2023~~ **2022** would increase interest expense related to such debt by approximately $ 2. ~~6~~ **2** million per year.Covenants in its debt agreements restrict the Company' s operational flexibility.The agreements governing the Revolving Credit Facility contain usual and customary restrictive covenants relating to the management and operation of the Company,including restrictions on its ability to borrow,pay dividends,or consummate certain transactions.These covenants may prevent the Company from taking actions that it believes would be in the best interest of the business and may make it difficult for the Company to successfully execute its business strategy and transformation initiatives or effectively compete with companies that are not similarly restricted.The Company may also incur future debt obligations that might subject it to additional restrictive and financial covenants that could affect financial and operational flexibility.The Company may not be granted waivers of or amendments to these agreements if for any reason it is unable to comply with them,or the Company may not be able to refinance its debt on acceptable terms or at all.In addition,failure to comply with the covenants in the Company' s debt agreements could result in all of its indebtedness **becoming immediately due and payable.** - ~~14~~ **13** - Legal, Regulatory and Legislative Risks Changes in government regulations may have a material adverse effect on financial results. The Company operates in ~~a~~ highly regulated ~~environment~~ **environments** . The products ~~we~~ **it** ~~distribute~~ **distributes** and ~~sell~~ **sells** through ~~our~~ retail stores are subject to inspection and regulatory action by the United States Food and Drug Administration. Our warehouses and distribution centers are subject to inspection by the United States Department of Agriculture, the United States Department of Labor Occupational and Health Administration, and various state health and workplace safety authorities, and our logistics operations are subject to regulation by the United States Department of Transportation and the United States Federal Highway Administration. **The Company is also subject to the international regulations of the European Union' s Import Control System for export shipments that are ultimately made to non-**

**domestic commissaries.** Moreover, as a federal contractor, the Company must develop and maintain Affirmative Action Programs under the Rehabilitation Act, as enforced by the Office of Federal Contract and Compliance Programs, which may cause the Company to incur significant reputational and monetary damages for alleged discrimination in employment practices. In addition, ~~the~~ **there are** various **other international, U. S.** federal, state and local laws, regulations and administrative practices to which the Company is subject **, which** require us to comply with numerous provisions regulating areas such as environmental, health and sanitation standards, food safety, marketing of natural or organically produced food, facilities, pharmacies, equal employment opportunity, public accessibility, employee benefits, wages and hours worked and licensing for the sale of food, drugs, tobacco and alcoholic beverages, among others. Changes in federal, state or local minimum wages and overtime laws, federal tax laws, or employee paid leave laws could result in the Company incurring significant labor costs which could have material adverse effects on the Company' s financial position and profitability. The Company employs hourly ~~associates~~ **Associates** who are compensated at an hourly rate lower than $ 15. 00. If minimum wage rates increase, the Company would have to increase the wages of ~~employees~~ **Associates** who fall below the new minimum and may need to increase the wages of ~~employees~~ **Associates** in close proximity above the new minimum to address wage compression. In addition, changes in federal tax regulations may result in significant increases in the Company' s current and deferred tax liabilities, and may include changes in federal tax rates and the deductibility of certain costs. Failure to comply with existing or new laws or regulations could result in significant damages, penalties and / or litigation costs for the Company. The Company' s Wholesale segment is...... on the Company' s business. A number of the Company' s ~~associates~~ **Associates** are covered by collective bargaining agreements, and unions may attempt to organize additional ~~associates~~ **Associates** . Approximately 7 % of the Company' s ~~associates~~ **Associates** are covered by collective bargaining agreements (" CBAs ") which expire between **January 2025 and** February ~~2024~~ **2027** ~~and April 2026~~ . The Company expects that rising healthcare, pension and other employee benefit costs, among other issues, will continue to be important topics of negotiation with the labor unions. Upon the expiration of the Company' s CBAs, work stoppages by the affected workers could occur if the Company is unable to negotiate an acceptable contract with the labor unions. This could significantly disrupt the Company' s operations. ~~- 15-~~ Further, if the Company is unable to control healthcare and pension costs provided for in the CBAs, the Company may experience increased operating costs and an adverse impact on future profitability. The Company may continue to see additional union organizing campaigns. The potential for unionization could increase as any new related legislation or regulations are passed. The Company respects its ~~associates~~ **Associates** ' right to unionize or not to unionize. However, the unionization of a significant portion of the Company' s workforce could increase the Company' s overall costs at the affected locations and adversely affect its flexibility to run its business in the most efficient manner to remain competitive or acquire new businesses and could adversely affect its profitability by increasing its labor costs or otherwise restricting its ability to maximize the efficiency of its operations ~~.~~ The Company' s Wholesale segment is dependent upon domestic and international military operations.A change in the military commissary system,including its supply chain,or a change in the level of governmental funding,could negatively impact the Company' s business.Because the Company' s Wholesale segment sells and distributes grocery products to military commissaries and exchanges in the United States and overseas,any material changes in the commissary system,the level of governmental funding to DeCA,military staffing levels, **or** locations of bases,or DeCA' s supply chain may have a corresponding impact on the sales and operating performance of this segment.These changes could include privatization of some or all of the military commissary system,relocation or consolidation of commissaries and exchanges,base closings,troop redeployments or consolidations in the geographic areas containing commissaries and exchanges served by the Company,a change by DeCA to a self- distribution model,or a reduction in the number of persons having access to the commissaries and exchanges.Mandated reductions in the government expenditures,including those imposed as a result of a sequestration,may impact the level of funding to DeCA and could have a material impact on the Company' s operations.If DeCA were to make material changes to its supply chain model,for example by limiting distribution authorization,then the Company' s Wholesale segment could be affected. ~~- 14-~~ Product recalls or other safety concerns regarding the Company' s products could harm the Company' s reputation as well as increase its costs.The Company faces risks related to the safety of the food products that it distributes or sells.It may need to recall such products for actual or alleged contamination,adulteration,mislabeling,or other safety concerns.The Company distributes fresh fruits and vegetables,as well as other fresh prepared foods.These products,and other food products that the Company sells,are at risk of contamination by disease- causing organisms such as Salmonella,E.coli,and others.These pathogens are generally found in nature,and as a result,there is a risk that they could be present in the products distributed or sold by the Company.The Company typically has little control over proper food handling before the Company' s receipt of the product or once the product has been delivered to the Company' s retail customers.Recall costs can be material.A widespread product recall could result in significant losses due to the administrative costs of a recall,the destruction of inventory,and lost sales.Recalls and other food safety concerns can also result in adverse publicity,damage to the Company' s reputation,and a loss of confidence in the safety and quality of its products.Customers may avoid purchasing certain products from the Company,or may seek alternative sources of supply for some or all of their food needs,even if the basis for concern is outside of the Company' s control.Any loss of confidence on the part of the Company' s customers would be difficult and costly to overcome.Any real or perceived issue regarding the safety of any food or drug items sold by the Company,regardless of the cause,could have a substantial and adverse effect on the Company' **s business.** . Costs related to multi- employer pension ~~plans and other postretirement~~ plans could increase. The Company contributes to the Central States Southeast and Southwest Pension Fund (the " Central States Plan " or the " Plan "), a multi- employer pension plan, based on obligations arising from its CBAs with Teamsters locals 406 and 908. SpartanNash does not administer or control this Plan, and the Company does not have control over the level of contributions the Company is required to make. Benefit levels and related issues may continue to create collective bargaining challenges. The amount of any increase or decrease in its required contributions to this Plan will depend upon the outcome of collective bargaining, the actions taken by the trustees who manage the Plan, governmental regulations, actual return on investment of Plan assets, the continued viability and contributions of other contributing employers, and the potential payment of withdrawal liability should the Company choose to exit a geographic area, among other factors. Costs related to multi- employer pension plans ~~and other postretirement plans~~ could increase and adversely affect the Company' s financial conditions and results of operation. Refer to Note ~~8~~ **9** in the accompanying notes to the consolidated financial statements for further information.