# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2021**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

**A** This return/report is for:
- ☐ a multiemployer plan
- ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- ☒ a single-employer plan
- ☐ a DFE (specify) ____

**B** This return/report is:
- ☐ the first return/report
- ☐ the final return/report
- ☐ an amended return/report
- ☐ a short plan year return/report (less than 12 months)

**C** If the plan is a collectively-bargained plan, check here. . . . . ▶ ☐

**D** Check box if filing under:
- ☒ Form 5558
- ☐ automatic extension
- ☐ the DFVC program
- ☐ special extension (enter description)

**E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . . ▶ ☐

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
NESTLE PUERTO RICO PENSION PLAN

**1b** Three-digit plan number (PN) ▶ 116

**1c** Effective date of plan 09/23/2011

**2a** Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
SWIRL CORP.

LOS FRAILES IND. PARK
CALLE E, LOTE 5, SEC 182, UNIDAD 17
GUAYNABO, PR 00682

**2b** Employer Identification Number (EIN) 66-0720233

**2c** Plan Sponsor's telephone number 787-731-4551

**2d** Business code (see instructions) 311500

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/14/2022 | KRISTEN MCBRIDE |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

**3a** Plan administrator's name and address ☐ Same as Plan Sponsor

NESTLE USA, INC

30500 BAINBRIDGE RD
SOLON, OH 44139-2205

**3b** Administrator's EIN
95-1572209

**3c** Administrator's telephone number
440-349-5757

**4** If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:

**a** Sponsor's name NESTLE PUERTO RICO, INC.

**c** Plan Name NESTLE PUERTO RICO PENSION PLAN

**4b** EIN
66-0773236

**4d** PN
116

| | | |
|---|---|---|
| **5** Total number of participants at the beginning of the plan year | **5** | 284 |
| **6** Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**). | | |
| **a(1)** Total number of active participants at the beginning of the plan year | **6a(1)** | 35 |
| **a(2)** Total number of active participants at the end of the plan year | **6a(2)** | 14 |
| **b** Retired or separated participants receiving benefits | **6b** | 101 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 114 |
| **d** Subtotal. Add lines **6a(2)**, **6b**, and **6c** | **6d** | 229 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 25 |
| **f** Total. Add lines **6d** and **6e** | **6f** | 254 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | |
| **h** Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 0 |
| **7** Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1A 1C 1I 3C 3H

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)

- **(1)** ☐ Insurance
- **(2)** ☐ Code section 412(e)(3) insurance contracts
- **(3)** ☒ Trust
- **(4)** ☐ General assets of the sponsor

**9b** Plan benefit arrangement (check all that apply)

- **(1)** ☐ Insurance
- **(2)** ☐ Code section 412(e)(3) insurance contracts
- **(3)** ☒ Trust
- **(4)** ☐ General assets of the sponsor

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

- **(1)** ☒ **R** (Retirement Plan Information)
- **(2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

**b General Schedules**

- **(1)** ☒ **H** (Financial Information)
- **(2)** ☐ **I** (Financial Information – Small Plan)
- **(3)** ☐ 0 **A** (Insurance Information)
- **(4)** ☐ **C** (Service Provider Information)
- **(5)** ☒ **D** (DFE/Participating Plan Information)
- **(6)** ☐ **G** (Financial Transaction Schedules)

## Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

# SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

**2021**

**This Form is Open to Public Inspection**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

**A** Name of plan
NESTLE PUERTO RICO PENSION PLAN

**B** Three-digit plan number (PN) ▶ 116

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
SWIRL CORP.

**D** Employer Identification Number (EIN)
66-0720233

**E** Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

**F** Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

## Part I Basic Information

**1** Enter the valuation date: Month 01 Day 01 Year 2021

**2** Assets:

| | | |
|---|---|---|
| **a** Market value | **2a** | 18167133 |
| **b** Actuarial value | **2b** | 18167133 |

**3** Funding target/participant count breakdown

| | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target |
|---|---|---|---|
| **a** For retired participants and beneficiaries receiving payment | 137 | 6302740 | 6302740 |
| **b** For terminated vested participants | 112 | 3137080 | 3137080 |
| **c** For active participants | 35 | 1105596 | 1138241 |
| **d** Total | 284 | 10545416 | 10578061 |

**4** If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

| | | |
|---|---|---|
| **a** Funding target disregarding prescribed at-risk assumptions | **4a** | |
| **b** Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor | **4b** | |
| **5** Effective interest rate | **5** | 5.48 % |
| **6** Target normal cost | | |
| **a** Present value of current plan year accruals | **6a** | 0 |
| **b** Expected plan-related expenses | **6b** | 0 |
| **c** Total (line 6a + line 6b) | **6c** | 0 |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN HERE**

Signature of actuary

10/13/2022
Date

MICHAEL ALTILIO
Type or print name of actuary

20-07062
Most recent enrollment number

WILLIS TOWERS WATSON US LLC
Firm name

973-539-1923
Telephone number (including area code)

150 JFK PARKWAY
SUITE 520
SHORT HILLS, NJ 07078
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

## Part II Beginning of Year Carryover and Prefunding Balances

| | | (a) Carryover balance | (b) Prefunding balance |
|---|---|---|---|
| 7 | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) | 169407 | 0 |
| 8 | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) | 0 | 0 |
| 9 | Amount remaining (line 7 minus line 8) | 169407 | 0 |
| 10 | Interest on line 9 using prior year's actual return of 12.17 % | 20617 | 0 |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| a | Present value of excess contributions (line 38a from prior year) | | 0 |
| b(1) | Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 5.26 % | | 0 |
| b(2) | Interest on line 38b from prior year Schedule SB, using prior year's actual return | | 0 |
| c | Total available at beginning of current plan year to add to prefunding balance | | 0 |
| d | Portion of (c) to be added to prefunding balance | | 0 |
| 12 | Other reductions in balances due to elections or deemed elections | 0 | 0 |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) | 190024 | 0 |

## Part III Funding Percentages

| | | | |
|---|---|---|---|
| 14 | Funding target attainment percentage | 14 | 169.94 % |
| 15 | Adjusted funding target attainment percentage | 15 | 171.74 % |
| 16 | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement | 16 | 152.19 % |
| 17 | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage | 17 | % |

## Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees |
|---|---|---|---|---|---|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | Totals ► 18(b) | 0 | 18(c) 0 |

| | | | |
|---|---|---|---|
| 19 | Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year: | | |
| a | Contributions allocated toward unpaid minimum required contributions from prior years | 19a | 0 |
| b | Contributions made to avoid restrictions adjusted to valuation date | 19b | 0 |
| c | Contributions allocated toward minimum required contribution for current year adjusted to valuation date | 19c | 0 |

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---|---|---|---|
| | | | |

## Part V Assumptions Used to Determine Funding Target and Target Normal Cost

**21** Discount rate:

| | | | | |
|---|---|---|---|---|
| **a** Segment rates: | 1st segment: 4.75 % | 2nd segment: 5.36 % | 3rd segment: 6.11 % | ☐ N/A, full yield curve used |
| **b** Applicable month (enter code) | | | **21b** | 4 |
| **22** Weighted average retirement age | | | **22** | 61 |

**23** Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

## Part VI Miscellaneous Items

| | | | |
|---|---|---|---|
| **24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment | | ☐ Yes | ☒ No |
| **25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment | | ☐ Yes | ☒ No |
| **26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment | | ☒ Yes | ☐ No |
| **27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment | **27** | | |

## Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

| | | |
|---|---|---|
| **28** Unpaid minimum required contributions for all prior years | **28** | 0 |
| **29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) | **29** | 0 |
| **30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) | **30** | 0 |

## Part VIII Minimum Required Contribution For Current Year

**31** Target normal cost and excess assets (see instructions):

| | | |
|---|---|---|
| **a** Target normal cost (line 6c) | **31a** | 0 |
| **b** Excess assets, if applicable, but not greater than line 31a | **31b** | 0 |

| **32** Amortization installments: | Outstanding Balance | Installment |
|---|---|---|
| **a** Net shortfall amortization installment | 0 | 0 |
| **b** Waiver amortization installment | 0 | 0 |

| | | |
|---|---|---|
| **33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____ ) and the waived amount | **33** | |
| **34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) | **34** | 0 |

| | Carryover balance | Prefunding balance | Total balance |
|---|---|---|---|
| **35** Balances elected for use to offset funding requirement | 0 | 0 | 0 |

| | | |
|---|---|---|
| **36** Additional cash requirement (line 34 minus line 35) | **36** | 0 |
| **37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | **37** | 0 |

**38** Present value of excess contributions for current year (see instructions)

| | | |
|---|---|---|
| **a** Total (excess, if any, of line 37 over line 36) | **38a** | 0 |
| **b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances | **38b** | 0 |
| **39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) | **39** | 0 |
| **40** Unpaid minimum required contributions for all years | **40** | 0 |

## Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

**41** If an election was made to use PRA 2010 funding relief for this plan:

**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years

**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

# SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

## DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2021**

**This Form is Open to Public Inspection.**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

**A** Name of plan
NESTLE PUERTO RICO PENSION PLAN

**B** Three-digit plan number (PN) ▶ 116

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
SWIRL CORP.

**D** Employer Identification Number (EIN)
66-0720233

**Part I** **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: NESTLE IN THE USA PENSION TRUST

**b** Name of sponsor of entity listed in (a): NESTLE USA, INC.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 36-7324184-101 | M | 17470140 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| | | |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**Part II** **Information on Participating Plans (to be completed by DFEs)**
(Complete as many entries as needed to report all participating plans)

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2021**

**This Form is Open to Public Inspection**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

**A** Name of plan
NESTLE PUERTO RICO PENSION PLAN

**B** Three-digit plan number (PN) ▶ 116

**C** Plan sponsor's name as shown on line 2a of Form 5500
SWIRL CORP.

**D** Employer Identification Number (EIN)
66-0720233

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | 0 | 0 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 0 | 0 |
| **(2)** Participant contributions | 1b(2) | 0 | 0 |
| **(3)** Other | 1b(3) | 0 | 0 |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 0 | 0 |
| **(2)** U.S. Government securities | 1c(2) | 0 | 0 |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | 0 | 0 |
| **(B)** All other | 1c(3)(B) | 0 | 0 |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | 0 | 0 |
| **(B)** Common | 1c(4)(B) | 0 | 0 |
| **(5)** Partnership/joint venture interests | 1c(5) | 0 | 0 |
| **(6)** Real estate (other than employer real property) | 1c(6) | 0 | 0 |
| **(7)** Loans (other than to participants) | 1c(7) | 0 | 0 |
| **(8)** Participant loans | 1c(8) | 0 | 0 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 0 | 0 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | 0 | 0 |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | 18167133 | 17470140 |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | 0 | 0 |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 0 | 0 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | 0 | 0 |
| **(15)** Other | 1c(15) | 0 | 0 |

| | | | **(a)** Beginning of Year | **(b)** End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | 0 | 0 |
| | **(2)** Employer real property | 1d(2) | 0 | 0 |
| **e** | Buildings and other property used in plan operation | 1e | 0 | 0 |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 18167133 | 17470140 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | 0 | 0 |
| **h** | Operating payables | 1h | 0 | 0 |
| **i** | Acquisition indebtedness | 1i | 0 | 0 |
| **j** | Other liabilities | 1j | 0 | 0 |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 18167133 | 17470140 |

## Part II Income and Expense Statement

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| | **Income** | | **(a)** Amount | **(b)** Total |
|---|---|---|---|---|
| **a** | **Contributions:** | | | |
| | **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | 0 | |
| | **(B)** Participants | 2a(1)(B) | 0 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 0 | |
| | **(2)** Noncash contributions | 2a(2) | 3180 | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 3180 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 0 | |
| | **(B)** U.S. Government securities | 2b(1)(B) | 0 | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | 0 | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | 0 | |
| | **(E)** Participant loans | 2b(1)(E) | 0 | |
| | **(F)** Other | 2b(1)(F) | 0 | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 0 |
| | **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | 0 | |
| | **(B)** Common stock | 2b(2)(B) | 0 | |
| | **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 0 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 0 |
| | **(3)** Rents | 2b(3) | | 0 |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 0 | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 0 | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| | **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | 0 | |
| | **(B)** Other | 2b(5)(B) | 0 | |
| | **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| **(6)** Net investment gain (loss) from common/collective trusts | 2b(6) | | 0 |
| **(7)** Net investment gain (loss) from pooled separate accounts | 2b(7) | | 0 |
| **(8)** Net investment gain (loss) from master trust investment accounts | 2b(8) | | 608462 |
| **(9)** Net investment gain (loss) from 103-12 investment entities | 2b(9) | | 0 |
| **(10)** Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 0 |
| **c** Other income | 2c | | 0 |
| **d** Total income. Add all **income** amounts in column (b) and enter total | 2d | | 611642 |
| **Expenses** | | | |
| **e** Benefit payment and payments to provide benefits: | | | |
| **(1)** Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 1305455 | |
| **(2)** To insurance carriers for the provision of benefits | 2e(2) | 0 | |
| **(3)** Other | 2e(3) | 3180 | |
| **(4)** Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 1308635 |
| **f** Corrective distributions (see instructions) | 2f | | 0 |
| **g** Certain deemed distributions of participant loans (see instructions) | 2g | | 0 |
| **h** Interest expense | 2h | | 0 |
| **i** Administrative expenses: **(1)** Professional fees | 2i(1) | 0 | |
| **(2)** Contract administrator fees | 2i(2) | 0 | |
| **(3)** Investment advisory and management fees | 2i(3) | 0 | |
| **(4)** Other | 2i(4) | 0 | |
| **(5)** Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 0 |
| **j** Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 1308635 |
| **Net Income and Reconciliation** | | | |
| **k** Net income (loss). Subtract line **2j** from line **2d** | 2k | | -696993 |
| **l** Transfers of assets: | | | |
| **(1)** To this plan | 2l(1) | | 0 |
| **(2)** From this plan | 2l(2) | | 0 |

## Part III Accountant's Opinion

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

**(1)** [X] Unmodified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

**b** Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

**(1)** [X] DOL Regulation 2520.103-8 **(2)** [ ] DOL Regulation 2520.103-12(d) **(3)** [ ] neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

**c** Enter the name and EIN of the accountant (or accounting firm) below:

**(1)** Name: ERNST & YOUNG U.S. LLP **(2)** EIN: 34-6565596

**d** The opinion of an independent qualified public accountant is **not attached** because:

**(1)** [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

## Part IV Compliance Questions

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | |

| | | | Yes | No | Amount |
|---|---|---|---|---|---|
| **b** | Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | **4b** | | X | |
| **c** | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | **4c** | | X | |
| **d** | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | **4d** | | X | |
| **e** | Was this plan covered by a fidelity bond? | **4e** | X | | 20000000 |
| **f** | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | **4f** | | X | |
| **g** | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4g** | | X | |
| **h** | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4h** | | X | |
| **i** | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | **4i** | | X | |
| **j** | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.) | **4j** | | X | |
| **k** | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | **4k** | | X | |
| **l** | Has the plan failed to provide any benefit when due under the plan? | **4l** | | X | |
| **m** | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | **4m** | | | |
| **n** | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3 | **4n** | | | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| | | |
| | | |
| | | |
| | | |

**5c** Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☒ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2021**

**This Form is Open to Public Inspection.**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

**A** Name of plan
NESTLE PUERTO RICO PENSION PLAN

**B** Three-digit plan number (PN) ▶ 116

**C** Plan sponsor's name as shown on line 2a of Form 5500
SWIRL CORP.

**D** Employer Identification Number (EIN)
66-0720233

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1** 0

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 36-3046063

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... **3** 16

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6 a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

## Part III Amendments

**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☒ **No**

## Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11 a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

| | | |
|---|---|---|
| **a** The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment) | **14a** | |
| **b** The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) | **14b** | |
| **c** The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) | **14c** | |

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

| | | |
|---|---|---|
| **a** The corresponding number for the plan year immediately preceding the current plan year | **15a** | |
| **b** The corresponding number for the second preceding plan year | **15b** | |

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

| | | |
|---|---|---|
| **a** Enter the number of employers who withdrew during the preceding plan year | **16a** | |
| **b** If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

## Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

**20** **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

**a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☒ No

**b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

# NESTLÉ PUERTO RICO PENSION PLAN

Financial Statements

December 31, 2021 and 2020

(With Report of Independent Auditors)

**NESTLÉ PUERTO RICO PENSION PLAN**

**Table of Contents**


| | Page |
|---|---|
| Report of Independent Auditors | 1 |
| Statements of Net Assets Available for Benefits, December 31, 2021 and 2020 | 4 |
| Statement of Changes in Net Assets Available for Benefits, Year ended December 31, 2021 | 5 |
| Statements of Accumulated Plan Benefits, December 31, 2021 and 2020 | 6 |
| Statement of Changes in Accumulated Plan Benefits, Year ended December 31, 2021 | 7 |
| Notes to Financial Statements | 8 |

Ernst & Young LLP
1775 Tysons Blvd.
Tysons, VA 22102

Tel: +1 703 747 1000
Fax: +1 703 747 0100
ey.com

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## Report of Independent Auditors

To the Plan Administrator of Nestle Puerto Rico Pension Plan:

### Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements

We have performed an audit of the financial statements of Nestle Puerto Rico Pension Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits and accumulated plan benefits as of December 31, 2021, and the related statements of changes in net assets available for benefits and changes in accumulated plan benefits for the year then ended, and the related notes (collectively referred to as the "financial statements").

Management, having determined it is permissible in the circumstances, has elected to have the audit of the financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of December 31, 2021, and for the year then ended, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

### Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section

- the amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- the information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

### Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

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**Responsibilities of Management for the 2021 Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

**Auditor's Responsibilities for the Audit of the 2021 Financial Statements**

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

**Other Matter**

*Auditor's Report on the 2020 Financial Statements*

We were engaged to audit the financial statements of the Plan as of and for the year ended December 31, 2020. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the investment information certified by a qualified institution. In our report dated October 12, 2021, we indicated that (*a*) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on those financial statements, and (*b*) the form and content of the information included in those financial statements other than that derived from the certified investment information, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Ernst & Young LLP

October 12, 2022

**NESTLÉ PUERTO RICO PENSION PLAN**

Statements of Net Assets Available for Benefits

December 31, 2021 and 2020

| | 2021 | 2020 |
|---|---|---|
| Investments, at fair value (notes 5, 7, and 8): | | |
| Plan interest in Nestlé in the USA Pension Trust | $ 17,470,140 | 18,167,133 |
| Net assets available for benefits | $ 17,470,140 | 18,167,133 |

See accompanying notes to financial statements.

**NESTLÉ PUERTO RICO PENSION PLAN**

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2021

| | | |
|---|---|---|
| Investment income: | | |
| Plan interest in Nestlé in the USA Pension Trust investment income | $ | 634,457 |
| Total investment income | | 634,457 |
| Contributions: | | |
| Reimbursement from group annuity contract (note 2(e)) | | 3,180 |
| Total contributions | | 3,180 |
| Deductions: | | |
| Benefits paid to participants | | 1,305,455 |
| Benefits paid on behalf of group annuity contract (note 2(e)) | | 3,180 |
| Investment and administrative expenses | | 25,995 |
| Total deductions | | 1,334,630 |
| Net decrease | | (696,993) |
| Net assets available for benefits: | | |
| Beginning of year | | 18,167,133 |
| End of year | $ | 17,470,140 |

See accompanying notes to financial statements.

**NESTLÉ PUERTO RICO PENSION PLAN**

Statements of Accumulated Plan Benefits

December 31, 2021 and 2020

| | | 2021 | 2020 |
|---|---|---|---|
| Actuarial present value of accumulated plan benefits (note 2(c)): | | | |
| Vested benefits: | | | |
| Participants currently receiving payments | $ | 6,513,410 | 6,915,944 |
| Other participants | | 4,285,883 | 5,024,121 |
| | | 10,799,293 | 11,940,065 |
| Nonvested benefits | | 10,702 | 45,772 |
| Total actuarial present value of accumulated plan benefits | $ | 10,809,995 | 11,985,837 |

See accompanying notes to financial statements.

**NESTLÉ PUERTO RICO PENSION PLAN**

Statement of Changes in Accumulated Plan Benefits

Year ended December 31, 2021

| | | |
|---|---|---|
| Actuarial present value of accumulated plan benefits at beginning of year | $ | 11,985,837 |
| Increase (decrease) during the year attributable to: | | |
| Benefits accumulated and actuarial losses | | (145,155) |
| Decrease in the discount period | | 487,324 |
| Benefits paid | | (1,305,455) |
| Other assumption changes (note 2(c)) | | (212,556) |
| Actuarial present value of accumulated plan benefits at end of year | $ | 10,809,995 |

See accompanying notes to financial statements.

## (1) Description of the Plan

The following description of the Nestlé Puerto Rico Pension Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions. For purposes of the Plan, Nestlé Puerto Rico, Inc. (the Company) is the Plan Sponsor and Plan Administrator, and has designated Nestlé USA, Inc. to act as delegate of the Plan Administrator. The Plan is intended to be a qualified Plan in accordance with Puerto Rican law. The Plan trustee is UBS Trust Company of Puerto Rico, for the purpose of administering benefit payments to participants. The Plan's assets are invested in the Nestlé in the USA Pension Trust of which The Northern Trust Company is the trustee and custodian.

The following applies to the participants from other plans sponsored by Nestlé who were transferred to the Plan as of October 1, 2011, as well as any qualified new employee after October 1, 2011.

Effective December 31, 2013, the Plan was amended so that no additional benefit accruals would be earned by the participants and no additional employees would become participants in the Plan after January 1, 2013.

Effective June 30, 2021, Nestlé Puerto Rico, Inc. was merged into SWIRL Corp., which is another member of the Nestlé controlled group located in Puerto Rico. As a result of the merger, SWIRL Corp. (Employer Identification Number 66-0720233) became the Plan Sponsor of the Plan.

### *(a) Pension Benefits*

Participating employees are eligible to receive benefits under the Plan document as follows:

*(i) Traditional Benefit*

Participants hired prior to May 1, 2003, who chose to remain on the Traditional formula during the pension choice period, with three or more years of vesting service are entitled to pension benefits beginning at normal retirement age of 65. The normal retirement benefit is determined based upon years of credited service, as defined, and the average of the participant's highest three consecutive years of pensionable earnings during the ten-year period prior to retirement (average annual compensation). The Plan permits retirement as early as age 55, but with a reduced benefit. The normal form of benefit payment is the Life Annuity Form for participants who are not married on the benefit commencement date and the Spouse's Annuity Form for participants who are married on the benefit commencement date. Subject to certain restrictions of the Plan, participants may elect to receive the value of their benefits as a life annuity, a lump-sum distribution, a ten-year certain annuity, or a joint-and-survivor annuity. Additionally, certain Nestlé Purina employees may be covered under an alternative final average pay formula or a career average pay formula subject to different normal and optional forms of payment.

*(ii) Account Benefit*

All participants hired after May 1, 2003 and prior to January 1, 2013, and participants hired prior to May 1, 2003, who chose the Account formula during the pension choice period, with three or more years of vesting service are entitled to pension benefits upon termination of employment. Participants earn an annual percentage based on the sum of the participant's age and years of vesting service (or points) for each year of credited service in the Plan. Upon termination, the annual percentages are added together to determine the final pension percentage. The final

pension percentage is multiplied by the average of the participant's highest five consecutive years of pensionable earnings during the most recent ten-year period. The formula is expressed as a lump sum; however, the normal form of payment is the Life Annuity Form for participants who are not married on the benefit commencement date and the Spouse's Annuity Form for participants who are married on the benefit commencement date. Subject to certain restrictions of the Plan, participants may elect to receive the value of their benefit as a lump-sum distribution, a life annuity, or a joint-and-survivor annuity. Additionally, certain Nestlé Purina employees may be covered under an alternative account benefit formula subject to different normal and optional forms of payment.

*(iii) Other Benefits*

Other plan provisions with limited applicability may also apply to former employees and acquired businesses such as Carnation and Gerber.

***(b) Death and Disability Benefits***

*(i) Traditional Benefit*

If an active participant dies after completing three years of vesting service, a death benefit may be paid to the participant's qualified surviving spouse. The amount of the benefit paid to the surviving spouse is computed with reference to the early retirement factors of the Plan for payments beginning after age 55.

*(ii) Account Benefit*

If an active participant dies, the participant's designated beneficiary will receive the value of the benefit. If the beneficiary is a spouse, the spouse may elect to receive the account benefit as either a lump sum or a life annuity. If the beneficiary is not a spouse, the account benefit is paid as a lump sum.

**(2) Summary of Significant Accounting Policies**

The following are the significant accounting policies followed by the Plan:

***(a) Basis of Accounting***

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

***(b) Investment Valuation***

Plan assets are held in the Nestlé in the USA Pension Trust (Pension Trust), which was established by Nestlé USA, Inc. for the pooled investment of assets for various qualified pension plans sponsored by Nestlé USA, Inc. and this Plan. The Pension Trust is maintained by The Northern Trust Company, as trustee.

The Pension Trust investments are stated at fair value, in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurement*.

Purchases and sales of securities are recorded on a trade-date basis. Interest and other income are recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation

includes the Pension Trust's gains and losses on investments bought and sold as well as held during the year.

### *(c) Actuarial Present Value of Accumulated Plan Benefits*

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, which are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

The accumulated plan benefits for active employees are based on credited service and the average of either the highest three or five years of pensionable earnings, as defined (i.e., total compensation, including bonuses and overtime), during the last ten calendar years ending on the date as of which the benefit information is presented (the valuation date). Benefits payable under all circumstances – retirement, death, disability, and termination of employment – are included to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by an independent actuary, Willis Towers Watson, and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements due to death, disability, termination, or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations were as follows:

| | 2021 | 2020 |
|---|---|---|
| Life expectancy of participants | Pri-2012, including separate assumptions for contingent survivors with Modified MP-2021 projection | Pri-2012, including separate assumptions for contingent survivors with Modified MP-2019 projection |
| Retirement age | Varying by age | Varying by age |
| ASC 960 discount rate and expected return on plan assets | 4.60 % | 4.30 % |

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

### *(d) Administrative Expenses*

Expenses of administering the Plan are paid by the Company or from Plan assets, subject to limitations under ERISA. The Plan allows for administrative expenses such as trustee fees, investment management fees, actuarial valuation fees, and accounting fees.

### *(e) Payment of Benefits*

Benefit payments to participants are recorded upon distribution. Assets are transferred from The Northern Trust Company to UBS to process benefit payments.

A portion of Plan benefits is payable by Metropolitan Life Insurance Company (MetLife) as a result of Nestlé USA, Inc.'s purchase of annuity contracts for certain former participants in the contributory

Carnation Employees Retirement Plan Number Two, which was part of the Nestlé Pension Plan (and subsequently the Nestlé Puerto Rico Pension Plan). Certain Plan benefits have commenced, and continue to be paid, by the trustee, with MetLife reimbursing the Plan for any portion of said benefits that were previously purchased by the employee contributions.

### *(f) Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Actual results could differ from those estimates.

### *(g) Risks and Uncertainties*

The Pension Trust invests in various investment securities. Investment securities are exposed to various risks, such as interest rate risk, market risk, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the financial statements.

### *(h) Derivative Financial Instruments*

The Pension Trust accounts for derivatives and hedging activities in accordance with ASC 815, *Derivatives and Hedging*, which requires that all derivative instruments not qualifying for hedge accounting be recorded on the statements of net assets available for benefits at their respective fair values.

The Pension Trust uses derivatives for the benefit of the plans in the Pension Trust as a tool to reduce risk and as an investment strategy. The Pension Trust will enter into the following types of derivative instruments: interest rate swaps, credit default swaps (CDSs), equity swaps, commodity swaps, financial futures, commodities futures, foreign exchange forward contracts and options, and swaptions and options. The derivative instruments outstanding as of period-end and the amounts of realized and unrealized gains and losses, as well as other income on derivative instruments during the period (as disclosed in the derivatives tables in note 7), serve as indicators of the volume of derivative activity for the Pension Trust. Derivative strategies involve risk and, like other investments, can lose value. The impact on Pension Trust performance can be positive or negative, and will vary depending on market movements.

The Pension Trust manages interest rate risk using interest rate swaps and/or U.S. Treasury futures (interest rate hedge). The objective of the interest rate hedge is to manage the effective duration of the Pension Trust's assets to better match its defined benefit obligations, thereby protecting the funded ratio of the Pension Trust as interest rates fluctuate. Interest rate swaps and futures used in this manner adjust interest rate and yield curve exposures and substitute for physical securities.

The Pension Trust also uses derivatives as a substitute for physical securities in order to gain exposure to certain asset classes. Using derivatives instead of physical securities may be a more efficient means to gain exposure to an index or a market sector due to its characteristics of increased liquidity and reduced transaction costs. Using derivatives may also reduce the need to sell assets when there is a difficult trading environment. These derivatives are used to create credit, equity, and foreign exchange exposures.

The Pension Trust manages credit risk through use of CDSs. These derivatives are used to manage credit exposure without buying or selling securities outright. Written CDSs increase credit exposure (selling protection), obligating the Pension Trust to buy bonds from counterparties in the event of a default. Purchased CDSs decrease exposure (buying protection) providing the right to "put" (sell) bonds to the counterparty in the event of a default.

Counterparty risk for swaps and forwards that are not cleared through a central exchange is mitigated through the use of International Swaps and Derivatives Association (ISDA) standardized agreements that require gains and losses owed to and from the counterparty to be agreed daily, and gains or losses to be collateralized with cash. For futures, the gain (loss) is calculated and funds are transferred to and from the Pension Trust on a daily basis, based on the prior day's market valuation. The types of counterparties are large banks and brokers, and the investment managers each have netting arrangements within their accounts to reduce the exposure to any single counterparty.

Holding derivatives has a significant impact on cash flow. Daily mark to markets and accumulated gains and losses can be large, depending on the volatility of the markets. The Pension Trust has maintained the liquidity necessary to settle any losses under a variety of market conditions, including the most severe.

### *(i) Foreign Currency*

The Pension Trust's investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions.

The Pension Trust does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net appreciation and depreciation from investments.

### *(j) Recently Issued Accounting Standards*

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. ASU 2020-04 provides optional guidance for a limited period of time to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting. The guidance is effective for all entities as of March 12, 2020 through December 31, 2022. The Plan is currently evaluating this accounting standard and has not yet determined the impact to the financial statements.

**(3) Funding Policy**

The funding policy of the Company is to make contributions for each plan year in an amount not less than the minimum required contribution under the law and not more than the maximum tax-deductible contribution. The Company may vary its contribution level, if appropriate to its tax and cash position and the Plan's funded status. There were no contributions made for the plan year ended December 31, 2021, which met the ERISA minimum funding requirements.

**(4) Plan Termination**

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions set forth in ERISA.

**(5) Trustee Certifications**

The Plan Administrator's delegate has elected the method of compliance permitted by 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, certain information related to investments disclosed in the accompanying financial statements, including the Plan's interest in the Pension Trust at December 31, 2021 and 2020, and Plan interest in Pension Trust investment income for the year ended December 31, 2021, was obtained or derived from information provided to the plan administrator's delegate and certified as complete and accurate by The Northern Trust Company, the trustee of the Pension Trust.

**(6) Parties in Interest**

During the years ended December 31, 2021 and 2020, Nestlé in the USA Pension Trust had parties in interest that included Nestlé USA, Inc., trustee, investment advisory, legal, actuarial, and administrative service providers. The fees paid by the Pension Trust to these parties in interest were $6,484,485 for the year ended December 31, 2021. The Plan's share of these expenses was $25,995 for the Plan year ended December 31, 2021. These transactions qualify as party-in-interest transactions; however, they are exempt from prohibited transaction rules under ERISA.

**(7) Interest in Nestlé in the USA Pension Trust**

The assets of the Plan are invested in the Pension Trust, in which the assets of the Plan are combined with the assets of other affiliated Nestlé USA, Inc. plans for investment purposes. Pursuant to relief provided under IRS Revenue Ruling 2011-1, a Puerto Rico only qualified plan that is formed as a part of a spin-off from a U.S. qualified plan pursuant to Revenue Ruling 2008-40 (as modified by Revenue Ruling 2011-1) is permitted to continue to participate in a U.S. group trust, and such continued participation will not cause the group trust to violate the requirements of Revenue Ruling 81-100 (which provides tax-exempt status to group trust holding assets of qualified plans). This relief will continue until such time as the IRS may issue further guidance as to whether a Puerto Rico only qualified plan may participate in such trust.

Pursuant to the trustee's method of allocating the investment holdings between the plans, contributions into the Pension Trust are treated as additions in the Pension Trust, withdrawals are treated as deductions in the Pension Trust, and investment income (loss) is allocated proportionately. Accordingly, the value of the Plan's investment in the Pension Trust is equal to the Plan's interest in each applicable investment increased or decreased by the Plan's allocated share in income, gains, and losses attributable to each applicable investment, which share is generally based upon the Plan's respective share of the Pension Trust's combined net assets available for benefits each month before investment income (loss) and net

appreciation (depreciation) in the fair value of investments. Those investment expenses of the Pension Trust, which can be specifically identified as being applicable to the Plan, are charged to the Plan. The remaining investment expenses are allocated to the Plan based on the Plan's respective share of the Pension Trust's combined net assets available for benefits on a monthly basis.

The Plan's investments consist of an undivided interest in investments held by the Pension Trust. The Plan's equitable share of the Pension Trust's net assets was approximately .40% for the years ended December 31, 2021 and 2020. The net assets of the Pension Trust and the Plan's interest in the Pension Trust balances as of December 31, 2021 and 2020, are as follows:

| | 2021 | | 2020 | |
|---|---|---|---|---|
| | Pension Trust Balances | Plan's Interest in Pension Trust Balances | Pension Trust Balances | Plan's Interest in Pension Trust Balances |
| Investments, at fair value: | | | | |
| Equities | $ 971,232,656 | 3,868,957 | 1,110,864,322 | 4,382,805 |
| Fixed income | 2,765,620,671 | 11,016,996 | 3,037,487,985 | 11,984,108 |
| Real estate | 373,278,332 | 1,486,974 | 297,111,897 | 1,172,226 |
| Other investments | 327,117 | 1,303 | 472,588 | 1,865 |
| Hedge funds | 284,126,260 | 1,131,832 | 265,863,422 | 1,048,938 |
| Cash and cash equivalents* | 97,886,622 | 389,937 | 194,210,862 | 766,240 |
| Total investments | 4,492,471,658 | 17,895,999 | 4,906,011,076 | 19,356,182 |
| Liabilities | (106,904,229) | (425,859) | (301,375,551) | (1,189,049) |
| Net Pension Trust assets | $ 4,385,567,429 | 17,470,140 | 4,604,635,525 | 18,167,133 |

* Includes pending trade sales and purchases as of year-end.

During the year ended December 31, 2021, investment income for the Pension Trust consisted of the following:

| | 2021 |
|---|---|
| Net appreciation in fair value of investments | $ 55,382,560 |
| Interest | 88,790,245 |
| Dividends | 200,493 |
| Other income | 10,267,262 |
| | $ 154,640,560 |
| Pension Trust investment income attributable to the Plan | $ 634,457 |

As discussed in note 2(h), the Pension Trust uses derivative financial instruments as part of its investment strategy. Refer to note 8 for a description of valuation methodologies. Gains and losses on derivative financial instruments are included in investment income (loss). As of December 31, 2021 and 2020, the Pension Trust held the following derivatives:

| | 2021 | | 2020 | |
|---|---|---|---|---|
| | **Asset derivatives fair value** | **Liability derivatives fair value** | **Asset derivatives fair value** | **Liability derivatives fair value** |
| Derivatives not accounted for as hedging instruments: | | | | |
| Interest rate | $ 8,955,671 | (3,793,122) | 1,924,616 | (20,892,848) |
| Foreign exchange | 307,360 | (508,129) | 452,996 | (448,902) |
| Credit | 2,169,602 | (585,732) | 1,512,563 | (456,791) |
| Equity | – | – | – | – |
| | $ 11,432,633 | (4,886,983) | 3,890,175 | (21,798,541) |

The fair values of the derivatives are located within Investments held by the Pension Trust in other investments in assets and liabilities, cash and cash equivalents, fixed income, and equities. There is no concentration of derivatives in any of the categories. Swap valuations are also represented in the Pension Trust Receivables and Liabilities.

For the year ended December 31, 2021, the Pension Trust recognized in investment gain (loss) and other income the following:

| | 2021 |
|---|---|
| | **Amount of gain (loss)** |
| Derivatives not accounted for as hedging instruments: | |
| Interest rate | $ (44,467,592) |
| Foreign exchange | 228,722 |
| Credit | 236,573 |
| Equity | (75) |
| | $ (44,002,372) |

The loss related to the derivatives is located in the net appreciation in fair value of investments and the other income for the Pension Trust. There is no concentration of derivatives in any of the categories.

The following tables summarize the gross notional value of derivative contracts outstanding as of December 31, 2021 and 2020. The gross notional amounts give an indication of the volume of the Pension Trust's derivative activity and significantly exceed the fair value of the derivative investments, which is more representative of the economic exposure associated with derivatives in the Pension Trust.

| **December 31, 2021** | | **Interest Rate** | **Credit** | **Foreign Currency** | **Equity** | **Total** |
|---|---|---|---|---|---|---|
| Forwards | $ | – | – | 58,621,807 | – | 58,621,807 |
| Futures | | 1,656,283,057 | – | – | – | 1,656,283,057 |
| Options | | 328,205,889 | 31,222,921 | – | – | 359,428,810 |
| Swaps | | 401,410,778 | 103,956,156 | – | – | 505,366,934 |
| | $ | 2,385,899,724 | 135,179,077 | 58,621,807 | – | 2,579,700,608 |

| **December 31, 2020** | | **Interest Rate** | **Credit** | **Foreign Currency** | **Equity** | **Total** |
|---|---|---|---|---|---|---|
| Forwards | $ | – | – | 53,746,333 | – | 53,746,333 |
| Futures | | 1,907,548,171 | – | – | – | 1,907,548,171 |
| Options | | 38,989,792 | 73,158,558 | 2,397,600 | – | 114,545,950 |
| Swaps | | 363,012,410 | 70,250,087 | – | – | 433,262,497 |
| | $ | 2,309,550,373 | 143,408,645 | 56,143,933 | – | 2,509,102,951 |

The Pension Trust has in place legally enforceable master netting arrangements or similar agreements with all counterparties with which it enters into derivative financial instruments. Master netting arrangements or similar agreements permit the closeout and netting of transactions with the same counterparty upon the occurrence of certain events. The Pension Trust has chosen not to offset the fair values of derivative contracts and related cash collateral with the same counterparty under its master netting arrangements or similar agreements. All of the Pension Trust's derivative and cash collateral positions are reflected at the

gross values in the statements of net assets available for benefits. The table below shows the impact of netting financial instruments and collateral if the Plan had elected to offset the derivatives.

Offsetting of Assets and Liabilities – Pension Trust at December 31, 2021:

| Asset description | Gross recognized assets | Gross amounts offset | Net amounts presented | Amounts not offset: Financial instruments | Amounts not offset: Net collateral received | Net exposure |
|---|---|---|---|---|---|---|
| OTC Equities | $ – | – | – | – | – | – |
| OTC Foreign exchange | 307,360 | – | 307,360 | 82,488 | 147,332 | 77,540 |
| OTC Interest rate/credit | 3,931,199 | – | 3,931,199 | 1,687,298 | 62,097 | 2,181,804 |
| Total derivatives subject to a Master Netting Agreement (MNA) | 4,238,559 | – | 4,238,559 | 1,769,786 | 209,429 | 2,259,344 |
| Exchange cleared interest rate/credit | 4,870,827 | – | 4,870,827 | – | – | 4,870,827 |
| Exchange traded equities | – | – | – | – | – | – |
| Exchange traded interest rate/credit | 2,323,247 | – | 2,323,247 | – | – | 2,323,247 |
| Total derivatives not subject to a MNA | 7,194,074 | – | 7,194,074 | – | – | 7,194,074 |
| Total derivatives | $ 11,432,633 | – | 11,432,633 | 1,769,786 | 209,429 | 9,453,418 |
| Securities lending pledged | $ – | – | – | – | – | – |

| Liability description | Gross recognized liabilities | Gross amounts offset | Net amounts presented | Amounts not offset: Financial instruments | Amounts not offset: Net collateral pledged | Net exposure |
|---|---|---|---|---|---|---|
| OTC Equities | $ – | – | – | – | – | – |
| OTC Foreign exchange | 508,129 | – | 508,129 | 82,488 | 169,963 | 255,678 |
| OTC Interest rate/credit | 2,257,528 | – | 2,257,528 | 1,687,298 | 152,720 | 417,510 |
| Total derivatives subject to a MNA | 2,765,657 | – | 2,765,657 | 1,769,786 | 322,683 | 673,188 |
| Exchange cleared interest rate/credit | 2,076,605 | – | 2,076,605 | – | 1,571,350 | 505,255 |
| Exchange traded equities | – | – | – | – | – | – |
| Exchange traded interest rate/credit | 44,721 | – | 44,721 | – | 44,721 | – |
| Total derivatives not subject to a MNA | 2,121,326 | – | 2,121,326 | – | 1,616,071 | 505,255 |
| Total derivatives | $ 4,886,983 | – | 4,886,983 | 1,769,786 | 1,938,754 | 1,178,443 |

Offsetting of Assets and Liabilities – Pension Trust at December 31, 2020:

| Asset description | Gross recognized assets | Gross amounts offset | Net amounts presented | Amounts not offset: Financial instruments | Amounts not offset: Net collateral received | Net exposure |
|---|---|---|---|---|---|---|
| OTC Equities | $ – | – | – | – | – | – |
| OTC Foreign exchange | 452,996 | – | 452,996 | 103,982 | 219,357 | 129,657 |
| OTC Interest rate/credit | 760,848 | – | 760,848 | 277,855 | 129,848 | 353,145 |
| Total derivatives subject to a Master Netting Agreement (MNA) | 1,213,844 | – | 1,213,844 | 381,837 | 349,205 | 482,802 |
| Exchange cleared interest rate/credit | 1,174,989 | – | 1,174,989 | – | – | 1,174,989 |
| Exchange traded equities | – | – | – | – | – | – |
| Exchange traded interest rate/credit | 1,501,342 | – | 1,501,342 | – | – | 1,501,342 |
| Total derivatives not subject to a MNA | 2,676,331 | – | 2,676,331 | – | – | 2,676,331 |
| Total derivatives | $ 3,890,175 | – | 3,890,175 | 381,837 | 349,205 | 3,159,133 |
| Securities lending pledged | $ – | – | – | – | – | – |

| Liability description | Gross recognized liabilities | Gross amounts offset | Net amounts presented | Amounts not offset: Financial instruments | Amounts not offset: Net collateral pledged | Net exposure |
|---|---|---|---|---|---|---|
| OTC Equities | $ – | – | – | – | – | – |
| OTC Foreign exchange | 448,902 | – | 448,902 | 103,982 | 97,204 | 247,716 |
| OTC Interest rate/credit | 14,159,092 | – | 14,159,092 | 277,855 | 13,874,826 | 6,411 |
| Total derivatives subject to a MNA | 14,607,994 | – | 14,607,994 | 381,837 | 13,972,030 | 254,127 |
| Exchange cleared interest rate/credit | 6,798,626 | – | 6,798,626 | – | 6,693,069 | 105,557 |
| Exchange traded equities | – | – | – | – | – | – |
| Exchange traded interest rate/credit | 391,921 | – | 391,921 | – | 367,999 | 23,922 |
| Total derivatives not subject to a MNA | 7,190,547 | – | 7,190,547 | – | 7,061,068 | 129,479 |
| Total derivatives | $ 21,798,541 | – | 21,798,541 | 381,837 | 21,033,098 | 383,606 |

## (8) Fair Value Measurements

The Plan has adopted the guidance in ASC 820, which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The fair value framework requires the categorization of assets and liabilities into three levels based upon the assumptions (inputs) used to price the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant judgment. The three levels are defined as follows:

- Level 1: Assets or liabilities that are valued based on unadjusted quoted prices in active markets that are accessible at measurement date.
- Level 2: Assets or liabilities that are valued based on observable inputs, other than those included in Level 1, based on quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in inactive markets, or financial instruments for which all significant inputs are observable, either directly or indirectly.
- Level 3: Assets or liabilities that are valued based on unobservable inputs, including the reporting entity's own analysis of the underlying economic data that market participants would factor into the pricing of the asset or liability.

Assets and liabilities of the Pension Trust measured at fair value on a recurring basis are categorized as follows:

| | December 31, 2021 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Nestlé in the USA Pension Trust assets: | | | | |
| Equities: | | | | |
| Preferred stock | $ 2,727,972 (a) | 547,250 | – | 3,275,222 |
| Commingled funds | 967,957,434 (e) | – | – | 967,957,434 |
| Rights/Warrants | – | – | – | – |
| Total equities | 970,685,406 | 547,250 | – | 971,232,656 |
| Fixed income: | | | | |
| Mutual funds | 38,783,629 | – | – | 38,783,629 |
| Collateralized obligations | – | 2,588,396 (c) | 561,309 | 3,149,705 |
| Corporate bonds | – | 1,699,842,755 (b) | 204,200 | 1,700,046,955 |
| Government and municipal | – | 890,758,082 (f) | 2,305,007 | 893,063,089 |
| Bank loans | – | 19,124,985 (b) | – | 19,124,985 |
| Futures | 2,323,247 | – | – | 2,323,247 |
| Options and swaps | – | 8,802,026 (g) | – | 8,802,026 |
| Total fixed income | 41,106,876 (a) | 2,621,116,244 | 3,070,516 (h) | 2,665,293,636 |
| Other assets: | | | | |
| Foreign exchange forwards and options | 307,360 | – | – | 307,360 |
| Other misc. assets | 19,754 | – | 3 | 19,757 |
| Total other assets | 327,114 (a) | – | 3 (g) | 327,117 |
| Cash and cash equivalents: | | | | |
| Cash (held at broker) | 8,547,947 (a) | – | – | 8,547,947 |
| Cash | 43,558,939 (a) | – | – | 43,558,939 |
| Short term | 41,380,011 (d) | 4,399,725 | – | 45,779,736 |
| Total cash and cash equivalents | 93,486,897 | 4,399,725 | – | 97,886,622 |
| Total assets by fair value level | 1,105,606,293 | 2,626,063,219 | 3,070,519 | 3,734,740,031 |

| | December 31, 2021 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Liabilities: | | | | |
| Payables | $ (94,713,829) | – | – | (94,713,829) |
| Collateral held | (7,303,417) | – | – | (7,303,417) |
| Total current liabilities | (102,017,246) (a) | – | – | (102,017,246) |
| Fixed income futures | (44,721) | – | – | (44,721) |
| Fixed income options and swaps | – | (4,334,133) | – | (4,334,133) |
| Foreign exchange forwards and options | (508,129) | – | – | (508,129) |
| Total other investments | (552,850) (a) | (4,334,133) (g) | – | (4,886,983) |
| Total liabilities by fair value level | (102,570,096) | (4,334,133) | – | (106,904,229) |
| Net pension trust assets by fair value level | $ 1,003,036,197 | 2,621,729,086 | 3,070,519 | 3,627,835,802 |
| Investments measured at net asset value | | | | 757,731,627 (i) |
| Net pension trust assets | | | | $ 4,385,567,429 |

| | December 31, 2020 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Nestlé in the USA Pension Trust assets: | | | | |
| Equities: | | | | |
| Preferred stock | $ 4,695,067 (a) | – | – | 4,695,067 |
| Commingled funds | 1,106,169,180 (e) | – | – | 1,106,169,180 |
| Rights/Warrants | 75 (a) | – | – | 75 |
| Total equities | 1,110,864,322 | – | – | 1,110,864,322 |
| Fixed income: | | | | |
| Mutual funds | 2,306,882 | – | – | 2,306,882 |
| Collateralized obligations | – | 3,042,233 (c) | 595,031 | 3,637,264 |
| Corporate bonds | – | 1,848,895,599 (b) | – | 1,848,895,599 |
| Government and municipal | – | 1,074,624,086 (f) | 853,432 | 1,075,477,518 |
| Bank loans | – | 14,163,428 (b) | – | 14,163,428 |
| Futures | 1,375,362 | – | – | 1,375,362 |
| Options and swaps | – | 2,061,817 (g) | – | 2,061,817 |
| Total fixed income | 3,682,244 (a) | 2,942,787,163 | 1,448,463 (h) | 2,947,917,870 |
| Other assets: | | | | |
| Foreign exchange forwards and options | 452,996 | – | – | 452,996 |
| Other misc. assets | 19,588 | – | 4 | 19,592 |
| Total other assets | 472,584 (a) | – | 4 (g) | 472,588 |
| Cash and cash equivalents: | | | | |
| Cash (held at broker) | 22,045,166 (a) | – | – | 22,045,166 |
| Cash | 137,941,850 (a) | – | – | 137,941,850 |
| Short term | 34,223,846 (d) | – | – | 34,223,846 |
| Total cash and cash equivalents | 194,210,862 | – | – | 194,210,862 |
| Total assets by fair value level | 1,309,230,012 | 2,942,787,163 | 1,448,467 | 4,253,465,642 |

| | December 31, 2020 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Liabilities: | | | | |
| Payables | $ (278,159,809) | – | – | (278,159,809) |
| Collateral held | (1,417,201) | – | – | (1,417,201) |
| Total current liabilities | (279,577,010) (a) | – | – | (279,577,010) |
| Fixed income futures | (381,734) | – | – | (381,734) |
| Fixed income options and swaps | (10,188) | (20,955,842) | (1,875) | (20,967,905) |
| Foreign exchange forwards and options | (440,361) | (8,541) | – | (448,902) |
| Total other investments | (832,283) (a) | (20,964,383) (g) | (1,875) (h) | (21,798,541) |
| Total liabilities by fair value level | (280,409,293) | (20,964,383) | (1,875) | (301,375,551) |
| Net pension trust assets by fair value level | $ 1,028,820,719 | 2,921,822,780 | 1,446,592 | 3,952,090,091 |
| Investments measured at net asset value | | | | 652,545,434 (i) |
| Net pension trust assets | | | | $ 4,604,635,525 |

Due to Nestlé USA, Inc.'s policy to diversify the holdings of the Pension Trust portfolio, there is no significant concentration of investments within any particular class of investments included above. The valuation methodologies utilized by the Plan and Pension Trust for the above investments as of December 31, 2021 and 2020, are as follows:

(a) Based on quoted market prices in active markets.

(b) Based on investment manager or industry pricing services of investments. Certain fixed income pricing is on a bid-evaluation basis. Institutional bid evaluations are estimated prices. Pricing vendors use models, which are generally proprietary, to arrive at the estimated prices. These prices represent the price a dealer would pay for a security. Model inputs vary depending on the type of security, but typically include trade data, institutional bids, comparable trades, dealer quotes, and news media. Market data is provided by multiple independent sources, including primary and secondary dealers, portfolio managers, and research analysts.

(c) Collateralized mortgage valuations are based on trade and quote activity of bonds with similar features, including issuer, vintage, prepayment speeds, and purpose of the underlying loan (first or second lien).

(d) Cash equivalents include short term fixed income instruments whose valuations are determined based upon maturity date, issue date, and credit ratings.

(e) Commingled funds are valued based on the daily pricing of the underlying assets to estimate the fair value of the fund as determined by the investment manager. The liquidity of these investments is determined by the redemption period and settlement period for each fund. The Pension Trust considered these and other characteristics and concluded these commingled funds have a readily determinable fair value.

(f) Government and municipal bonds are priced by obtaining feeds from various live data sources, including market makers and interdealer brokers.

(g) Over-the-counter options are valued using bid, ask/offer quotes that are binding and corroborated. Swaps are valued using the discounted cash flow method. The two legs (fixed and floating) are priced independently as the present value of their expected cash flows.

(h) Certain fixed income securities (primarily certain collateralized obligations) are valued based upon evaluated prices using unobservable inputs (i.e., extrapolated data, proprietary models, and indicative quotes).

(i) Investments measured at net asset value include alternative fixed income investments, real estate funds, and hedge funds. The net asset values are reported to Nestlé USA, Inc. and the trustee by the fund managers or the general partners of the fund. These net asset values are based on the fair value of the underlying portfolio investments held by the investment fund.

These fair values are determined by a variety of methods: real estate investments are valued at appraised values plus undistributed rental and interest income; hedge funds are valued by the investment manager using quoted market prices of underlying investments and evaluations supplied by industry pricing vendors.

A summary of the nature and risks of the investments and unfunded commitments that are valued using a net asset value (NAV) for the years ended December 31, 2021 and 2020 is as follows:

| | 2021 | | 2020 | | | |
|---|---|---|---|---|---|---|
| | Net asset value | Unfunded commitments | Net asset value | Unfunded commitments | Redemption frequency | Redemption notice period |
| Hedge funds | $ 284,126,260 | – | $ 265,863,422 | $ - | Monthly, quarterly | 70 days |
| Fixed income – redeemable | 89,669,301 | 10,286,055 | $ 70,302,031 | $ 19,185,362 | Annually | 90 days |
| Fixed income – not redeemable | 10,657,734 | – | $ 19,268,084 | $ - | Not redeemable | N/A |
| Real estate funds – open end | 301,668,680 | – | $ 233,875,304 | $ - | Quarterly | 45–90 days |
| Real estate funds – closed end | 71,609,652 | 59,700,666 | $ 63,236,593 | $ 63,355,512 | Not redeemable | N/A |
| | $ 757,731,627 | 69,986,721 | 652,545,434 | 82,540,874 | | |

The Pension Trust's investments measured at net asset value are in real estate, hedge funds, and fixed income partnerships for the years ended December 31, 2021 and 2020. These investments are primarily limited partnership investments and the fair value is determined using an audited net asset value (NAV). The fair value of investments is estimated using techniques that may rely heavily on the investment managers' assumptions and qualitative observations. The Pension Trust uses the fair valuations from the investment managers and reviews and validates their valuation methods and processes throughout the year. The Pension Trust establishes and follows valuation policies and procedures. The Pension Trust employs specialized investment consultants who perform due diligence on the valuation policies and procedures of the general partners before making the investments and periodically thereafter. Using their

own procedures and systems, they evaluate the reasonableness of the partnerships' NAVs on a monthly and quarterly basis using industry comparisons, operating performance metrics and they conduct frequent reviews with the general partners. The Pension Trust periodically evaluates the fair valuation policies and procedures of these specialized investment consultants and requests and reviews the valuation policies of the investment managers and general partners annually. The Pension Trust retains discretion to sell any of these investments at an amount other than the net asset value, should there be an investment case to sell these investments in the secondary market.

A summary of changes in the fair value of Level 3 assets and liabilities for the year ended December 31, 2021 is as follows:

| | | Purchases | Issuances | Transfers In | Transfers Out |
|---|---|---|---|---|---|
| Fixed income | $ | 1,624,539 | – | 1,219,093 | (439,100) |
| | $ | 1,624,539 | – | 1,219,093 | (439,100) |

The significance of transfers between levels is evaluated based upon the nature of the financial instrument and size of the transfer relative to the total net assets available for benefits. There were no significant transfers between levels for the year ended December 31, 2021.

## (9) Tax Status

The Plan has received a determination letter from the Commonwealth of Puerto Rico's Department of Treasury (Treasury) dated December 6, 2011, stating that the Plan is qualified under Section 1081.01 of the Internal Revenue Code for a New Puerto Rico (the Puerto Rico Code) and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the Treasury, the Plan was amended. The Plan received a subsequent Private Letter Ruling dated March 24, 2017, from the Government of Puerto Rico's Treasury Department stating that the submitted amendments would not affect the ruling issued on December 6, 2011. Once qualified, the Plan is required to operate in conformity with the Puerto Rico Code to maintain its qualification. The plan administrator's delegate believes the Plan is being operated in compliance with the applicable requirements of the Puerto Rico Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax-exempt.

The Plan Administrator's delegate evaluates tax positions taken by the Plan. The financial statement effects are recognized when the Plan has taken an uncertain position that more likely than not would be sustained upon examination by the government. The Plan Administrator's delegate has analyzed the tax positions taken by the Plan and has concluded that there are no uncertain tax positions taken or expected to be taken.

The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator's delegate believes the Plan is no longer subject to income tax examinations for years prior to 2018.

## (10) Subsequent Events

The Plan has evaluated subsequent events through October 12, 2022, the date these financial statements were available for issuance.

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Line 26

## Schedule of Active Participant Data as of January 1, 2021

| | Attained Years of Credited Service[1] | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Attained Age | Under 1 | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40 & Over |
| Under 25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25-29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30-34 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35-39 | 0 | 3 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 40-44 | 0 | 1 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45-49 | 0 | 3 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 50-54 | 1 | 0 | 6 | 0 | 0 | 2 | 0 | 0 | 0 | 0 |
| 55-59 | 1 | 2 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| 60-64 | 0 | 0 | 0 | 0 | 1 | 2 | 0 | 0 | 0 | 0 |
| 65-69 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 70 & over | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Average Age: 48.9 Average Service: 7.69

Census data as of January 1, 2021

[1] Age and service for purposes of determining category are based on exact (not rounded) values.

Plan Name: Nestlé Puerto Rico Pension Plan
EIN / PN: 66-0720233/116
Plan Sponsor: SWIRL Corp.
Valuation Date January 1, 2021

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Part V
## Statement of Actuarial Assumptions/Methods

### Economic Assumptions

**Interest rate basis:**

| | |
|---|---|
| ■ Applicable month | September |
| ■ Yield curve basis | Segment rates |
| ■ ASC 960 discount rate | 4.30% |

| **Interest rates:** | **For Minimum** |
|---|---|
| ■ First segment rate | 4.75% |
| ■ Second segment rate | 5.36% |
| ■ Third segment rate | 6.11% |
| ■ Effective Interest Rate | 5.48% |

| | |
|---|---|
| **Lump sum rates** | 4.75%/5.36%/6.11% |

### Demographic Assumptions

| | |
|---|---|
| **Inclusion date** | The valuation date coincident with or next following the date on which the employee becomes a participant. |

**Mortality (Funding Valuation)**

| | |
|---|---|
| ■ Healthy | Separate rates for non-annuitants (based on RP-2014 “Employees” table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2019) and annuitants (based on RP-2014 “Healthy Annuitants” table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2019). |

- Disabled — Separate rates for non-annuitants (based on RP-2014 "Employees" table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2019) and annuitants (based on RP-2014 "Healthy Annuitants" table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2019).
- Lump sum conversion — IRC 417(e) table

**Termination** — Rates vary by age, service and plan

PEP

| Percentage leaving during the year | |
|---|---|
| Years of Service<br>Attained Age | All<br>Rates |
| 25 | 13.9% |
| 30 | 12.3% |
| 35 | 10.6% |
| 40 | 10.6% |
| 45 | 9.9% |
| 50 | 9.9% |
| 55 | 0.0% |

Traditional – not PCAP

| Percentage leaving during the year | |
|---|---|
| Years of Service<br>Attained Age | All<br>Rates |
| 25 | 5.9% |
| 30 | 5.9% |
| 35 | 5.9% |
| 40 | 5.9% |
| 45 | 5.8% |
| 50 | 5.8% |
| 55 | 5.8% |

Traditional – PCAP

| Percentage leaving during the year | | |
|---|---|---|
| Years of Service<br>Attained Age | < 3<br>Rates | > 3<br>Rates |
| 25 | 12.4% | 10.3% |
| 30 | 12.2% | 10.0% |
| 35 | 11.3% | 9.3% |
| 40 | 11.3% | 4.8% |
| 45 | 10.1% | 4.6% |
| 50 | 10.1% | 4.6% |
| 55 | 10.1% | 4.0% |

# SCHEDULE SB ATTACHMENTS

**Disability**

Rates varying by age, sex, and plan.

NUSA Traditional Salary

| Percentage becoming disabled during the year | | |
|---|---|---|
| Age | Males | Females |
| 30 | 0.06% | 0.05% |
| 40 | 0.07% | 0.06% |
| 50 | 0.18% | 0.16% |

NUSA Traditional Hourly

| Percentage becoming disabled during the year | | |
|---|---|---|
| Age | Males | Females |
| 30 | 0.09% | 0.49% |
| 40 | 0.28% | 0.56% |
| 50 | 0.61% | 1.02% |

NUSA PEP Salary

| Percentage becoming disabled during the year | | |
|---|---|---|
| Age | Males | Females |
| 30 | 0.07% | 0.09% |
| 40 | 0.08% | 0.12% |
| 50 | 0.20% | 0.28% |

NPPC PEP Salary

| Percentage becoming disabled during the year | | |
|---|---|---|
| Age | Males | Females |
| 30 | 0.05% | 0.07% |
| 40 | 0.06% | 0.09% |
| 50 | 0.15% | 0.22% |

# SCHEDULE SB ATTACHMENTS

**Retirement**

Rates varying by age and plan

PEP

| Percentage leaving during the year | |
|---|---|
| Attained Age | Rates |
| 55 | 10.0% |
| 56 | 10.0% |
| 57 | 10.0% |
| 58 | 10.0% |
| 59 | 10.0% |
| 60 | 15.0% |
| 61 | 15.0% |
| 62 | 25.0% |
| 63 | 25.0% |
| 64 | 25.0% |
| 65 | 35.0% |
| 66 | 35.0% |
| 67 | 35.0% |
| 68 | 35.0% |
| 69 | 35.0% |
| 70 | 100.0% |

Traditional – not PCAP

| Percentage leaving during the year | |
|---|---|
| Attained Age | Rates |
| 55 | 10.0% |
| 56 | 10.0% |
| 57 | 10.0% |
| 58 | 10.0% |
| 59 | 10.0% |
| 60 | 20.0% |
| 61 | 20.0% |
| 62 | 30.0% |
| 63 | 30.0% |
| 64 | 30.0% |
| 65 | 40.0% |
| 66 | 40.0% |
| 67 | 40.0% |
| 68 | 40.0% |
| 68 | 40.0% |
| 70 | 100.0% |

# SCHEDULE SB ATTACHMENTS

Traditional - PCAP

| Percentage leaving during the year | |
|---|---|
| Attained Age | Rates |
| 55-57 | 7.5% |
| 56 | 7.5% |
| 57 | 7.5% |
| 58 | 10.0% |
| 59 | 10.0% |
| 60 | 10.0% |
| 61 | 15.0% |
| 62 | 25.0% |
| 63 | 25.0% |
| 64 | 30.0% |
| 65 | 30.0% |
| 66 | 30.0% |
| 67 | 40.0% |
| 68 | 40.0% |
| 69 | 40.0% |
| 70 | 100.0% |

**Benefit commencement date:**

- Preretirement death benefit — The later of the death of the active participant or the date the participant would have attained age 65
- Deferred vested benefit — The deferred vested participants who terminated within 2 years of the valuation are assumed to take a lump sum payment immediately based on the following schedule:

  PEP – 50%

  Traditional (Non-PCAP) – 50%

  Traditional (PCAP) – 25%

  The remaining deferred vested participants will commence their benefit at the following ages:

  PEP – Age 62

  Traditional (Non-PCAP) – Age 63

  Traditional (PCAP) – Age 62
- Disability benefit — Age 65
- Retirement benefit — Upon termination of employment

# SCHEDULE SB ATTACHMENTS

**Form of payment**

All participants

Termination Benefits

| Participant Group | Life | Cert & Life | J&S | Lump Sum |
|---|---|---|---|---|
| PEP | 2.5% | 0% | 2.5% | 95% |
| Traditional – not PCAP | 7.5% | 0% | 7.5% | 85% |
| Traditional – PCAP | 5% | 0% | 5% | 90% |

Retirement Benefits

| Participant Group | Life | Cert & Life | J&S | Lump Sum |
|---|---|---|---|---|
| PEP | 5% | 0% | 10% | 85% |
| Traditional – not PCAP | 10% | 0% | 15% | 75% |
| Traditional - PCAP | 5% | 5% | 20% | 70% |

**Percent married**

80%

**Spouse age**

Wife three years younger than husband

**Administrative expenses**

None payable from the trust

**At-risk assumptions**

For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year. In addition, these participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan.

## Methods

**Valuation date**

First day of plan year

**Funding target**

Present value of accrued benefits

**Target normal cost**

Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during the year

**Decrement timing**

The approach used is called rounded middle of year (rounded MOY) decrement timing. Most events are assumed to occur at the middle of year during which the eligibility condition will be met or the start/end date will occur. For death and disability decrements, the rate applied is based on the participant's rounded age (nearest integer age) at the beginning of the year, to align with the methodology generally used to create those rate tables. For retirement and withdrawal decrements: the age is generally the participant's rounded age at the middle of the year.

# SCHEDULE SB ATTACHMENTS

| | |
|---|---|
| **Actuarial value of assets** | Market value of assets, including contributions receivable |
| **Funding policy** | Nestlé USA's general funding policy is to make contributions for each plan year in an amount not less than the minimum required contribution under ERISA and to target 100% funded status on a Pension Protection Act (PPA) basis. This will not exceed the maximum tax-deductible contribution. Nestlé may vary its contribution level, if appropriate to its tax and cash position and the funded status. |
| **Benefits not valued** | All benefits described in the Plan Provisions section of this report were valued. Willis Towers Watson has reviewed the plan provisions with Nestlé and is not aware of any significant benefits required to be valued that were not.<br><br>Small benefits with present values up to $5,000 may be paid in a single lump sum payment. Such lump sums are not explicitly valued as such; rather, such participants' benefits are valued using the benefit choice assumptions described above. |

## Sources of Data and Other Information

The plan sponsor through its administrator, Willis Towers Watson, furnished participant data as of January 1, 2021. Information on assets, contributions and plan provisions was supplied by the plan sponsor. Data and other information were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date.

We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

## Assumptions Rationale – Significant Economic Assumptions

| | |
|---|---|
| **Discount rate (Funding valuation)** | The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time. |

## Assumptions Rationale – Significant Demographic Assumptions

| | |
|---|---|
| **Mortality (Funding valuation)** | Assumptions used for funding purposes are as prescribed by IRC §430(h). |
| **Retirement** | Retirement rates were based on an experience study conducted in 2020 for the period 2016-2020, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future. |

# SCHEDULE SB ATTACHMENTS

**Termination**

Termination rates were based on an experience study conducted in 2020 for the period 2016-2020, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Assumed termination rates differ by age, service and plan because of observed differences in termination rates by service and plan.

**Disability**

Disability rates are reviewed with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Assumed disability rates differ by gender and plan because of observed differences in disability rates by gender and plan.

**Benefit commencement date for deferred benefits:**

- Pre-retirement death benefit

  Surviving spouses are assumed to begin benefits at the earliest permitted commencement date because ERISA requires benefits to start then unless the spouse elects to defer. If the spouse elects to defer, actuarial increases from the earliest commencement date must be given, so that a later commencement date is expected to be of approximately equal value, and experience indicates that most spouses do take the benefit as soon as it is available.

- Deferred vested benefit

  Commencement ages were based on an experience study conducted in 2020 for the period 2016-2020. Deferred vested early commencement factors are generally not subsidized so that the difference between this approach and using assumed commencement rates at different ages is not expected to be significant.

**Form of payment**

The optional form of payment assumptions are based on an experience study performed in 2020 for the period 2016-2020.

## Prescribed Methods

**Funding methods**

The methods used for funding purposes as described in Appendix A, including the method of determining plan assets, are “prescribed methods set by law”, as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

# SCHEDULE SB ATTACHMENTS

## Changes in Assumptions and Methods

| | |
|---|---|
| **Change in assumptions since prior valuation** | The segment interest rates used to calculate the funding target was updated to the current valuation date as required by IRC §430.<br><br>The mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvement, as required by IRC §430. |
| **Change in methods since prior valuation** | There have been no changes in methods since the prior valuation. |
| **Change in estimation techniques since prior valuation** | There have been no changes in estimation techniques since the prior valuation. |

*The results provided in this report reflect data and assumptions appropriate for the purpose of the measurement. Effects of COVID-19 on the financial markets, regulations, and experience are uncertain and still evolving. The results in this report make no allowances for the effects of COVID-19. There may be significant effects on plan experience and/or assumptions, both demographic and economic used for future measurements.*

# SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

**2021**

**This Form is Open to Public Inspection**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

**A** Name of plan
NESTLE PUERTO RICO PENSION PLAN

**B** Three-digit plan number (PN) ▶ 116

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
SWIRL CORP.

**D** Employer Identification Number (EIN)
66-0720233

**E** Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

**F** Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

## Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2021

2 Assets:

| | | |
|---|---|---|
| a Market value | 2a | 18,167,133 |
| b Actuarial value | 2b | 18,167,133 |

3 Funding target/participant count breakdown

| | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target |
|---|---|---|---|
| a For retired participants and beneficiaries receiving payment | 137 | 6,302,740 | 6,302,740 |
| b For terminated vested participants | 112 | 3,137,080 | 3,137,080 |
| c For active participants | 35 | 1,105,596 | 1,138,241 |
| d Total | 284 | 10,545,416 | 10,578,061 |

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

| | | |
|---|---|---|
| a Funding target disregarding prescribed at-risk assumptions | 4a | |
| b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor | 4b | |
| 5 Effective interest rate | 5 | 5.48% |
| 6 Target normal cost | | |
| a Present value of current plan year accruals | 6a | 0 |
| b Expected plan-related expenses | 6b | 0 |
| c Total (line 6a + line 6b) | 6c | 0 |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN HERE** Michael Altilio

Signature of actuary

10/13/2022
Date

Michael Altilio
Type or print name of actuary

2007062
Most recent enrollment number

Willis Towers Watson US LLC
Firm name

973-539-1923
Telephone number (including area code)

150 JFK Parkway
Suite 520
Short Hills NJ 07078
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

## Part II Beginning of Year Carryover and Prefunding Balances

| | | (a) Carryover balance | (b) Prefunding balance |
|---|---|---|---|
| 7 | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) | 169,407 | 0 |
| 8 | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) | 0 | 0 |
| 9 | Amount remaining (line 7 minus line 8) | 169,407 | 0 |
| 10 | Interest on line 9 using prior year's actual return of 12.17% | 20,617 | 0 |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | **a** Present value of excess contributions (line 38a from prior year) | | 0 |
| | **b(1)** Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 5.26% | | 0 |
| | **b(2)** Interest on line 38b from prior year Schedule SB, using prior year's actual return | | 0 |
| | **c** Total available at beginning of current plan year to add to prefunding balance | | 0 |
| | **d** Portion of (c) to be added to prefunding balance | | 0 |
| 12 | Other reductions in balances due to elections or deemed elections | 0 | 0 |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) | 190,024 | 0 |

## Part III Funding Percentages

| | | | |
|---|---|---|---|
| 14 | Funding target attainment percentage | 14 | 169.94% |
| 15 | Adjusted funding target attainment percentage | 15 | 171.74% |
| 16 | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement | 16 | 152.19% |
| 17 | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage | 17 | % |

## Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees |
|---|---|---|---|---|---|
| | | | | | |
| | | | | | |
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| | | | | | |
| | | | | | |
| | | | Totals ► 18(b) | 0 | 18(c) 0 |

| | | | |
|---|---|---|---|
| 19 | Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year: | | |
| | **a** Contributions allocated toward unpaid minimum required contributions from prior years. | 19a | 0 |
| | **b** Contributions made to avoid restrictions adjusted to valuation date | 19b | 0 |
| | **c** Contributions allocated toward minimum required contribution for current year adjusted to valuation date | 19c | 0 |

20 Quarterly contributions and liquidity shortfalls:

**a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

**b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

**c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---|---|---|---|
| | | | |

## Part V Assumptions Used to Determine Funding Target and Target Normal Cost

**21** Discount rate:

**a** Segment rates:

| 1st segment: | 2nd segment: | 3rd segment: | |
|---|---|---|---|
| 4.75 % | 5.36 % | 6.11 % | ☐ N/A, full yield curve used |

| | | |
|---|---|---|
| **b** Applicable month (enter code) | **21b** | 4 |
| **22** Weighted average retirement age | **22** | 61 |

**23** Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

## Part VI Miscellaneous Items

**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No

**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

| | | |
|---|---|---|
| **27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment | **27** | |

## Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

| | | |
|---|---|---|
| **28** Unpaid minimum required contributions for all prior years | **28** | 0 |
| **29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) | **29** | 0 |
| **30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) | **30** | 0 |

## Part VIII Minimum Required Contribution For Current Year

**31** Target normal cost and excess assets (see instructions):

| | | |
|---|---|---|
| **a** Target normal cost (line 6c) | **31a** | 0 |
| **b** Excess assets, if applicable, but not greater than line 31a | **31b** | 0 |

**32** Amortization installments:

| | Outstanding Balance | Installment |
|---|---|---|
| **a** Net shortfall amortization installment | 0 | 0 |
| **b** Waiver amortization installment | 0 | 0 |

| | | |
|---|---|---|
| **33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____ ) and the waived amount | **33** | |
| **34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) | **34** | 0 |

| | Carryover balance | Prefunding balance | Total balance |
|---|---|---|---|
| **35** Balances elected for use to offset funding requirement | 0 | 0 | 0 |

| | | |
|---|---|---|
| **36** Additional cash requirement (line 34 minus line 35) | **36** | 0 |
| **37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | **37** | 0 |
| **38** Present value of excess contributions for current year (see instructions) | | |
| **a** Total (excess, if any, of line 37 over line 36) | **38a** | 0 |
| **b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances | **38b** | 0 |
| **39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) | **39** | 0 |
| **40** Unpaid minimum required contributions for all years | **40** | 0 |

## Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

**41** If an election was made to use PRA 2010 funding relief for this plan:

**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years

**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

# SCHEDULE SB ATTACHMENTS

## Schedule SB – Statement by Enrolled Actuary

| | |
|---|---|
| **Plan Sponsor** | SWIRL Corp. |
| **EIN/PN** | 66-0720233/116 |
| **Plan Name** | Nestlé Puerto Rico Pension Plan |
| **Valuation Date** | January 1, 2021 |
| **Enrolled Actuary** | Michael Altilio |
| **Enrollment Number** | 20-07062 |

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Line 22
## Description of Weighted Average Retirement Age
## as of January 1, 2021

| Age | Retirement Rate | 1.00 - Retirement Rate | Probability of Remaining Active | Percentage Retiring at Age | Age Times Percentage Retiring |
|---|---|---|---|---|---|
| 54 | 0.00% | 100.00% | 100.00% | 0.00% | 0.00 |
| 55 | 10.00% | 90.00% | 90.00% | 10.00% | 5.50 |
| 56 | 10.00% | 90.00% | 81.00% | 9.00% | 5.04 |
| 57 | 10.00% | 90.00% | 72.90% | 8.10% | 4.62 |
| 58 | 10.00% | 90.00% | 65.61% | 7.29% | 4.23 |
| 59 | 10.00% | 90.00% | 59.05% | 6.56% | 3.87 |
| 60 | 15.00% | 85.00% | 50.19% | 8.86% | 5.31 |
| 61 | 15.00% | 85.00% | 42.66% | 7.53% | 4.59 |
| 62 | 25.00% | 75.00% | 32.00% | 10.67% | 6.61 |
| 63 | 25.00% | 75.00% | 24.00% | 8.00% | 5.04 |
| 64 | 25.00% | 75.00% | 18.00% | 6.00% | 3.84 |
| 65 | 35.00% | 65.00% | 11.70% | 6.30% | 4.09 |
| 66 | 35.00% | 65.00% | 7.60% | 4.09% | 2.70 |
| 67 | 35.00% | 65.00% | 4.94% | 2.66% | 1.78 |
| 68 | 35.00% | 65.00% | 3.21% | 1.73% | 1.18 |
| 69 | 35.00% | 65.00% | 2.09% | 1.12% | 0.78 |
| 70 | 100.00% | 0.00% | 0.00% | 2.09% | 1.46 |
| | | | | 100.00% | |
| | | | Average Retirement Age: | | 61 |

Plan Name: Nestlé Puerto Rico Pension Plan
EIN / PN: 66-0720233/116
Plan Sponsor: SWIRL Corp.
Valuation Date January 1, 2021

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Part V
## Statement of Actuarial Assumptions/Methods

### Economic Assumptions

**Interest rate basis:**

| | |
|---|---|
| ■ Applicable month | September |
| ■ Yield curve basis | Segment rates |
| ■ ASC 960 discount rate | 4.30% |

| **Interest rates:** | **For Minimum** |
|---|---|
| ■ First segment rate | 4.75% |
| ■ Second segment rate | 5.36% |
| ■ Third segment rate | 6.11% |
| ■ Effective Interest Rate | 5.48% |

| | |
|---|---|
| **Lump sum rates** | 4.75%/5.36%/6.11% |

### Demographic Assumptions

| | |
|---|---|
| **Inclusion date** | The valuation date coincident with or next following the date on which the employee becomes a participant. |

**Mortality (Funding Valuation)**

| | |
|---|---|
| ■ Healthy | Separate rates for non-annuitants (based on RP-2014 “Employees” table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2019) and annuitants (based on RP-2014 “Healthy Annuitants” table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2019). |

- Disabled — Separate rates for non-annuitants (based on RP-2014 "Employees" table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2019) and annuitants (based on RP-2014 "Healthy Annuitants" table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2019).
- Lump sum conversion — IRC 417(e) table

**Termination** — Rates vary by age, service and plan

PEP

| Percentage leaving during the year | |
|---|---|
| Years of Service<br>Attained Age | All<br>Rates |
| 25 | 13.9% |
| 30 | 12.3% |
| 35 | 10.6% |
| 40 | 10.6% |
| 45 | 9.9% |
| 50 | 9.9% |
| 55 | 0.0% |

Traditional – not PCAP

| Percentage leaving during the year | |
|---|---|
| Years of Service<br>Attained Age | All<br>Rates |
| 25 | 5.9% |
| 30 | 5.9% |
| 35 | 5.9% |
| 40 | 5.9% |
| 45 | 5.8% |
| 50 | 5.8% |
| 55 | 5.8% |

Traditional – PCAP

| Percentage leaving during the year | | |
|---|---|---|
| Years of Service<br>Attained Age | < 3<br>Rates | > 3<br>Rates |
| 25 | 12.4% | 10.3% |
| 30 | 12.2% | 10.0% |
| 35 | 11.3% | 9.3% |
| 40 | 11.3% | 4.8% |
| 45 | 10.1% | 4.6% |
| 50 | 10.1% | 4.6% |
| 55 | 10.1% | 4.0% |

# SCHEDULE SB ATTACHMENTS

**Disability**

Rates varying by age, sex, and plan.

NUSA Traditional Salary

| Percentage becoming disabled during the year | | |
|---|---|---|
| Age | Males | Females |
| 30 | 0.06% | 0.05% |
| 40 | 0.07% | 0.06% |
| 50 | 0.18% | 0.16% |

NUSA Traditional Hourly

| Percentage becoming disabled during the year | | |
|---|---|---|
| Age | Males | Females |
| 30 | 0.09% | 0.49% |
| 40 | 0.28% | 0.56% |
| 50 | 0.61% | 1.02% |

NUSA PEP Salary

| Percentage becoming disabled during the year | | |
|---|---|---|
| Age | Males | Females |
| 30 | 0.07% | 0.09% |
| 40 | 0.08% | 0.12% |
| 50 | 0.20% | 0.28% |

NPPC PEP Salary

| Percentage becoming disabled during the year | | |
|---|---|---|
| Age | Males | Females |
| 30 | 0.05% | 0.07% |
| 40 | 0.06% | 0.09% |
| 50 | 0.15% | 0.22% |

# SCHEDULE SB ATTACHMENTS

**Retirement**

Rates varying by age and plan

PEP

| Percentage leaving during the year | |
|---|---|
| Attained Age | Rates |
| 55 | 10.0% |
| 56 | 10.0% |
| 57 | 10.0% |
| 58 | 10.0% |
| 59 | 10.0% |
| 60 | 15.0% |
| 61 | 15.0% |
| 62 | 25.0% |
| 63 | 25.0% |
| 64 | 25.0% |
| 65 | 35.0% |
| 66 | 35.0% |
| 67 | 35.0% |
| 68 | 35.0% |
| 69 | 35.0% |
| 70 | 100.0% |

Traditional – not PCAP

| Percentage leaving during the year | |
|---|---|
| Attained Age | Rates |
| 55 | 10.0% |
| 56 | 10.0% |
| 57 | 10.0% |
| 58 | 10.0% |
| 59 | 10.0% |
| 60 | 20.0% |
| 61 | 20.0% |
| 62 | 30.0% |
| 63 | 30.0% |
| 64 | 30.0% |
| 65 | 40.0% |
| 66 | 40.0% |
| 67 | 40.0% |
| 68 | 40.0% |
| 68 | 40.0% |
| 70 | 100.0% |

# SCHEDULE SB ATTACHMENTS

Traditional - PCAP

| Percentage leaving during the year | |
|---|---|
| Attained Age | Rates |
| 55-57 | 7.5% |
| 56 | 7.5% |
| 57 | 7.5% |
| 58 | 10.0% |
| 59 | 10.0% |
| 60 | 10.0% |
| 61 | 15.0% |
| 62 | 25.0% |
| 63 | 25.0% |
| 64 | 30.0% |
| 65 | 30.0% |
| 66 | 30.0% |
| 67 | 40.0% |
| 68 | 40.0% |
| 69 | 40.0% |
| 70 | 100.0% |

**Benefit commencement date:**

- Preretirement death benefit — The later of the death of the active participant or the date the participant would have attained age 65
- Deferred vested benefit — The deferred vested participants who terminated within 2 years of the valuation are assumed to take a lump sum payment immediately based on the following schedule:

  PEP – 50%

  Traditional (Non-PCAP) – 50%

  Traditional (PCAP) – 25%

  The remaining deferred vested participants will commence their benefit at the following ages:

  PEP – Age 62

  Traditional (Non-PCAP) – Age 63

  Traditional (PCAP) – Age 62
- Disability benefit — Age 65
- Retirement benefit — Upon termination of employment

# SCHEDULE SB ATTACHMENTS

**Form of payment**

All participants

Termination Benefits

| Participant Group | Life | Cert & Life | J&S | Lump Sum |
|---|---|---|---|---|
| PEP | 2.5% | 0% | 2.5% | 95% |
| Traditional – not PCAP | 7.5% | 0% | 7.5% | 85% |
| Traditional – PCAP | 5% | 0% | 5% | 90% |

Retirement Benefits

| Participant Group | Life | Cert & Life | J&S | Lump Sum |
|---|---|---|---|---|
| PEP | 5% | 0% | 10% | 85% |
| Traditional – not PCAP | 10% | 0% | 15% | 75% |
| Traditional - PCAP | 5% | 5% | 20% | 70% |

**Percent married**

80%

**Spouse age**

Wife three years younger than husband

**Administrative expenses**

None payable from the trust

**At-risk assumptions**

For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year. In addition, these participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan.

## Methods

**Valuation date**

First day of plan year

**Funding target**

Present value of accrued benefits

**Target normal cost**

Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during the year

**Decrement timing**

The approach used is called rounded middle of year (rounded MOY) decrement timing. Most events are assumed to occur at the middle of year during which the eligibility condition will be met or the start/end date will occur. For death and disability decrements, the rate applied is based on the participant's rounded age (nearest integer age) at the beginning of the year, to align with the methodology generally used to create those rate tables. For retirement and withdrawal decrements: the age is generally the participant's rounded age at the middle of the year.

# SCHEDULE SB ATTACHMENTS

| | |
|---|---|
| **Actuarial value of assets** | Market value of assets, including contributions receivable |
| **Funding policy** | Nestlé USA's general funding policy is to make contributions for each plan year in an amount not less than the minimum required contribution under ERISA and to target 100% funded status on a Pension Protection Act (PPA) basis. This will not exceed the maximum tax-deductible contribution. Nestlé may vary its contribution level, if appropriate to its tax and cash position and the funded status. |
| **Benefits not valued** | All benefits described in the Plan Provisions section of this report were valued. Willis Towers Watson has reviewed the plan provisions with Nestlé and is not aware of any significant benefits required to be valued that were not.<br><br>Small benefits with present values up to $5,000 may be paid in a single lump sum payment. Such lump sums are not explicitly valued as such; rather, such participants' benefits are valued using the benefit choice assumptions described above. |

## Sources of Data and Other Information

The plan sponsor through its administrator, Willis Towers Watson, furnished participant data as of January 1, 2021. Information on assets, contributions and plan provisions was supplied by the plan sponsor. Data and other information were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date.

We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

## Assumptions Rationale – Significant Economic Assumptions

| | |
|---|---|
| **Discount rate (Funding valuation)** | The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time. |

## Assumptions Rationale – Significant Demographic Assumptions

| | |
|---|---|
| **Mortality (Funding valuation)** | Assumptions used for funding purposes are as prescribed by IRC §430(h). |
| **Retirement** | Retirement rates were based on an experience study conducted in 2020 for the period 2016-2020, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future. |

# SCHEDULE SB ATTACHMENTS

**Termination**

Termination rates were based on an experience study conducted in 2020 for the period 2016-2020, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Assumed termination rates differ by age, service and plan because of observed differences in termination rates by service and plan.

**Disability**

Disability rates are reviewed with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Assumed disability rates differ by gender and plan because of observed differences in disability rates by gender and plan.

**Benefit commencement date for deferred benefits:**

- Pre-retirement death benefit

  Surviving spouses are assumed to begin benefits at the earliest permitted commencement date because ERISA requires benefits to start then unless the spouse elects to defer. If the spouse elects to defer, actuarial increases from the earliest commencement date must be given, so that a later commencement date is expected to be of approximately equal value, and experience indicates that most spouses do take the benefit as soon as it is available.

- Deferred vested benefit

  Commencement ages were based on an experience study conducted in 2020 for the period 2016-2020. Deferred vested early commencement factors are generally not subsidized so that the difference between this approach and using assumed commencement rates at different ages is not expected to be significant.

**Form of payment**

The optional form of payment assumptions are based on an experience study performed in 2020 for the period 2016-2020.

## Prescribed Methods

**Funding methods**

The methods used for funding purposes as described in Appendix A, including the method of determining plan assets, are “prescribed methods set by law”, as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

# SCHEDULE SB ATTACHMENTS

## Changes in Assumptions and Methods

| | |
|---|---|
| **Change in assumptions since prior valuation** | The segment interest rates used to calculate the funding target was updated to the current valuation date as required by IRC §430.<br><br>The mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvement, as required by IRC §430. |
| **Change in methods since prior valuation** | There have been no changes in methods since the prior valuation. |
| **Change in estimation techniques since prior valuation** | There have been no changes in estimation techniques since the prior valuation. |

*The results provided in this report reflect data and assumptions appropriate for the purpose of the measurement. Effects of COVID-19 on the financial markets, regulations, and experience are uncertain and still evolving. The results in this report make no allowances for the effects of COVID-19. There may be significant effects on plan experience and/or assumptions, both demographic and economic used for future measurements.*

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Part V
## Summary of Plan Provisions

**Nestlé Puerto Rico (Nestlé Puerto Rico employees and NPPC salaried Puerto Rico employees hired after 2002)**

### Plan Provisions

The most recent amendment reflected in the following plan provisions was effective in 2013.

| | |
|---|---|
| **Covered employees** | Salaried Puerto Rico employees and certain nonunion hourly Puerto Rico employees of Nestlé USA, and salaried Puerto Rico employees of Nestlé Purina PetCare hired after 2002 |
| **Participation date** | January 1, following date of hire. Closed as of December 31, 2013 |
| **Type of plan** | Three-year average earnings or pension equity. |
| **Plan freeze** | Plan was frozen to new participants as of December 31, 2013. Benefit service and eligible compensation frozen as of December 31, 2013. |

### Definitions

| | |
|---|---|
| **Vesting service** | From date of hire; for HandHeld Foods Group, from 9/12/2002 |
| **Credited service** | From date of hire; for Beech-Nut, frozen as of 11/3/89; for Franklin Park, Bakersfield Hourly and Carnation, from 1/1/92; for Sunmark, from 6/1/88; for Alpo, from 12/31/94; for Stoughton, from 9/28/95; for HandHeld Foods Group, from 9/12/2002; for Joseph's Pasta, from 12/1/2006; for Nutrition, from 1/1/2010; for Pizza, from 3/1/2010; for Dreyer's, from 1/1/2011. |
| **Pensionable earnings** | Total compensation, including bonuses and overtime |
| **Covered compensation** | Average of Social Security wage bases over the 35 years prior to the year of termination |
| **Average annual compensation** | For pension equity highest of five consecutive calendar years out of the last ten years, divided by five. For three year average, highest three consecutive calendar years out of the last ten years, divided by three. |

# SCHEDULE SB ATTACHMENTS

**Accumulated benefit**

Covered employees have the pension equity formula, unless they chose to retain the final average earnings formula as of 5/1/2003. Frozen minimum FAE benefit as of 5/1/2003 applies to pension equity participants.

Pension equity: Lump sum equal to the sum of basic percentages, as shown below, for each year of credited service x FAE + 3.5% of FAE in excess of covered compensation x credited service.

| Age + Points Service | Basic % |
|---|---|
| <40 | 4.0% |
| 40 – 49 | 5.0% |
| 50 – 49 | 6.0% |
| 60 – 49 | 8.0% |
| 70 – 49 | 10.0% |
| 80 – 49 | 12.0% |
| >89 | 15.0% |

Final average earnings (FAE): .9% of FAE x credited service limited to 35 years + .5% of FAE in excess of covered compensation x credited service limited to 35 years; for employees who were participants on 1/1/89, an additional .3% of FAE x credited service on 1/1/89 limited to 35 years; for former Carnation employees, add the final average pay accrued benefit as of 12/31/91 x the ratio of FAE at termination to FAE on 12/31/91

## Eligibility for Benefits

**Normal retirement** Retirement on or after attaining age 65

**Early retirement** Retirement before NRD and on or after both attaining age 55 and completing ten years of vesting service

**Postponed retirement** Retirement after attaining age 65

**Vested termination** Termination for reasons other than death or retirement after completing three years of vesting service

**Disability** Permanent and total disability after completing three years of vesting service

**Preretirement death benefit** Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse on or after completing three years of vesting service.

# SCHEDULE SB ATTACHMENTS

## Benefits Paid Upon the Following Events

| | |
|---|---|
| **Normal retirement (NRD)** | Accrued benefit payable immediately. |
| **Early retirement** | FAE accrued benefit reduced 3.0% for each year prior to age 62; pension equity benefit payable immediately |
| **Postponed retirement** | Accrued benefit payable immediately. |
| **Vested termination** | FAE accrued benefit payable unreduced at age 65, or reduced 6.0% for each year prior to age 65; pension equity benefit payable immediately. |
| **Disablement** | Accrued benefit payable at actual retirement, with service credited during disability, and based upon pensionable earnings at date of disability. |
| **Preretirement death** | If married, reduced 100% joint & survivor early retirement FAE benefit if attained age 55 or 100% joint and survivor early retirement FAE benefit for all others reduced to be payable at age at death. The pension equity benefit is payable immediately to any beneficiary. |

## Other Plan Provisions

**Forms of payment**

| | |
|---|---|
| **Normal form** | Life annuity for single participants; 100% joint and survivor for married participants |
| **Optional forms** | 50% or 100% joint and survivor annuity; 10 year certain and life; lump sum |
| **Pension increases** | None |
| **Plan participants' contributions** | None |
| **Maximum on benefits and pay** | All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions. |

# SCHEDULE SB ATTACHMENTS

## Optional Forms of Payment

| Participant Group | Actuarial Equivalence | Optional Forms |
|---|---|---|
| Nestlé Traditional benefit<br><u>Eligible for early retirement factors</u><br>No grandfathered prior plan benefits, **OR** with the following prior plans (but only if Nestlé benefit wins):<br>Beechnut<br>Hills Bros.<br>NFC post-1988 terminations<br>Carnation #2 post-1991 terminations<br>Clintec | ■ 8.00%<br>■ 1971 TPF&C Forecast set back 3 years | 1) Single Life Annuity<br>2) 50%, 75%* & 100% Joint Survivor Annuity<br>3) 10 year Certain and Life Annuity<br>4) Lump Sum<br>5) 5 year Certain and Life Annuity for Hills Bros. only |
| Nestlé Traditional benefit<br><u>Deferred vested commencements with deferred vested factors</u><br>No grandfathered prior plan benefits, **OR** with the following prior plans (but only if Nestlé benefit wins):<br>Beechnut<br>Hills Bros.<br>NFC post-1988 terminations<br>Carnation #2 post-1991 terminations **OR** post-55 commencement of excess/ residual piece for the following prior plans:<br>Clintec<br>Hills Bros. | ■ 8.00%<br>■ 1971 TPF&C Forecast set back 3 years | 1) Single Life Annuity<br>2) 50%, 75%* & 100% Joint Survivor Annuity<br>3) 10 year Certain and Life Annuity<br>4) Lump Sum |

* The 75% Joint Survivor Annuity is only available to participants who terminated prior to May 1, 2003.

# SCHEDULE SB ATTACHMENTS

## Optional Forms of Payment (cont.)

| Participant Group | Actuarial Equivalence | Optional Forms |
|---|---|---|
| Carnation Plan #2<br>a) Terminations before 12/31/1985<br>b) Pre-1992 terminations after 12/30/1985<br>c) Post-1991 terminations & Carnation wins | ■ Formula-based | 1) Single Life Annuity<br>2) 50%, 75% & 100% Joint Survivor Annuity<br>3) 10 year Certain and Life Annuity (post-1991 only)<br>4) Lump Sum (post-1991 only) |
| Nestlé Traditional benefit / Clintec** & Clintec benefit wins<br>a) Lump sum available<br>b) No lump sum available | ■ 7.00%<br>■ 1983 GAM | 1) Single Life Annuity<br>2) 50%, 75%* & 100% Joint Survivor Annuity<br>3) 10 year Certain and Life Annuity<br>4) Lump Sum if < $10,000 |
| Nestlé Traditional benefit / prior plans Deferred vested commencements<br>■ Beechnut prior plan wins<br>■ Hills Bros. pre-55 commencement of "Hills portion" only<br>■ Hills Bros. post-55 commencement & prior plan wins<br>■ NFC post-1988 terminations pre-55 commencements of "NFC portion" only<br>■ NFC post-1988 terminations, post-55 commencements of NUSA excess/residual piece<br>■ NFC post-11/30/1989 terminations, post-55 commencements of entire benefit & prior plan wins<br>■ NFC terminations between 1/1/1989 & 11/30/1989, post-55 commencements of entire benefit | ■ Beech-Nut factors (for b1)<br>■ 8.00%, 1971 TPF&C Forecast set back 3 years (except Hills factors for 5 year Certain and Life Annuity) (for h)<br>■ 8.00%, 1971 TPF&C Forecast set back 3 years (for n) | 1) Single Life Annuity<br>2) 50%, 75%* & 100% Joint Survivor Annuity<br>3) 10 year Certain and Life Annuity<br>4) 5 year Certain and Life Annuity for Hills Bros. only<br>5) Lump Sum (except b, n2, & n4) |

# SCHEDULE SB ATTACHMENTS

## Optional Forms of Payment (cont.)

| Participant Group | Actuarial Equivalence | Optional Forms |
|---|---|---|
| Prior NFC participants who terminated before 1/1/1989 (married participants only) | ■ 6.00%<br>■ 1979 Buck (80% male set back 1 year, 20% female set back 3 years) | 1) Single Life Annuity<br>2) 50% & 100% Joint Survivor Annuity |
| Nestlé Account Benefit<br>No grandfathered prior plan benefits (i.e., participants hired on or after January 1, 2003) OR with grandfathered Nestlé Traditional Benefit or prior plans and Account Benefit wins for all forms | ■ Applicable segment rates and Applicable Mortality | 1) Single Life Annuity<br>2) 50% & 100% Joint Survivor Annuity<br>3) Lump Sum |
| Nestlé Account Benefit<br>With grandfathered Nestlé Traditional Benefit **OR** other grandfathered prior plan benefits<br>a) Winning for at least one (but not all) optional forms<br>b) NUSA winning for all optional forms eligible for early retirement factors<br>c) NUSA winning for all optional forms deferred vested commencements with deferred vested factors | ■ Applicable segment rates and Applicable Mortality (for a)<br>■ 8.00%, 1971 TPF&C Forecast set back 3 years (for b & c) | 1) Single Life Annuity<br>2) 50% & 100% Joint Survivor Annuity<br>3) 10 year Certain and Life Annuity<br>4) Lump Sum<br>5) 75% Joint Survivor Annuity (b and c only) |

## Future Plan Changes

No future plan changes were recognized in determining pension cost, plan accounting liabilities, or minimum and maximum contributions.

## Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

# SCHEDULE SB ATTACHMENTS

**Nestlé Puerto Rico (NPPC salaried Puerto Rico employees hired prior to 2003 and NPPC hourly Puerto Rico employees)**

## Plan Provisions

The most recent amendment reflected in the following plan provisions was effective in 2013.

| | |
|---|---|
| **Covered employees** | Salaried Puerto Rico employees hired prior to 2003 and hourly Puerto Rico employees of Nestlé Purina PetCare |
| **Participation date** | January 1 following date of hire. Closed to new entrants as of December 31, 2013. |
| **Type of plan** | Five-year average earnings or pension equity for salaried employees; career average earnings for hourly employees |
| **Plan freeze** | Plan was frozen to new participants as of December 31, 2013. Benefit service and eligible compensation frozen as of December 31, 2013. |

## Definitions

| | |
|---|---|
| **Vesting service** | From date of hire |
| **Credited service** | From date of hire |
| **Pensionable earnings** | Total compensation, including bonuses and overtime |
| **Covered compensation** | Average of Social Security wage bases over the 35 years prior to the year of termination. |
| **Accumulated benefit** | Salaried employees have the pension equity formula, unless they chose the final average earnings formula as of 1/1/99. Hourly employees have the career average earnings formula. Some participants have the supplemental cash balance benefit.<br>Final average earnings (FAE): 1.545% of FAE x credited service limited to 40 years – 51.5% of Social Security benefit x credited service ÷ the greater of projected credited service at NRD or 30 years.<br>Pension equity: Sum of basic percentages, the greater of the two percentages shown below, for each year of credited service x FAE + 3.5% of FAE in excess of covered compensation x credited service, converted to a five-year certain and life annuity. |

# SCHEDULE SB ATTACHMENTS

| Years of Credited Service | Purina Basic % | Age + Points Service | Nestlé Basic %* |
|---|---|---|---|
| 0 – 5 | 4.0% | < 40 | 4.0% |
| 6-10 | 5.0% | 40 – 49 | 5.0% |
| 11-15 | 6.5% | 50 – 59 | 6.0% |
| 16-20 | 8.0% | 60 – 69 | 8.0% |
| >20 | 10.0% | 70 – 79 | 10.0% |
| | | 80 – 89 | 12.0% |
| | | > 89 | 15.0% |

*Applies only to 2003 and later

Career average earnings (CAE): 1.75% of earnings for each year after 1998 + 1.25% of earnings for each year after 1988 and before 1999 + 1.0% of FAE as of 12/31/1988 x credited service as of 12/31/1988.

Cash balance benefit: Cash balance as of 12/31/2002, plus interest credits, converted to a five-year certain and life annuity. Interest credits are based on 30-year Treasury rates.

## Eligibility for Benefits

| | |
|---|---|
| **Normal retirement** | Retirement on or after attaining age 65 |
| **Early retirement** | Retirement before NRD and on or after both attaining age 55 and completing two years of vesting service |
| **Postponed retirement** | Retirement after attaining age 65 |
| **Vested termination** | Termination for reasons other than death or retirement after completing three years of vesting service |
| **Disability** | Permanent and total disability after completing three years of vesting service |
| **Preretirement death benefit** | Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse on or after completing three years of vesting service |

## Benefits Paid Upon the Following Events

| | |
|---|---|
| **Normal retirement (NRD)** | Accrued benefit payable immediately. |

# SCHEDULE SB ATTACHMENTS

| | |
|---|---|
| **Early retirement** | Accrued FAE or CAE benefit reduced 5.0% for each year prior to age 62; pension equity or cash balance benefit payable immediately |
| **Postponed retirement** | Accrued benefit payable immediately. |
| **Vested termination** | Accrued FAE or CAE benefit payable unreduced at age 65 or reduced 5.0% for each year prior to age 65; pension equity benefit or cash balance payable immediately |
| **Disablement** | Accrued benefit payable at NRD with service credited during disability, and based upon pensionable earnings at date of disability. 15-year service requirement for CAE participants |
| **Preretirement death** | If married, reduced 100% joint & survivor early retirement benefit if attained age 55 or 100% joint and survivor early retirement benefit for all others reduced to be payable at age at death. For pension equity and cash balance account, lump sum payment of the pension equity benefit and cash balance account. |

## Other Plan Provisions

**Forms of payment**

| | |
|---|---|
| **Normal form** | Five-year certain and life for single participants; 100% joint and survivor for married participants |
| **Optional forms** | 50% or 100% joint and survivor annuity; 10 year certain and life annuity; life annuity; lump sum for pension equity only |
| **Pension increases** | None |
| **Plan participants' contributions** | None |
| **Maximum on benefits and pay** | All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions. |

# SCHEDULE SB ATTACHMENTS

## Optional Forms of Payment

| Participant Group | Actuarial Equivalence | Optional Forms |
|---|---|---|
| NPPC Traditional Benefit OR Career Average Pay Benefit<br>a) Eligible for early retirement<br>b) Deferred vested commencements | ■ Formula-based | 1) Single Life Annuity<br>2) 50% & 100% Joint Survivor Annuity with pop-up<br>3) 10 year Certain and Life Annuity<br>4) Level income / any other form |
| NPPC Account Benefit OR NPPC PPMA Cash Balance<br>a) Eligible for early retirement level income option; under age 62<br>b) Eligible for deferred vested level income option; under age 62<br>c) Eligible for early retirement; age 62 and older<br>d) Eligible for deferred vested retirement; age 62 and older | ■ Formula-based | 1) Single Life Annuity<br>2) 50% & 100% Joint Survivor Annuity with pop-up<br>3) 5 year Certain and Life Annuity, 10 year Certain and Life Annuity<br>4) Level income / any other form<br>5) Lump Sum |

## Future Plan Changes

No future plan changes were recognized in determining minimum and maximum contributions.

## Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

# SCHEDULE SB ATTACHMENTS

**Nestlé Puerto Rico (Former Gerber Puerto Rico Employees)**

## Plan Provisions

The most recent amendment reflected in the following plan provisions was effective in 2013.

| | |
|---|---|
| **Covered employees** | Employees formerly of Gerber Products Company of Puerto Rico, Inc. |
| **Participation date** | Age 21 and one year of service. Closed to new entrants effective December 31, 2004. |
| **Type of plan** | Frozen pension equity plan |

## Definitions

| | |
|---|---|
| **Vesting service** | The number of completed full plan years of employment with the Company or any Affiliate in which the employee works 975 hours. Service prior to January 1, 1998 is based on prior plan provisions. |
| **Credited service** | Same as vesting service. |
| **Pensionable earnings** | Total compensation including section 125 and 401(k) contributions but excluding deferred compensation. |
| **Covered compensation** | Average of social security wage bases over the 35 years prior to the participant's Social Security Normal Retirement Age (SSNRA). |

# SCHEDULE SB ATTACHMENTS

**Accumulated benefit**

Lump Sum Benefit: A participant's Lump Sum Benefit is equal to the following calculated as if the person terminated employment on December 31, 2004:

1. The sum of base credits (see below) times Final Average Pay

plus

2. The sum of Excess Credits (see below) times Final Average Pay greater than covered compensation

| Sum of Attained Age and Year of Credited Service During the Plan Year | Base Credits | Excess Credits |
|---|---|---|
| 0 – 34 | 2.0% | 1.0% |
| 35 – 39 | 3.0% | 1.5% |
| 40 – 44 | 4.0% | 2.0% |
| 45 – 49 | 5.0% | 2.5% |
| 50 – 54 | 6.0% | 3.0% |
| 55 – 59 | 8.0% | 4.0% |
| 60 + | 10.0% | 5.0% |

# SCHEDULE SB ATTACHMENTS

**Adjusted Lump Sum Benefit:** A participant's Adjusted Lump Sum Benefit is equal to the Participant's Lump Sum Benefit increased by 5% per year from the earlier of the date of the Participant's termination of employment and December 31, 2004 to the Participant's Annuity Starting Date.

**Pension Equity Benefit:** The monthly amount of each Participant's Pension Benefit is equal to the amount, determined on an Actuarial Equivalent basis, of the Participant's Adjusted Lump Sum Benefit expressed as a life annuity payable on the Participant's Annuity Start Date.

**Grandfathered Benefit:** The benefit, determined in accordance with the plan in effect prior to 2002, for participants who were accruing benefits under the prior plan as of January 1, 2000.

## Eligibility for Benefits

| | |
|---|---|
| **Normal retirement** | Retirement on or after both attaining age 65 and completing five years of vesting service |
| **Early retirement** | Retirement before NRD and on or after both attaining age 60 and completing three years of vesting service |
| **Postponed retirement** | Retirement after age 65 |
| **Vested termination** | Termination for reasons other than death or retirement after completing three years of vesting service |
| **Disability** | Permanent and total disability on or after both attaining age 50 and completing fifteen years of vesting service |
| **Preretirement death benefit** | Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse on or after completing three years of vesting service |

## Benefits Paid Upon the Following Events

| | |
|---|---|
| **Normal retirement (NRD)** | Accrued benefit (greater of Pension Equity Benefit and Grandfathered Benefit) payable immediately. |

# SCHEDULE SB ATTACHMENTS

| | |
|---|---|
| **Early retirement** | Accrued benefit determined as of early retirement date is equal to the greater of (a) and (b) below:<br>(a) The Grandfathered Benefit reduced according to the prior plan provision.<br>(b) Actuarial equivalent of the Adjusted Lump Sum Benefit. |
| **Postponed retirement** | Accrued benefit (greater of Pension Equity Benefit and Grandfathered Benefit) payable immediately. |
| **Vested termination** | Accrued benefit determined as of termination date, actuarially reduced for commencement of payments prior to NRD |
| **Disablement** | Accrued benefit determined as of disability retirement date, reduced by certain other benefits provided by or at the expense of the company. |
| **Preretirement death** | A 50% surviving spouse benefit is payable on the participant's early retirement age date |

## Other Plan Provisions

**Forms of payment**

| | |
|---|---|
| **Normal form** | Life annuity |
| **Optional forms** | 100%, 75%, and 50% contingent annuitant; lump sum |
| **Pension increases** | None |
| **Plan participants' contributions** | None |
| **Maximum on benefits and pay** | All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions. |

# SCHEDULE SB ATTACHMENTS

## Optional Form Conversion Factors

Optional form conversion factors are the actuarial equivalent factors determined using the following assumptions.

| | Mortality Assumption | Interest Assumption |
|---|---|---|
| ■ Single Sum distributions (from Grandfathered Benefit) | Section 417 mortality | Section 417 interest rates |
| ■ Annuity forms of payment (from Pension Equity Benefit) | GATT Mortality Table frozen as of earlier of DOT and 12/31/2004[2] | GATT Interest Rate (yield on 30-year Treasury Bonds) from November of previous year frozen as of earlier of DOT and 12/31/2004[2] |
| ■ All others | 1983 Group Annuity Mortality Table[3] | 8.5% |

**Notes**

1. Information shown applies to the majority of participants covered under this plan, some small groups of grandfathered participants (CWT, Indianapolis Hourly, Novartis Consumer Health and Ciba Salaried) have optional forms provided on a separate basis. See plan document for more information.

2. Plan Year 2000 – 6.15% and 1983 GAM Table (blended 50% male/50% female)

   Plan Year 2001 – 5.78% and 1983 GAM Table (blended 50% male/50% female)

   Plan Year 2002 – 5.12% and 1994 GAR Table (blended 50% male/50% female)

   Plan Year 2003 – 4.96% and 1994 GAR Table (blended 50% male/50% female)

   Plan Year 2004+ – 5.12% and 1994 GAR Table (blended 50% male/50% female)

3. The actuarial equivalent shall be 50% of the actuarial equivalent using male mortality rates only plus 50% of the actuarial equivalent using female mortality rates only.

## Future Plan Changes

No future plan changes were recognized in determining minimum and maximum contributions.

## Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Line 26

## Schedule of Active Participant Data as of January 1, 2021

| | Attained Years of Credited Service[1] | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Attained Age | Under 1 | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40 & Over |
| Under 25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25-29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30-34 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35-39 | 0 | 3 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 40-44 | 0 | 1 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 45-49 | 0 | 3 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 50-54 | 1 | 0 | 6 | 0 | 0 | 2 | 0 | 0 | 0 | 0 |
| 55-59 | 1 | 2 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| 60-64 | 0 | 0 | 0 | 0 | 1 | 2 | 0 | 0 | 0 | 0 |
| 65-69 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 70 & over | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Average Age: 48.9 Average Service: 7.69

Census data as of January 1, 2021

[1] Age and service for purposes of determining category are based on exact (not rounded) values.

Plan Name: Nestlé Puerto Rico Pension Plan
EIN / PN: 66-0720233/116
Plan Sponsor: SWIRL Corp.
Valuation Date January 1, 2021

# SCHEDULE SB ATTACHMENTS

## Schedule SB – Statement by Enrolled Actuary

| | |
|---|---|
| **Plan Sponsor** | SWIRL Corp. |
| **EIN/PN** | 66-0720233/116 |
| **Plan Name** | Nestlé Puerto Rico Pension Plan |
| **Valuation Date** | January 1, 2021 |
| **Enrolled Actuary** | Michael Altilio |
| **Enrollment Number** | 20-07062 |

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Line 22
## Description of Weighted Average Retirement Age
## as of January 1, 2021

| Age | Retirement Rate | 1.00 - Retirement Rate | Probability of Remaining Active | Percentage Retiring at Age | Age Times Percentage Retiring |
|---|---|---|---|---|---|
| 54 | 0.00% | 100.00% | 100.00% | 0.00% | 0.00 |
| 55 | 10.00% | 90.00% | 90.00% | 10.00% | 5.50 |
| 56 | 10.00% | 90.00% | 81.00% | 9.00% | 5.04 |
| 57 | 10.00% | 90.00% | 72.90% | 8.10% | 4.62 |
| 58 | 10.00% | 90.00% | 65.61% | 7.29% | 4.23 |
| 59 | 10.00% | 90.00% | 59.05% | 6.56% | 3.87 |
| 60 | 15.00% | 85.00% | 50.19% | 8.86% | 5.31 |
| 61 | 15.00% | 85.00% | 42.66% | 7.53% | 4.59 |
| 62 | 25.00% | 75.00% | 32.00% | 10.67% | 6.61 |
| 63 | 25.00% | 75.00% | 24.00% | 8.00% | 5.04 |
| 64 | 25.00% | 75.00% | 18.00% | 6.00% | 3.84 |
| 65 | 35.00% | 65.00% | 11.70% | 6.30% | 4.09 |
| 66 | 35.00% | 65.00% | 7.60% | 4.09% | 2.70 |
| 67 | 35.00% | 65.00% | 4.94% | 2.66% | 1.78 |
| 68 | 35.00% | 65.00% | 3.21% | 1.73% | 1.18 |
| 69 | 35.00% | 65.00% | 2.09% | 1.12% | 0.78 |
| 70 | 100.00% | 0.00% | 0.00% | 2.09% | 1.46 |
| | | | | 100.00% | |
| | | | Average Retirement Age: | | 61 |

Plan Name: Nestlé Puerto Rico Pension Plan
EIN / PN: 66-0720233/116
Plan Sponsor: SWIRL Corp.
Valuation Date January 1, 2021

# SCHEDULE SB ATTACHMENTS

## Schedule SB, Part V
## Summary of Plan Provisions

**Nestlé Puerto Rico (Nestlé Puerto Rico employees and NPPC salaried Puerto Rico employees hired after 2002)**

### Plan Provisions

The most recent amendment reflected in the following plan provisions was effective in 2013.

| | |
|---|---|
| **Covered employees** | Salaried Puerto Rico employees and certain nonunion hourly Puerto Rico employees of Nestlé USA, and salaried Puerto Rico employees of Nestlé Purina PetCare hired after 2002 |
| **Participation date** | January 1, following date of hire. Closed as of December 31, 2013 |
| **Type of plan** | Three-year average earnings or pension equity. |
| **Plan freeze** | Plan was frozen to new participants as of December 31, 2013. Benefit service and eligible compensation frozen as of December 31, 2013. |

### Definitions

| | |
|---|---|
| **Vesting service** | From date of hire; for HandHeld Foods Group, from 9/12/2002 |
| **Credited service** | From date of hire; for Beech-Nut, frozen as of 11/3/89; for Franklin Park, Bakersfield Hourly and Carnation, from 1/1/92; for Sunmark, from 6/1/88; for Alpo, from 12/31/94; for Stoughton, from 9/28/95; for HandHeld Foods Group, from 9/12/2002; for Joseph's Pasta, from 12/1/2006; for Nutrition, from 1/1/2010; for Pizza, from 3/1/2010; for Dreyer's, from 1/1/2011. |
| **Pensionable earnings** | Total compensation, including bonuses and overtime |
| **Covered compensation** | Average of Social Security wage bases over the 35 years prior to the year of termination |
| **Average annual compensation** | For pension equity highest of five consecutive calendar years out of the last ten years, divided by five. For three year average, highest three consecutive calendar years out of the last ten years, divided by three. |

# SCHEDULE SB ATTACHMENTS

**Accumulated benefit**

Covered employees have the pension equity formula, unless they chose to retain the final average earnings formula as of 5/1/2003. Frozen minimum FAE benefit as of 5/1/2003 applies to pension equity participants.

Pension equity: Lump sum equal to the sum of basic percentages, as shown below, for each year of credited service x FAE + 3.5% of FAE in excess of covered compensation x credited service.

| Age + Points Service | Basic % |
|---|---|
| <40 | 4.0% |
| 40 – 49 | 5.0% |
| 50 – 49 | 6.0% |
| 60 – 49 | 8.0% |
| 70 – 49 | 10.0% |
| 80 – 49 | 12.0% |
| >89 | 15.0% |

Final average earnings (FAE): .9% of FAE x credited service limited to 35 years + .5% of FAE in excess of covered compensation x credited service limited to 35 years; for employees who were participants on 1/1/89, an additional .3% of FAE x credited service on 1/1/89 limited to 35 years; for former Carnation employees, add the final average pay accrued benefit as of 12/31/91 x the ratio of FAE at termination to FAE on 12/31/91

## Eligibility for Benefits

**Normal retirement** Retirement on or after attaining age 65

**Early retirement** Retirement before NRD and on or after both attaining age 55 and completing ten years of vesting service

**Postponed retirement** Retirement after attaining age 65

**Vested termination** Termination for reasons other than death or retirement after completing three years of vesting service

**Disability** Permanent and total disability after completing three years of vesting service

**Preretirement death benefit** Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse on or after completing three years of vesting service.

# SCHEDULE SB ATTACHMENTS

## Benefits Paid Upon the Following Events

| | |
|---|---|
| **Normal retirement (NRD)** | Accrued benefit payable immediately. |
| **Early retirement** | FAE accrued benefit reduced 3.0% for each year prior to age 62; pension equity benefit payable immediately |
| **Postponed retirement** | Accrued benefit payable immediately. |
| **Vested termination** | FAE accrued benefit payable unreduced at age 65, or reduced 6.0% for each year prior to age 65; pension equity benefit payable immediately. |
| **Disablement** | Accrued benefit payable at actual retirement, with service credited during disability, and based upon pensionable earnings at date of disability. |
| **Preretirement death** | If married, reduced 100% joint & survivor early retirement FAE benefit if attained age 55 or 100% joint and survivor early retirement FAE benefit for all others reduced to be payable at age at death. The pension equity benefit is payable immediately to any beneficiary. |

## Other Plan Provisions

**Forms of payment**

| | |
|---|---|
| **Normal form** | Life annuity for single participants; 100% joint and survivor for married participants |
| **Optional forms** | 50% or 100% joint and survivor annuity; 10 year certain and life; lump sum |
| **Pension increases** | None |
| **Plan participants' contributions** | None |
| **Maximum on benefits and pay** | All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions. |

# SCHEDULE SB ATTACHMENTS

## Optional Forms of Payment

| Participant Group | Actuarial Equivalence | Optional Forms |
|---|---|---|
| Nestlé Traditional benefit<br><u>Eligible for early retirement factors</u><br>No grandfathered prior plan benefits, **OR** with the following prior plans (but only if Nestlé benefit wins):<br>Beechnut<br>Hills Bros.<br>NFC post-1988 terminations<br>Carnation #2 post-1991 terminations<br>Clintec | ■ 8.00%<br>■ 1971 TPF&C Forecast set back 3 years | 1) Single Life Annuity<br>2) 50%, 75%* & 100% Joint Survivor Annuity<br>3) 10 year Certain and Life Annuity<br>4) Lump Sum<br>5) 5 year Certain and Life Annuity for Hills Bros. only |
| Nestlé Traditional benefit<br><u>Deferred vested commencements with deferred vested factors</u><br>No grandfathered prior plan benefits, **OR** with the following prior plans (but only if Nestlé benefit wins):<br>Beechnut<br>Hills Bros.<br>NFC post-1988 terminations<br>Carnation #2 post-1991 terminations **OR** post-55 commencement of excess/ residual piece for the following prior plans:<br>Clintec<br>Hills Bros. | ■ 8.00%<br>■ 1971 TPF&C Forecast set back 3 years | 1) Single Life Annuity<br>2) 50%, 75%* & 100% Joint Survivor Annuity<br>3) 10 year Certain and Life Annuity<br>4) Lump Sum |

* The 75% Joint Survivor Annuity is only available to participants who terminated prior to May 1, 2003.

# SCHEDULE SB ATTACHMENTS

## Optional Forms of Payment (cont.)

| Participant Group | Actuarial Equivalence | Optional Forms |
|---|---|---|
| Carnation Plan #2<br>a) Terminations before 12/31/1985<br>b) Pre-1992 terminations after 12/30/1985<br>c) Post-1991 terminations & Carnation wins | ■ Formula-based | 1) Single Life Annuity<br>2) 50%, 75% & 100% Joint Survivor Annuity<br>3) 10 year Certain and Life Annuity (post-1991 only)<br>4) Lump Sum (post-1991 only) |
| Nestlé Traditional benefit / Clintec** & Clintec benefit wins<br>a) Lump sum available<br>b) No lump sum available | ■ 7.00%<br>■ 1983 GAM | 1) Single Life Annuity<br>2) 50%, 75%* & 100% Joint Survivor Annuity<br>3) 10 year Certain and Life Annuity<br>4) Lump Sum if < $10,000 |
| Nestlé Traditional benefit / prior plans Deferred vested commencements<br>■ Beechnut prior plan wins<br>■ Hills Bros. pre-55 commencement of "Hills portion" only<br>■ Hills Bros. post-55 commencement & prior plan wins<br>■ NFC post-1988 terminations pre-55 commencements of "NFC portion" only<br>■ NFC post-1988 terminations, post-55 commencements of NUSA excess/residual piece<br>■ NFC post-11/30/1989 terminations, post-55 commencements of entire benefit & prior plan wins<br>■ NFC terminations between 1/1/1989 & 11/30/1989, post-55 commencements of entire benefit | ■ Beech-Nut factors (for b1)<br>■ 8.00%, 1971 TPF&C Forecast set back 3 years (except Hills factors for 5 year Certain and Life Annuity) (for h)<br>■ 8.00%, 1971 TPF&C Forecast set back 3 years (for n) | 1) Single Life Annuity<br>2) 50%, 75%* & 100% Joint Survivor Annuity<br>3) 10 year Certain and Life Annuity<br>4) 5 year Certain and Life Annuity for Hills Bros. only<br>5) Lump Sum (except b, n2, & n4) |

# SCHEDULE SB ATTACHMENTS

## Optional Forms of Payment (cont.)

| Participant Group | Actuarial Equivalence | Optional Forms |
|---|---|---|
| Prior NFC participants who terminated before 1/1/1989 (married participants only) | ■ 6.00%<br>■ 1979 Buck (80% male set back 1 year, 20% female set back 3 years) | 1) Single Life Annuity<br>2) 50% & 100% Joint Survivor Annuity |
| Nestlé Account Benefit<br>No grandfathered prior plan benefits (i.e., participants hired on or after January 1, 2003) OR with grandfathered Nestlé Traditional Benefit or prior plans and Account Benefit wins for all forms | ■ Applicable segment rates and Applicable Mortality | 1) Single Life Annuity<br>2) 50% & 100% Joint Survivor Annuity<br>3) Lump Sum |
| Nestlé Account Benefit<br>With grandfathered Nestlé Traditional Benefit **OR** other grandfathered prior plan benefits<br>a) Winning for at least one (but not all) optional forms<br>b) NUSA winning for all optional forms eligible for early retirement factors<br>c) NUSA winning for all optional forms deferred vested commencements with deferred vested factors | ■ Applicable segment rates and Applicable Mortality (for a)<br>■ 8.00%, 1971 TPF&C Forecast set back 3 years (for b & c) | 1) Single Life Annuity<br>2) 50% & 100% Joint Survivor Annuity<br>3) 10 year Certain and Life Annuity<br>4) Lump Sum<br>5) 75% Joint Survivor Annuity (b and c only) |

## Future Plan Changes

No future plan changes were recognized in determining pension cost, plan accounting liabilities, or minimum and maximum contributions.

## Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

# SCHEDULE SB ATTACHMENTS

**Nestlé Puerto Rico (NPPC salaried Puerto Rico employees hired prior to 2003 and NPPC hourly Puerto Rico employees)**

## Plan Provisions

The most recent amendment reflected in the following plan provisions was effective in 2013.

| | |
|---|---|
| **Covered employees** | Salaried Puerto Rico employees hired prior to 2003 and hourly Puerto Rico employees of Nestlé Purina PetCare |
| **Participation date** | January 1 following date of hire. Closed to new entrants as of December 31, 2013. |
| **Type of plan** | Five-year average earnings or pension equity for salaried employees; career average earnings for hourly employees |
| **Plan freeze** | Plan was frozen to new participants as of December 31, 2013. Benefit service and eligible compensation frozen as of December 31, 2013. |

## Definitions

| | |
|---|---|
| **Vesting service** | From date of hire |
| **Credited service** | From date of hire |
| **Pensionable earnings** | Total compensation, including bonuses and overtime |
| **Covered compensation** | Average of Social Security wage bases over the 35 years prior to the year of termination. |
| **Accumulated benefit** | Salaried employees have the pension equity formula, unless they chose the final average earnings formula as of 1/1/99. Hourly employees have the career average earnings formula. Some participants have the supplemental cash balance benefit.<br>Final average earnings (FAE): 1.545% of FAE x credited service limited to 40 years – 51.5% of Social Security benefit x credited service ÷ the greater of projected credited service at NRD or 30 years.<br>Pension equity: Sum of basic percentages, the greater of the two percentages shown below, for each year of credited service x FAE + 3.5% of FAE in excess of covered compensation x credited service, converted to a five-year certain and life annuity. |

# SCHEDULE SB ATTACHMENTS

| Years of Credited Service | Purina Basic % | Age + Points Service | Nestlé Basic %* |
|---|---|---|---|
| 0 – 5 | 4.0% | < 40 | 4.0% |
| 6-10 | 5.0% | 40 – 49 | 5.0% |
| 11-15 | 6.5% | 50 – 59 | 6.0% |
| 16-20 | 8.0% | 60 – 69 | 8.0% |
| >20 | 10.0% | 70 – 79 | 10.0% |
| | | 80 – 89 | 12.0% |
| | | > 89 | 15.0% |

*Applies only to 2003 and later

Career average earnings (CAE): 1.75% of earnings for each year after 1998 + 1.25% of earnings for each year after 1988 and before 1999 + 1.0% of FAE as of 12/31/1988 x credited service as of 12/31/1988.

Cash balance benefit: Cash balance as of 12/31/2002, plus interest credits, converted to a five-year certain and life annuity. Interest credits are based on 30-year Treasury rates.

## Eligibility for Benefits

| | |
|---|---|
| **Normal retirement** | Retirement on or after attaining age 65 |
| **Early retirement** | Retirement before NRD and on or after both attaining age 55 and completing two years of vesting service |
| **Postponed retirement** | Retirement after attaining age 65 |
| **Vested termination** | Termination for reasons other than death or retirement after completing three years of vesting service |
| **Disability** | Permanent and total disability after completing three years of vesting service |
| **Preretirement death benefit** | Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse on or after completing three years of vesting service |

## Benefits Paid Upon the Following Events

| | |
|---|---|
| **Normal retirement (NRD)** | Accrued benefit payable immediately. |

# SCHEDULE SB ATTACHMENTS

| | |
|---|---|
| **Early retirement** | Accrued FAE or CAE benefit reduced 5.0% for each year prior to age 62; pension equity or cash balance benefit payable immediately |
| **Postponed retirement** | Accrued benefit payable immediately. |
| **Vested termination** | Accrued FAE or CAE benefit payable unreduced at age 65 or reduced 5.0% for each year prior to age 65; pension equity benefit or cash balance payable immediately |
| **Disablement** | Accrued benefit payable at NRD with service credited during disability, and based upon pensionable earnings at date of disability. 15-year service requirement for CAE participants |
| **Preretirement death** | If married, reduced 100% joint & survivor early retirement benefit if attained age 55 or 100% joint and survivor early retirement benefit for all others reduced to be payable at age at death. For pension equity and cash balance account, lump sum payment of the pension equity benefit and cash balance account. |

## Other Plan Provisions

**Forms of payment**

| | |
|---|---|
| **Normal form** | Five-year certain and life for single participants; 100% joint and survivor for married participants |
| **Optional forms** | 50% or 100% joint and survivor annuity; 10 year certain and life annuity; life annuity; lump sum for pension equity only |
| **Pension increases** | None |
| **Plan participants' contributions** | None |
| **Maximum on benefits and pay** | All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions. |

# SCHEDULE SB ATTACHMENTS

## Optional Forms of Payment

| Participant Group | Actuarial Equivalence | Optional Forms |
|---|---|---|
| NPPC Traditional Benefit OR Career Average Pay Benefit<br>a) Eligible for early retirement<br>b) Deferred vested commencements | ■ Formula-based | 1) Single Life Annuity<br>2) 50% & 100% Joint Survivor Annuity with pop-up<br>3) 10 year Certain and Life Annuity<br>4) Level income / any other form |
| NPPC Account Benefit OR NPPC PPMA Cash Balance<br>a) Eligible for early retirement level income option; under age 62<br>b) Eligible for deferred vested level income option; under age 62<br>c) Eligible for early retirement; age 62 and older<br>d) Eligible for deferred vested retirement; age 62 and older | ■ Formula-based | 1) Single Life Annuity<br>2) 50% & 100% Joint Survivor Annuity with pop-up<br>3) 5 year Certain and Life Annuity, 10 year Certain and Life Annuity<br>4) Level income / any other form<br>5) Lump Sum |

## Future Plan Changes

No future plan changes were recognized in determining minimum and maximum contributions.

## Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

# SCHEDULE SB ATTACHMENTS

**Nestlé Puerto Rico (Former Gerber Puerto Rico Employees)**

## Plan Provisions

The most recent amendment reflected in the following plan provisions was effective in 2013.

| | |
|---|---|
| **Covered employees** | Employees formerly of Gerber Products Company of Puerto Rico, Inc. |
| **Participation date** | Age 21 and one year of service. Closed to new entrants effective December 31, 2004. |
| **Type of plan** | Frozen pension equity plan |

## Definitions

| | |
|---|---|
| **Vesting service** | The number of completed full plan years of employment with the Company or any Affiliate in which the employee works 975 hours. Service prior to January 1, 1998 is based on prior plan provisions. |
| **Credited service** | Same as vesting service. |
| **Pensionable earnings** | Total compensation including section 125 and 401(k) contributions but excluding deferred compensation. |
| **Covered compensation** | Average of social security wage bases over the 35 years prior to the participant's Social Security Normal Retirement Age (SSNRA). |

# SCHEDULE SB ATTACHMENTS

**Accumulated benefit**

Lump Sum Benefit: A participant's Lump Sum Benefit is equal to the following calculated as if the person terminated employment on December 31, 2004:

1. The sum of base credits (see below) times Final Average Pay

plus

2. The sum of Excess Credits (see below) times Final Average Pay greater than covered compensation

| Sum of Attained Age and Year of Credited Service During the Plan Year | Base Credits | Excess Credits |
|---|---|---|
| 0 – 34 | 2.0% | 1.0% |
| 35 – 39 | 3.0% | 1.5% |
| 40 – 44 | 4.0% | 2.0% |
| 45 – 49 | 5.0% | 2.5% |
| 50 – 54 | 6.0% | 3.0% |
| 55 – 59 | 8.0% | 4.0% |
| 60 + | 10.0% | 5.0% |

# SCHEDULE SB ATTACHMENTS

**Adjusted Lump Sum Benefit:** A participant's Adjusted Lump Sum Benefit is equal to the Participant's Lump Sum Benefit increased by 5% per year from the earlier of the date of the Participant's termination of employment and December 31, 2004 to the Participant's Annuity Starting Date.

**Pension Equity Benefit:** The monthly amount of each Participant's Pension Benefit is equal to the amount, determined on an Actuarial Equivalent basis, of the Participant's Adjusted Lump Sum Benefit expressed as a life annuity payable on the Participant's Annuity Start Date.

**Grandfathered Benefit:** The benefit, determined in accordance with the plan in effect prior to 2002, for participants who were accruing benefits under the prior plan as of January 1, 2000.

## Eligibility for Benefits

| | |
|---|---|
| **Normal retirement** | Retirement on or after both attaining age 65 and completing five years of vesting service |
| **Early retirement** | Retirement before NRD and on or after both attaining age 60 and completing three years of vesting service |
| **Postponed retirement** | Retirement after age 65 |
| **Vested termination** | Termination for reasons other than death or retirement after completing three years of vesting service |
| **Disability** | Permanent and total disability on or after both attaining age 50 and completing fifteen years of vesting service |
| **Preretirement death benefit** | Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse on or after completing three years of vesting service |

## Benefits Paid Upon the Following Events

| | |
|---|---|
| **Normal retirement (NRD)** | Accrued benefit (greater of Pension Equity Benefit and Grandfathered Benefit) payable immediately. |

# SCHEDULE SB ATTACHMENTS

| | |
|---|---|
| **Early retirement** | Accrued benefit determined as of early retirement date is equal to the greater of (a) and (b) below:<br>(a) The Grandfathered Benefit reduced according to the prior plan provision.<br>(b) Actuarial equivalent of the Adjusted Lump Sum Benefit. |
| **Postponed retirement** | Accrued benefit (greater of Pension Equity Benefit and Grandfathered Benefit) payable immediately. |
| **Vested termination** | Accrued benefit determined as of termination date, actuarially reduced for commencement of payments prior to NRD |
| **Disablement** | Accrued benefit determined as of disability retirement date, reduced by certain other benefits provided by or at the expense of the company. |
| **Preretirement death** | A 50% surviving spouse benefit is payable on the participant's early retirement age date |

## Other Plan Provisions

**Forms of payment**

| | |
|---|---|
| **Normal form** | Life annuity |
| **Optional forms** | 100%, 75%, and 50% contingent annuitant; lump sum |
| **Pension increases** | None |
| **Plan participants' contributions** | None |
| **Maximum on benefits and pay** | All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions. |

# SCHEDULE SB ATTACHMENTS

## Optional Form Conversion Factors

Optional form conversion factors are the actuarial equivalent factors determined using the following assumptions.

| | Mortality Assumption | Interest Assumption |
|---|---|---|
| ■ Single Sum distributions (from Grandfathered Benefit) | Section 417 mortality | Section 417 interest rates |
| ■ Annuity forms of payment (from Pension Equity Benefit) | GATT Mortality Table frozen as of earlier of DOT and 12/31/2004[2] | GATT Interest Rate (yield on 30-year Treasury Bonds) from November of previous year frozen as of earlier of DOT and 12/31/2004[2] |
| ■ All others | 1983 Group Annuity Mortality Table[3] | 8.5% |

**Notes**

1. Information shown applies to the majority of participants covered under this plan, some small groups of grandfathered participants (CWT, Indianapolis Hourly, Novartis Consumer Health and Ciba Salaried) have optional forms provided on a separate basis. See plan document for more information.

2. Plan Year 2000 – 6.15% and 1983 GAM Table (blended 50% male/50% female)

   Plan Year 2001 – 5.78% and 1983 GAM Table (blended 50% male/50% female)

   Plan Year 2002 – 5.12% and 1994 GAR Table (blended 50% male/50% female)

   Plan Year 2003 – 4.96% and 1994 GAR Table (blended 50% male/50% female)

   Plan Year 2004+ – 5.12% and 1994 GAR Table (blended 50% male/50% female)

3. The actuarial equivalent shall be 50% of the actuarial equivalent using male mortality rates only plus 50% of the actuarial equivalent using female mortality rates only.

## Future Plan Changes

No future plan changes were recognized in determining minimum and maximum contributions.

## Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.