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

2023

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)
- [X] 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. . . . . ▶ [X]

D Check box if filing under:
- [X] 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 HOURLY RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 006

1c Effective date of plan 05/14/1955

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)
NESTLE USA, INC.

30500 BAINBRIDGE RD
SOLON, OH 44139-2205

2b Employer Identification Number (EIN) 95-1572209

2c Plan Sponsor's telephone number 440-349-5757

2d Business code (see instructions) 311900

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.	10/10/2024	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 [X] Same as Plan Sponsor

3b Administrator's EIN

3c Administrator's telephone number

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

4b EIN

c Plan Name

4d PN

5	Total number of participants at the beginning of the plan year	**5**	5507
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)**	3185
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	6283
b	Retired or separated participants receiving benefits	**6b**	705
c	Other retired or separated participants entitled to future benefits	**6c**	1369
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	8357
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	193
f	Total. Add lines **6d** and **6e**.	**6f**	8550
g(1)	Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)	**6g(1)**	
g(2)	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g(2)**	
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	174
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:

1B 1C 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)** [X] 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)** [X] 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)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [X] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- **(4)** [ ] **DCG** (Individual Plan Information) – Number Attached _____
- **(5)** [ ] **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] **A** (Insurance Information) – Number Attached 0
- **(4)** [ ] **C** (Service Provider Information)
- **(5)** [X] **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 2023 Form M-1 annual report. If the plan was not required to file the 2023 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

2023

This Form is Open to Public Inspection

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

▶ **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 HOURLY RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 006

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
NESTLE USA, INC.

D Employer Identification Number (EIN)
95-1572209

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 2023

2 Assets:

a Market value	**2a**	263828791
b Actuarial value	**2b**	263828791

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	881	41197492	41197492
b For terminated vested participants	1478	61680518	61680518
c For active participants	3374	105599982	117515615
d Total	5733	208477992	220393625

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**	5.35 %
6 Target normal cost		
a Present value of current plan year accruals	**6a**	8157158
b Expected plan-related expenses	**6b**	0
c Target normal cost	**6c**	8157158

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

10/09/2024
Date

MICHAEL ALTILIO
Type or print name of actuary

23-07062
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)	163510061	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)	163510061	0
10	Interest on line 9 using prior year's actual return of -22.97 %	-37558261	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 0.00 %		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	41000000	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	84951800	0

Part III Funding Percentages

14	Funding target attainment percentage	14	81.16 %
15	Adjusted funding target attainment percentage	15	111.68 %
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	151.93 %
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
04/18/2024	36000000	0			
			Totals ► 18(b)	36000000	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	33646545

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 %	5.00 %	5.74 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	62

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 Demographic and benefit information

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

b Is the plan required to provide a projection of expected benefit payments? 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**	8157158
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**	8157158

	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**	8157158
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	33646545
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	25489387
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 the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. ☐ 2019 ☐ 2020 ☒ 2021

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

2023

This Form is Open to Public Inspection.

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

A Name of plan
NESTLE HOURLY RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 006

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
NESTLE USA, INC.

D Employer Identification Number (EIN)
95-1572209

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	240225244

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, other than DCGs)**
(Complete as many entries as needed to report all participating plans. DCGs must report each participating plan using Schedule DCG.)

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

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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

2023

This Form is Open to Public Inspection

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

A Name of plan
NESTLE HOURLY RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 006

C Plan sponsor's name as shown on line 2a of Form 5500
NESTLE USA, INC.

D Employer Identification Number (EIN)
95-1572209

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 reported 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	36000000
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	290565891
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)	263099336	240225244
(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	263099336	566791135
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	263099336	566791135

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)	36000000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)	2535063	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		38535063
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(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)		
(B) Other	2b(5)(B)		
(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)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		13832136
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		52367199
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	39241291	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		39241291
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines **2i(1)** through **(11)**	2i(12)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		39241291
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		13125908
l Transfers of assets:			
(1) To this plan	2l(1)		290565891
(2) From this plan	2l(2)		

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** as part of Schedule H because:

(1) [ ] This form is filed for a CCT, PSA, DCG 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. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

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	
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 [X] 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.) ..... [X] Yes [ ] No [ ] Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 517342.

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

2023

This Form is Open to Public Inspection.

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

A Name of plan
NESTLE HOURLY RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 006

C Plan sponsor's name as shown on line 2a of Form 5500
NESTLE USA, INC.

D Employer Identification Number (EIN)
95-1572209

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** 374

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 (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (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) and (b):

a Enter the percentage of plan assets held as:

Public Equity: 25.0 % Private Equity: _____ % Investment-Grade Debt and Interest Rate Hedging Assets: 60.0 %

High-Yield Debt: 3.0 % Real Assets: 6.0 % Cash or Cash Equivalents: _____ % Other: 6.0 %

b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:

☐ 0-5 years ☐ 5-10 years ☒ 10-15 years ☐ 15 years or more

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._____

Part VII IRS Compliance Questions

21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☐ Yes ☒ No

21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).

☐ Design-based safe harbor method

☐ "Prior year" ADP test

☐ "Current year" ADP test

☒ N/A

22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter ___/___/_____ (MM/DD/YYYY) and the Opinion Letter serial number_____.

NESTLÉ HOURLY RETIREMENT PLAN

Financial Statements

December 31, 2023 and 2022

(With Report of Independent Auditors)

NESTLÉ HOURLY RETIREMENT PLAN

Table of Contents

	Page
Report of Independent Auditors	1
Statements of Net Assets Available for Benefits, December 31, 2023 and 2022	4
Statement of Changes in Net Assets Available for Benefits, Year ended December 31, 2023	5
Statements of Accumulated Plan Benefits, December 31, 2023 and 2022	6
Statement of Changes in Accumulated Plan Benefits, Year ended December 31, 2023	7
Notes to Financial Statements	8

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Building a better working world

Report of Independent Auditors

To the Plan Administrator of Nestlé Hourly Retirement Plan:

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the financial statements of Nestlé Hourly Retirement 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 statements of accumulated plan benefits as of December 31, 2023, and 2022, and the related statement of changes in net assets available for benefits and statement of changes in accumulated plan benefits for the year ended December 31, 2023, 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 audits 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 audits 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 certifications from a qualified institution as of December 31, 2023 and 2022, and for the year ended December 31, 2023, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 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

We conducted our audits 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 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 audits. 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 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 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit 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 audits 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.

Ernst & Young LLP

Tysons, VA
October 8, 2024

NESTLÉ HOURLY RETIREMENT PLAN

Statements of Net Assets Available for Benefits

December 31, 2023 and 2022

	2023	2022
Investments, at fair value (notes 5, 7, and 8):		
Plan interest in Nestlé in the USA Pension Trust	$ 240,225,244	$ 263,099,336
Receivables:		
Plan-to-plan transfers (note 1(a))	290,565,891	—
Net assets available for benefits	$ 530,791,135	$ 263,099,336

See accompanying notes to financial statements.

NESTLÉ HOURLY RETIREMENT PLAN

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2023

Investment Income:		
Plan interest in Nestlé in the USA Pension Trust investment Income	$	14,416,260
Total investment Income		14,416,260
Contributions:		
Premium refund from buy-out annuities		2,535,063
Plan-to-plan transfers (note 1(a))		290,565,891
Total contributions		293,100,954
Deductions:		
Benefits paid to participants		39,241,291
Investment and administrative expenses		584,124
Total deductions		39,825,415
Net increase		267,691,799
Net assets available for benefits:		
Beginning of year		263,099,336
End of year	$	530,791,135

See accompanying notes to financial statements.

NESTLÉ HOURLY RETIREMENT PLAN

Statements of Accumulated Plan Benefits

December 31, 2023 and 2022

	2023	2022
Actuarial present value of accumulated plan benefits (note 2(c)):		
Vested benefits:		
Participants currently receiving payments	$ 39,797,318	$ 35,942,778
Other participants	322,205,156	154,969,924
	362,002,474	190,912,702
Nonvested benefits	33,221,176	9,607,349
Total actuarial present value of accumulated plan benefits	$ 395,223,650	$ 200,520,051

See accompanying notes to financial statements.

NESTLÉ HOURLY RETIREMENT PLAN

Statement of Changes in Accumulated Plan Benefits

Year ended December 31, 2023

Actuarial present value of accumulated plan benefits at beginning of year	$	200,520,051
Increase (decrease) during the year attributable to:		
Benefits accumulated and actuarial gains		17,143,284
Decrease in the discount period		12,074,442
Benefits paid		(38,404,696)
Other assumption changes (note 2(c))		2,239,047
Plan amendments		1,359,109
Plan to Plan transfers (note 1(a))		200,292,413
Actuarial present value of accumulated plan benefits, end of year	$	395,223,650

See accompanying notes to financial statements.

(1) Description of the Plan

The following brief description of the Nestlé Hourly Retirement 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.

(a) General

The Plan is a defined benefit pension plan covering certain hourly employees of Nestlé USA, Inc. and certain affiliated companies (Company or Plan Sponsor). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Plan is administered by Nestlé USA, Inc. The Plan Administrator is responsible for the general administration of the Plan. The Plan trustee is The Northern Trust Company.

In March 2023, the Plan Sponsor reached a settlement with a retirement service company, Athene regarding the buy-out annuity agreement completed in 2022. The Sponsor received a total of $2,535,063 as a premium refund specifically related to this Plan. The refunded premium was a result of adjustments related to date changes, death of members, non-responsive members, and members paid out.

In March 2023, the Plan Sponsor approved a specific subpopulation of the Nestlé Pension Plan (NPP) to transfer into the Plan. The population was finalized as of December 31, 2023 and benefit obligations associated with the final population were transferred from NPP to the Plan. Any newly eligible participants who would have typically become participants in NPP will now become participants in the Plan as the NPP Plan will be closed to new participants as a result of this spin off, effective January 1, 2024.

In September 2024, the Plan Sponsor completed the final spin off valuation on the asset and liability transfer for the specified subpopulation that moved from the NPP into the Plan in accordance with Section 414(1) of the Code, Section 4044 of ERISA Regulations. An actuarial valuation was performed and calculated the full amount of assets associated with the spin off, including trust earnings as of the transfer date of September 23, 2024. The Plan assets related to this transaction is reported as a plan-to-plan transfer for year-end 2023, in the amount of $290,565,891.

(b) Pension Benefits

Participating employees at each Company location covered under the Plan receive benefits under a separate schedule of benefits (Schedule) that sets out specific eligibility provisions and benefit amounts for each location. The Plan provides defined benefits to retired participants based on their years of service. In general, the pension benefits are set to begin at age 65 in the form of a life annuity. Effective April 1, 2015, the Plan was amended to universally offer commencement of benefits and a lump-sum option at any age once employment ends. Other forms of payment and early commencement are available based on provisions specific to the various collective bargaining agreements and locations covered under the Plan. For the majority of participants, benefits become fully vested after they have completed three years of vesting service. Periodically, for eligible participants at certain Company locations, changes to the Plan's provisions are negotiated to increase the base rates used to calculate pension benefits (including benefit level increases to take effect in future periods). The base rates within the Schedule for certain locations were updated in both the years ended December 31, 2023 and 2022.

(c) Death and Disability Benefits

If an active participant dies after completing the applicable vesting requirements, a death benefit may be paid to the participant's qualified surviving spouse. Based on the applicable Schedule, the amount of the benefits paid to the surviving spouse is computed with reference to the applicable early retirement factors of the Plan for participants who meet the applicable early retirement provisions, or with reference to the applicable vested deferred retirement factors for participants who meet the applicable deferred vested retirement provisions. Effective April 1, 2021, a lump sum option is generally available. In general, disability benefits are also available and vary by covered location.

(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 the Company for the pooled investment of assets for various qualified pension plans sponsored by the Company. 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 their years of credited service multiplied by benefit factors defined in the Plan document. Benefits payable under all circumstances – retirement, death, disability, and termination of employment – are included to the extent they are deemed attributable to employee credited 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:

	2023	2022
Life expectancy of participants	Pri-2012, including separate assumptions for contingent survivors with unmodified MP-2021 projection	Pri-2012, including separate assumptions for contingent survivors with unmodified MP-2021 projection
Retirement age	Varying by age	Varying by age
ASC 960 discount rate and expected return on plan assets	6.10 %	6.40 %

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.

(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 US 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 provided 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.

(3) Funding Policy

The funding policy of the Plan Sponsor 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 during 2023, which met 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.

In the event the Plan terminates, the net assets of the Plan will be allocated as prescribed by ERISA and its related regulations. The assets allocated to each participant would be distributed through either (a) continuance of the trust fund that is attributable to the Plan or establishment of a new trust fund, and/or (b) purchase of annuity contracts. In addition, certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling on the amount of an individual's monthly benefit that the PBGC guarantees, which is adjusted periodically.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits and may also depend on the level of benefits guaranteed by the PBGC.

(5) Trustee Certifications

The plan administrator 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 and the Master Trust disclosed in the accompanying financial statements, including the Plan's interest in the Pension Trust at December 31, 2023 and 2022, and Plan interest in Pension Trust investment income for the year ended December 31, 2023, was obtained or derived from information provided to the plan administrator and certified as complete and accurate by The Northern Trust Company, the trustee of the Plan.

(6) Parties in Interest

During the years ended December 31, 2023 and 2022, Nestlé in the USA Pension Trust had parties in interest that included Plan Sponsor, trustee, investment advisory, legal, actuarial, and administrative service providers. The fees paid by the Pension Trust to these parties in interest were $5,595,707 for the year ended December 31, 2023. The Plan's share of these expenses was $584,124 for the Plan year ended December 31, 2023. 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 Company plans for investment purposes.

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 investments in the Pension Trust's net assets was approximately 10.3% and 11.1% for the years ended December 31, 2023 and 2022, respectively and is as follows:

	2023		2022	
	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	$ 402,003,026	41,540,475	347,881,226	38,756,912
Fixed income	1,494,879,270	154,471,462	1,450,928,656	161,645,729
Real estate	280,866,476	29,022,983	333,268,545	37,128,936
Other investments	234,847	24,268	304,377	33,910
Hedge funds	199,329,671	20,597,480	209,027,761	23,287,461
Cash and cash equivalents*	119,634,851	12,362,316	164,413,335	18,317,037
Total investments	2,496,948,141	258,018,984	2,505,823,900	279,169,985
Liabilities	(172,196,810)	(17,793,740)	(144,249,818)	(16,070,650)
Net investments available for plan benefits	$ 2,324,751,331	240,225,244	2,361,574,082	263,099,335

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

As a result of the participant spin off from NPP, the Plan recorded $290,565,891 as a receivable to increase net assets of the Plan's interest in the Pension Trust balances as of December 31, 2023.

During the year ended December 31, 2023, investment income for the Pension Trust consisted of the following:

	2023
Net appreciation in fair value of investments	$ 58,360,216
Interest	58,305,793
Dividends	90,623
Other Income	17,193,453
	$ 133,950,085
Pension Trust investment income attributable to the Plan	$ 14,416,260

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, 2023 and 2022, the Pension Trust held the following derivatives:

	2023		2022	
	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	$ 31,251,436	(6,540,405)	16,780,950	(30,962,449)
Foreign exchange	234,844	(296,706)	294,072	(500,694)
Credit	1,644,214	(564,133)	1,483,629	(246,558)
	$ 33,130,494	(7,401,244)	18,558,651	(31,709,701)

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, 2023, the Pension Trust recognized in investment gain (loss) and other income the following:

	2023
	Amount of gain (loss)
Derivatives not accounted for as hedging instruments:	
Interest rate	$ (9,528,929)
Foreign exchange	(174,952)
Credit	887,063
Equity	—
	$ (8,816,818)

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, 2023 and 2022. 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, 2023		Interest Rate	Credit	Foreign Currency	Equity	Total
Forwards	$	–	–	28,038,535	–	28,038,535
Futures		1,064,671,674	–	–	–	1,064,671,674
Options		86,135,116	–	–	–	86,135,116
Swaps		663,323,842	56,224,891	–	–	719,548,733
	$	1,814,130,632	56,224,891	28,038,535	–	1,898,394,058

December 31, 2022		Interest Rate	Credit	Foreign Currency	Equity	Total
Forwards	$	–	–	34,559,990	–	34,559,990
Futures		1,121,287,804	–	–	–	1,121,287,804
Options		153,805,237	17,794	–	–	153,823,031
Swaps		234,699,264	82,681,334	–	–	317,380,598
	$	1,509,792,305	82,699,128	34,559,990	–	1,627,051,423

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, 2023:

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 Foreign exchange	$ 234,844	–	234,844	132,062	11,534	91,248
OTC Interest rate/credit	28,777,390	–	28,777,390	1,354,814	3,445,805	23,976,771
Total derivatives subject to a Master Netting Agreement (MNA)	29,012,234	–	29,012,234	1,486,876	3,457,339	24,068,019
Exchange cleared interest rate/credit	3,754,328	–	3,754,328	–	–	3,754,328
Exchange traded equities	–	–	–	–	–	–
Exchange traded interest rate/credit	363,932	–	363,932	–	–	363,932
Total derivatives not subject to a MNA	4,118,260	–	4,118,260	–	–	4,118,260
Total derivatives	$ 33,130,494	–	33,130,494	1,486,876	3,457,339	28,186,279
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 Foreign exchange	$ 296,706	–	296,706	132,062	–	164,644
OTC Interest rate/credit	2,825,136	–	2,825,136	1,354,814	241,000	1,229,322
Total derivatives subject to a MNA	3,121,842	–	3,121,842	1,486,876	241,000	1,393,966
Exchange cleared interest rate/credit	2,796,572	–	2,796,572	–	2,796,572	–
Exchange traded equities	–	–	–	–	–	–
Exchange traded interest rate/credit	1,482,830	–	1,482,830	–	346,067	1,136,763
Total derivatives not subject to a MNA	4,279,402	–	4,279,402	–	3,142,639	1,136,763
Total derivatives	$ 7,401,244	–	7,401,244	1,486,876	3,383,639	2,530,729

Offsetting of Assets and Liabilities – Pension Trust at December 31, 2022:

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 Foreign exchange	$ 294,072	–	294,072	200,367	7,615	86,090
OTC Interest rate/credit	8,990,614	–	8,990,614	7,485,511	1,495,877	9,226
Total derivatives subject to a Master Netting Agreement (MNA)	9,284,686	–	9,284,686	7,685,878	1,503,492	95,316
Exchange cleared interest rate/credit	9,146,397	–	9,146,397	–	–	9,146,397
Exchange traded equities	–	–	–	–	–	–
Exchange traded interest rate/credit	127,568	–	127,568	–	–	127,568
Total derivatives not subject to a MNA	9,273,965	–	9,273,965	–	–	9,273,965
Total derivatives	$ 18,558,651	–	18,558,651	7,685,878	1,503,492	9,369,281
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 Foreign exchange	$ 500,694	–	500,694	200,367	60,000	240,327
OTC Interest rate/credit	28,332,155	–	28,332,155	7,485,511	4,119,085	16,727,559
Total derivatives subject to a MNA	28,832,849	–	28,832,849	7,685,878	4,179,085	16,967,886
Exchange cleared interest rate/credit	1,567,000	–	1,567,000	–	1,567,000	–
Exchange traded equities	–	–	–	–	–	–
Exchange traded interest rate/credit	1,309,852	–	1,309,852	–	127,567	1,182,285
Total derivatives not subject to a MNA	2,876,852	–	2,876,852	–	1,694,567	1,182,285
Total derivatives	$ 31,709,701	–	31,709,701	7,685,878	5,873,652	18,150,171

(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, 2023			
	Level 1	**Level 2**	**Level 3**	**Total**
Nestlé in the USA Pension Trust assets:				
Equities:				
Preferred stock	$ 893,504 (a)	–	–	893,504
Common stock	–	–	123,936	123,936
Commingled funds	400,985,586 (e)	–	–	400,985,586
Total equities	401,879,090	–	123,936	402,003,026
Fixed income:				
Mutual funds	10,281,817	–	–	10,281,817
Collateralized obligations	–	3,043,796 (c)	36,348	3,080,144
Corporate bonds	–	911,761,882 (b)	629,592	912,391,474
Government and municipal	–	467,602,879 (f)	4,750	467,607,629
Bank loans	–	5,258,535 (b)	–	5,258,535
Futures	363,932	–	–	363,932
Options and swaps	–	32,531,718 (g)	–	32,531,718
Total fixed income	10,645,749 (a)	1,420,198,810	670,690 (h)	1,431,515,249
Other assets:				
Foreign exchange forwards and options	234,844	–	–	234,844
Other misc. assets	–	–	3	3
Total other assets	234,844 (a)	–	3	234,847
Cash and cash equivalents:				
Cash (held at broker)	5,196,575 (a)	–	–	5,196,575
Cash	58,876,712 (a)	–	–	58,876,712
Short term	55,561,564 (d)	–	–	55,561,564
Total cash and cash equivalents	119,634,851	–	–	119,634,851
Total assets by fair value level	532,394,534	1,420,198,810	794,629	1,953,387,973

	December 31, 2023			
	Level 1	**Level 2**	**Level 3**	**Total**
Liabilities:				
Payables	$ (131,970,773)	–	–	(131,970,773)
Collateral held	(32,824,793)	–	–	(32,824,793)
Total current liabilities	(164,795,566) (a)	–	–	(164,795,566)
Fixed income futures	(1,482,830)	–	–	(1,482,830)
Fixed income options and swaps	–	(5,621,708)	–	(5,621,708)
Foreign exchange forwards and options	(296,706)	–	–	(296,706)
Total other investments	(1,779,536) (a)	(5,621,708) (g)	–	(7,401,244)
Total liabilities by fair value level	(166,575,102)	(5,621,708)	–	(172,196,810)
Net pension trust assets by fair value level	$ 365,819,432	1,414,577,102	794,629	1,781,191,163
Investments measured at net asset value				543,560,167 (i)
Net pension trust assets				$ 2,324,751,331

	December 31, 2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Nestlé in the USA Pension Trust assets:				
Equities:				
Preferred stock	$ 3,116,358 (a)	–	–	3,116,358
Commingled funds	344,764,868 (e)	–	–	344,764,868
Total equities	347,881,226	–	–	347,881,226
Fixed income:				
Mutual funds	6,241,159	–	–	6,241,159
Collateralized obligations	–	1,770,510 (c)	302,381	2,072,891
Corporate bonds	–	843,557,457 (b)	1,551,251	845,108,708
Government and municipal	–	482,272,395 (f)	90,781	482,363,176
Bank loans	–	10,833,476 (b)	–	10,833,476
Futures	127,567	–	–	127,567
Options and swaps	–	18,137,013 (g)	–	18,137,013
Total fixed income	6,368,726 (a)	1,356,570,851	1,944,413 (h)	1,364,883,990
Other assets:				
Foreign exchange forwards and options	294,072	–	–	294,072
Other misc. assets	10,305	–	–	10,305
Total other assets	304,377 (a)	–	–	304,377
Cash and cash equivalents:				
Cash (held at broker)	9,560,877 (a)	–	–	9,560,877
Cash	124,851,442 (a)	–	–	124,851,442
Short term	21,199,013 (d)	–	–	21,199,013
Repurchase agreements	8,802,004 (d)	–	–	8,802,004
Total cash and cash equivalents	164,413,336	–	–	164,413,336
Total assets by fair value level	518,967,665	1,356,570,851	1,944,413	1,877,482,929

	December 31, 2022			
	Level 1	**Level 2**	**Level 3**	**Total**
Liabilities:				
Payables	$ (99,298,080)	–	–	(99,298,080)
Collateral held	(13,242,037)	–	–	(13,242,037)
Total current liabilities	(112,540,117) (a)	–	–	(112,540,117)
Fixed income futures	(1,309,852)	–	–	(1,309,852)
Fixed income options and swaps	–	(29,899,156)	–	(29,899,156)
Foreign exchange forwards and options	(500,693)	–	–	(500,693)
Total other investments	(1,810,545) (a)	(29,899,156) (g)	–	(31,709,701)
Total liabilities by fair value level	(114,350,662)	(29,899,156)	–	(144,249,818)
Net pension trust assets by fair value level	$ 404,617,003	1,326,671,695	1,944,413	1,733,233,111
Investments measured at net asset value				628,340,972 (i)
Net pension trust assets				$ 2,361,574,082

Due to the Company'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, 2023 and 2022, 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 the Company and 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, 2023 and 2022 is as follows:

	2023		2022			
	Net asset value	Unfunded commitments	Net asset value	Unfunded commitments	Redemption frequency	Redemption notice period
Hedge funds	$ 199,329,670	–	209,027,760	–	Monthly, quarterly	70 days
Fixed income – redeemable	57,580,251	–	79,851,085	4,518,868	Annually	90 days
Fixed income – not redeemable	5,783,770	–	6,193,582	–	Not redeemable	N/A
Real estate funds – open end	204,042,850	1,161,937	264,828,753	4,153,599	Quarterly	30–90 days
Real estate funds – closed end	76,823,626	34,894,893	68,439,792	41,171,668	Not redeemable	N/A
	$ 543,560,167	36,056,830	628,340,972	49,844,135		

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, 2023 and 2022. 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, 2023 is as follows:

		Purchases	Issuances	Transfers In	Transfers Out
Fixed income	$	–	–	17,071	(1,871,432)
Common Stock		–	123,936	–	–
	$	–	123,936	17,071	(1,871,432)

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, 2023.

(9) Tax Status

The Plan has received a determination letter from the Internal Revenue Service (IRS) dated March 15, 2021, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (Code) and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualified status. The plan administrator has indicated that it will take the necessary steps, if any, to bring the Plan's operations into compliance with the code.

Accounting principles generally accepted in the United States require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Plan management has analyzed the tax positions taken by the Plan and has concluded that there are no uncertain 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.

(10) Reconciliation of Financial statements to Form 5500:

The following is a reconciliation of net assets available for benefits per the financial statements as of December 31, 2023 and 2022 to Form 5500:

	2023	2022
Net assets available for benefits per the financial statements	$ 530,791,135	263,099,336
Add contributions received for current plan year	36,000,000	—
Net assets available for benefits per Form 5500	$ 566,791,135	263,099,336

The following is a reconciliation of the Plan's employer contributions per the financial statements for the year ended December 31, 2023, to Form 5500:

	2023
Employer contributions per the financial statements	$ —
Add contributions received for current plan year in 2024	36,000,000
Less contributions received for prior plan year in 2023	—
Employer contributions per Form 5500	$ 36,000,000

(11) Subsequent Events

The Plan has evaluated subsequent events through October 8, 2024, the date these financial statements were available for issuance.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26a
Schedule of Active Participant Data as of January 1, 2023
Active Participants with Pay-Based Benefits

Attained Age		Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Over
<25	Number										
	Avg. Earnings										
25 to 29	Number			1							
	Avg. Earnings										
30 to 34	Number		1	9	5						
	Avg. Earnings										
35 to 39	Number			12	8	6					
	Avg. Earnings										
40 to 44	Number			14	12	15	3				
	Avg. Earnings										
45 to 49	Number			8	5	10	8	1			
	Avg. Earnings										
50 to 54	Number			5	12	4	7	3	2		
	Avg. Earnings										
55 to 59	Number			9	3	8	9	4	4		
	Avg. Earnings										
60 to 64	Number			4	4	8	6	3	1	2	
	Avg. Earnings										
65 to 69	Number			2		1	1		1		
	Avg. Earnings										
70 & up	Number			1							
	Avg. Earnings										

Average Age = 49.13 **Average Service = 15.72**

Plan Name: Nestle Hourly Retirement Plan
EIN / PN: 95-1572209/006
Plan Sponsor: Nestle USA Inc
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26a
Schedule of Active Participant Data as of January 1, 2023
Number distributed by attained age and attained years of credited service

Attained Age	Attained Years of Credited Service									
	Under 1	**1 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 to 29**	**30 to 34**	**35 to 39**	**40 & Over**
Under 25	66	63	1							
25 to 29	68	140	39	1						
30 to 34	69	143	118	23						
35 to 39	48	119	112	74	37	1				
40 to 44	32	105	132	65	54	32				
45 to 49	39	90	90	54	58	64	23	1		
50 to 54	32	72	83	81	60	72	33	33		
55 to 59	21	51	66	68	62	66	61	57	49	3
60 to 64	2	25	50	52	47	47	50	28	43	20
65 to 69	1		10	12	8	8	15	7	2	7
70 & over	0	3	1		1		3			1

Average Age = 45.91 **Average Service = 11.37**

Plan Name: Nestle Hourly Retirement Plan
EIN / PN: 95-1572209/006
Plan Sponsor: Nestle USA Inc
Valuation Date: January 1, 2023

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	
Interest rates:	**For Minimum**	**For Maximum**
• First segment rate	4.75%	1.41%
• Second segment rate	5.00%	3.09%
• Third segment rate	5.74%	3.58%
• Effective Interest Rate (EIR)	5.35%	3.75%

Annual rates of increase:

• Compensation	2023: 4.50% 2024 and beyond: 4.00%
• Social Security wage base	3.50%
• Statutory limits on compensation and benefits	3.00%
• Lump sum conversion rates for Funding	4.75%/5.00%/5.74%

SCHEDULE SB ATTACHMENTS

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 and 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-2021) 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-2021).
• Lump sum conversion	IRC 417(e) table

SCHEDULE SB ATTACHMENTS

Termination

Rates varying by age, service and plan

NUSA

Percentage leaving during the year		
Years of Service	<3	>3
Attained Age	Rates	Rates
25	20.00%	18.00%
30	20.00%	18.00%
35	20.00%	13.60%
40	18.00%	11.70%
45	18.00%	7.50%
50	18.00%	7.50%
55	18.00%	6.10%

NPPC

Percentage leaving during the year		
Years of Service	<3	>3
Attained Age	Rates	Rates
25	17.30%	16.30%
30	17.30%	13.70%
35	16.00%	7.80%
40	14.70%	5.30%
45	14.70%	3.30%
50	14.50%	3.30%
55	14.50%	3.30%

Nutrition

Percentage leaving during the year		
Years of Service	All	All
Attained Age	Males	Females
25	14.10%	18.00%
30	12.30%	15.00%
35	9.60%	12.00%
40	7.40%	10.20%
45	6.40%	7.10%
50	4.30%	5.10%
55	9.00%	10.00%

SCHEDULE SB ATTACHMENTS

Disability

Rates varying by age, sex, and plan

NUSA

Percentage becoming disabled during the year		
Age	Males	Females
30	0.06%	0.11%
40	0.16%	0.38%
50	0.47%	0.59%

NPPC

Percentage becoming disabled during the year		
Age	Males	Females
30	0.06%	0.11%
40	0.14%	0.39%
50	0.41%	0.61%

Nutrition

Percentage becoming disabled during the year		
Age	Males	Females
30	0.26%	0.40%
40	0.31%	0.47%
50	0.55%	0.83%

SCHEDULE SB ATTACHMENTS

Retirement

Rates varying by age and plan.

NUSA

Percentage leaving during the year	
Attained Age	Rates
55	5.00%
56	5.00%
57	5.00%
58	5.00%
59	5.00%
60	10.00%
61	10.00%
62	15.00%
63	15.00%
64	15.00%
65	40.00%
66	40.00%
67	40.00%
68	40.00%
69	40.00%
70+	100.00%
70+	100.00%

SCHEDULE SB ATTACHMENTS

NPPC

Percentage leaving during the year	
Attained Age	Rates
50	5.00%
51	5.00%
52	5.00%
53	5.00%
54	5.00%
55	5.00%
56	5.00%
57	5.00%
58	5.00%
59	5.00%
60	5.00%
61	5.00%
62	15.00%
63	15.00%
64	15.00%
65	30.00%
66	30.00%
67	30.00%
68	50.00%
69	50.00%
70+	100.00%

Nutrition

Percentage leaving during the year	
Attained Age	Rates
55	5.00%
56	5.00%
57	5.00%
58	5.00%
59	5.00%
60	15.00%
61	15.00%
62	30.00%
63	30.00%
64	30.00%
65	30.00%
66	40.00%
67	40.00%
68	40.00%
69	40.00%
70+	100.00%

SCHEDULE SB ATTACHMENTS

Benefit commencement date (Exludes Gerber Hourly Plans):

• Preretirement death benefit	The later of the death of the active participant or the date the participant would have attained age 65
• Termination benefit	25% of the PCAP and 50% of the non-PCAP/PEP deferred vested participants who terminated within 2 years of valuation are assumed to take a lump sum payment immediately; remaining deferred vested participants commence their benefit at age 62 and 63 for PEP/PCAP and traditional non-PCAP respectively.
• Disability benefit	Upon disability and eligibility for benefit
• Retirement benefit	Upon termination of employment

Benefit commencement date (Gerber Hourly Plans):

• Preretirement death benefit	Upon death, vesting and eligibility for surviving spouse. Upon participant's early retirement date for surviving spouse
• Termination benefit	45% of the deferred vested participants who terminated within 2 years of valuation are assumed to take a lump sum payment immediately and the remaining deferred vested participants with commence their benefit at age 63.
• Disability benefit	Upon disability and eligibility for benefit
• Retirement benefit	Upon termination of employment and eligibility for benefit

SCHEDULE SB ATTACHMENTS

Form of payment

Termination Benefit

Participant Group	Life	Cert & Life	J&S	Lump Sum
All	5%	0%	5%	90%

Retirement Benefit

Participant Group	Life	Cert & Life	J&S	Lump Sum
All	7.5%	0%	7.5%	85%

Percent Married

80%

Spouse age

Wife three years younger than husband.

Covered pay

Weighted average of prior three years' pensionable earnings (each adjusted with salary increase assumption), with the most recent pay receiving the highest weight e.g., 50%/35%/15%.

Timing of benefit payments

Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

Administrative expenses

Nestlé no longer pays administrative expenses from the pension 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.

SCHEDULE SB ATTACHMENTS

Methods	
Valuation date	First day of plan year.
Funding target and PVAB	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.
Actuarial value of assets	Market value of assets, including contributions receivable.
Benefits not valued	All benefits described in the Plan Provisions section of this report were valued. WTW has reviewed the plan provisions with Nestlé and is not aware of any significant benefits required to be valued that were not. 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.

SCHEDULE SB ATTACHMENTS

Sources of Data and Other Information

The plan sponsor through its administrator, WTW, furnished participant data as of January 1, 2023. 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.
Lump sum interest conversion rate (Funding valuation)	Assumptions based on the annuity substitution method described in IRC Section §430.
Rates of increase in Social Security Wage Base, compensation and statutory limits	Assumed increases were chosen by the plan sponsor and represent an estimate of future experience. We believe that the assumptions chosen do not significantly conflict with what would be reasonable based on current and expected future CPI and GDP growth, taking into account historical variability adjusted to current conditions.
Administrative and investment expenses	Administrative and investment expenses are determined by Nestlé at year end.

Assumptions Rationale – Significant Demographic Assumptions

Mortality (Funding valuation)	Assumptions used for funding purposes are as prescribed by IRC §430(h).

SCHEDULE SB ATTACHMENTS

Termination	Termination rates were based on an experience study conducted in 2020 for the period 2016-2019, 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 age, 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.
Retirement	Retirement rates were based on an experience study conducted in 2020 for the period 2016-2019, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future. Assumed retirement rates differ by plan because of observed differences in retirement rates by plan.
Benefit commencement date:	
• 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 2016-2019. 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 2016-2019.

SCHEDULE SB ATTACHMENTS

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.

Changes in Assumptions and Methods

Change in assumptions and methods 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. 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. The lump sum interest conversion rates was changed from 4.75%/5.18%/5.92% in 2022 to 4.75%/5.00%/5.74% in 2023. The compensation increase assumption changed from 3.50% for all years to 4.50% in 2023 and 4.00% in 2024 and beyond. The Social Security wage base increase assumption changed from 2.50% to 3.50%. The statutory limits on compensation and benefits increase assumption changed from 2.00% to 3.00%.
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.

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

2023

This Form is Open to Public Inspection

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

▶ **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 PENSION PLAN

B Three-digit plan number (PN) ▶ 100

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
NESTLE USA, INC.

D Employer Identification Number (EIN)
95-1572209

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 2023

2 Assets:

a Market value	**2a**	2,186,889,413
b Actuarial value	**2b**	2,186,889,413

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	4,310	441,246,340	441,246,340
b For terminated vested participants	10,316	594,085,308	594,085,308
c For active participants	12,698	968,860,046	1,024,383,207
d Total	27,324	2,004,191,694	2,059,714,855

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**	5.25%
6 Target normal cost		
a Present value of current plan year accruals	**6a**	116,426,728
b Expected plan-related expenses	**6b**	0
c Target normal cost	**6c**	116,426,728

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

10/9/2024
Date

Michael Altilio
Type or print name of actuary

2307062
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 [ ]

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

2023

This Form is Open to Public Inspection

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

▶ **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 PENSION PLAN

B Three-digit plan number (PN) ▶ 100

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
NESTLE USA, INC.

D Employer Identification Number (EIN)
95-1572209

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 2023

2 Assets:

a Market value	**2a**	2,186,889,413
b Actuarial value	**2b**	2,186,889,413

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	4,310	441,246,340	441,246,340
b For terminated vested participants	10,316	594,085,308	594,085,308
c For active participants	12,698	968,860,046	1,024,383,207
d Total	27,324	2,004,191,694	2,059,714,855

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**	5.25%
6 Target normal cost		
a Present value of current plan year accruals	**6a**	116,426,728
b Expected plan-related expenses	**6b**	0
c Target normal cost	**6c**	116,426,728

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

Date

Michael Altilio

Type or print name of actuary

2307062

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)	1,130,978,702	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)	1,130,978,702	0
10	Interest on line 9 using prior year's actual return of -22.72 %	-256,958,361	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		68,046,659
	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 5.39 %		3,667,715
	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		71,714,374
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	356,000,000	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	518,020,341	0

Part III Funding Percentages

14	Funding target attainment percentage	14	81.02 %
15	Adjusted funding target attainment percentage	15	104.65 %
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	146.85 %
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
04/18/2024	91,000,000				
			Totals ► 18(b)	91,000,000	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	1,800,000
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.	19c	83,355,830

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 %	5.00 %	5.74 %	☐ 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 Demographic and benefit information

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

b Is the plan required to provide a projection of expected benefit payments? 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**	116,426,728
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**	116,426,728

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	33,070,898	0	33,070,898

36 Additional cash requirement (line 34 minus line 35)	**36**	83,355,830
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	83,355,830

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 the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. ☐ 2019 ☐ 2020 ☒ 2021

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Nestlé USA Inc
EIN/PN	95-1572209/100
Plan Name	Nestlé Pension Plan
Valuation Date	January 1, 2023
Enrolled Actuary	Michael Altilio
Enrollment Number	23-07062

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, 2023

Retirement rates vary by participant groups. The weighted average age across all participant groups is 61.

Groups	Count	Weight	Avg age	W*A
NUSA Traditional Salaried	218	1.72%	60	1.03
NPPC Traditional Hourly	3,871	30.49%	61	18.60
NUSA Traditional Hourly	204	1.61%	60	0.96
NPPC Traditional Salaried	99	0.78%	60	0.47
NUSA PEP Salaried	3,499	27.56%	61	16.81
NPPC PEP Salaried	2,060	16.22%	61	9.90
NUSA PEP Hourly	2,658	20.93%	61	12.77
Gerber Life	-	0.00%	62	0.00
Franklin Park	-	0.00%	63	0.00
Infant Nutrition	89	0.70%	61	0.43
	12,698	100.00%		61

Plan Name: Nestlé Pension Plan
EIN / PN: 95-1572209/100
Plan Sponsor: Nestlé USA Inc
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Participant Groups: NUSA Traditional Salaried
NPPC Traditional Salaried
NUSA Traditional Hourly

Description of Weighted Average Retirement Age

Age	Retirement Rate	1.00 - Retirement Rate	Probability of Remaining Active	Percentage Retiring at Age	Age Times Percentage Retiring
55	10.00%	90%	90.00%	10.00%	5.50
56	10.00%	90%	81.00%	9.00%	5.04
57	10.00%	90%	72.90%	8.10%	4.62
58	10.00%	90%	65.61%	7.29%	4.23
59	10.00%	90%	59.05%	6.56%	3.87
60	20.00%	80%	47.24%	11.81%	7.09
61	20.00%	80%	37.79%	9.45%	5.76
62	30.00%	70%	26.45%	11.34%	7.03
63	30.00%	70%	18.52%	7.94%	5.00
64	30.00%	70%	12.96%	5.56%	3.56
65	40.00%	60%	7.78%	5.18%	3.37
66	40.00%	60%	4.67%	3.11%	2.05
67	40.00%	60%	2.80%	1.87%	1.25
68	40.00%	60%	1.68%	1.12%	0.76
69	40.00%	60%	1.01%	0.67%	0.46
70	100.00%	0%	0.00%		0.71
				100%	
			Average Retirement Age:		60

Plan Name: Nestlé Pension Plan
EIN / PN: 95-1572209/100
Plan Sponsor: Nestlé USA Inc
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Participant Group: NPPC Traditional Hourly

Description of Weighted Average Retirement Age

Age	Retirement Rate	1.00 - Retirement Rate	Probability of Remaining Active	Percentage Retiring at Age	Age Times Percentage Retiring
55	7.5%	93%	92.50%	7.50%	4.13
56	7.5%	93%	85.56%	6.94%	3.89
57	7.5%	93%	79.15%	6.42%	3.66
58	10.0%	90%	71.23%	7.91%	4.59
59	10.0%	90%	64.11%	7.12%	4.20
60	10.0%	90%	57.70%	6.41%	3.85
61	15.0%	85%	49.04%	8.65%	5.28
62	25.0%	75%	36.78%	12.26%	7.60
63	25.0%	75%	27.59%	9.20%	5.79
64	30.0%	70%	19.31%	8.28%	5.30
65	30.0%	70%	13.52%	5.79%	3.77
66	30.0%	70%	9.46%	4.06%	2.68
67	40.0%	60%	5.68%	3.78%	2.54
68	40.0%	60%	3.41%	2.27%	1.54
69	40.0%	60%	2.04%	1.36%	0.94
70	100.0%	0%	0.00%	2.04%	1.43
				100%	
			Average Retirement Age:		61

Plan Name: Nestlé Pension Plan
EIN / PN: 95-1572209/100
Plan Sponsor: Nestlé USA Inc
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Participant Groups: NUSA PEP Salaried
NPPC PEP Salaried
NUSA PEP Hourly
Infant Nutrition

Description of Weighted Average Retirement Age

Age	Retirement Rate	1.00 - Retirement Rate	Probability of Remaining Active	Percentage Retiring at Age	Age Times Percentage Retiring
55	10.00%	90%	90.00%	10.00%	5.50
56	10.00%	90%	81.00%	9.00%	5.04
57	10.00%	90%	72.90%	8.10%	4.62
58	10.00%	90%	65.61%	7.29%	4.23
59	10.00%	90%	59.05%	6.56%	3.87
60	15.00%	85%	50.19%	8.86%	5.31
61	15.00%	85%	42.66%	7.53%	4.59
62	25.00%	75%	32.00%	10.67%	6.61
63	25.00%	75%	24.00%	8.00%	5.04
64	25.00%	75%	18.00%	6.00%	3.84
65	35.00%	65%	11.70%	6.30%	4.09
66	35.00%	65%	7.60%	4.09%	2.70
67	35.00%	65%	4.94%	2.66%	1.78
68	35.00%	65%	3.21%	1.73%	1.18
69	35.00%	65%	2.09%	1.12%	0.78
70	100.00%	0%	0.00%	2.09%	1.46
				100%	

Average Retirement Age: 61

Plan Name: Nestlé Pension Plan
EIN / PN: 95-1572209/100
Plan Sponsor: Nestlé USA Inc
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Participant Group: Gerber Life

Description of Weighted Average Retirement Age

Age	Retirement Rate	1.00 - Retirement Rate	Probability of Remaining Active	Percentage Retiring at Age	Age Times Percentage Retiring
55	4.00%	96.00%	96.00%	4.00%	2.20
56	4.79%	95.21%	91.40%	4.60%	2.57
57	6.50%	93.50%	85.46%	5.94%	3.39
58	4.97%	95.03%	81.21%	4.25%	2.46
59	3.92%	96.08%	78.03%	3.18%	1.88
60	7.73%	92.27%	72.00%	6.03%	3.62
61	6.30%	93.70%	67.46%	4.54%	2.77
62	24.07%	75.93%	51.23%	16.24%	10.07
63	19.15%	80.85%	41.42%	9.81%	6.18
64	13.03%	86.97%	36.02%	5.39%	3.45
65	60.72%	39.28%	14.15%	21.87%	14.22
66	62.92%	37.08%	5.25%	8.90%	5.87
67	74.73%	25.27%	1.33%	3.92%	2.63
68	51.25%	48.75%	0.65%	0.68%	0.46
69	51.25%	48.75%	0.32%	0.33%	0.23
70	100.00%	0.00%	0.00%	0.32%	0.22
				100.00%	
			Average Retirement Age:		62

Plan Name: Nestlé Pension Plan
EIN / PN: 95-1572209/100
Plan Sponsor: Nestlé USA Inc
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Participant Group: Franklin Park

Description of Weighted Average Retirement Age

Age	Retirement Rate	1.00 - Retirement Rate	Probability of Remaining Active	Percentage Retiring at Age	Age Times Percentage Retiring
55	3.13%	96.87%	96.87%	3.13%	1.72
56	3.56%	96.44%	93.42%	3.45%	1.93
57	3.44%	96.56%	90.21%	3.21%	1.83
58	4.18%	95.82%	86.44%	3.77%	2.19
59	3.42%	96.58%	83.48%	2.96%	1.74
60	3.22%	96.78%	80.79%	2.69%	1.61
61	5.83%	94.17%	76.09%	4.71%	2.87
62	17.35%	82.65%	62.89%	13.20%	8.18
63	15.71%	84.29%	53.01%	9.88%	6.22
64	12.71%	87.30%	46.27%	6.73%	4.31
65	38.29%	61.71%	28.56%	17.72%	11.52
66	40.69%	59.31%	16.94%	11.62%	7.67
67	41.42%	58.58%	9.92%	7.02%	4.70
68	37.20%	62.81%	6.23%	3.69%	2.51
69	38.56%	61.44%	3.83%	2.40%	1.66
70	100.00%	0.00%	0.00%	3.83%	2.68
				100.00%	
			Average Retirement Age:		63

Plan Name: Nestlé Pension Plan
EIN / PN: 95-1572209/100
Plan Sponsor: Nestlé USA Inc
Valuation Date: January 1, 2023

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	
Interest rates:	**For Minimum**	**For Maximum**
• First segment rate	4.75%	1.41%
• Second segment rate	5.00%	3.09%
• Third segment rate	5.74%	3.58%
• Effective Interest Rate (EIR)	5.25%	3.20%

Annual rates of increase:

• Compensation	2023: 4.50% 2024 and beyond: 4.00%
• Social Security wage base	3.50%
• Statutory limits on compensation and benefits	3.00%
• Lump sum interest conversion rates for Funding	4.75%/5.00%/5.74%

SCHEDULE SB ATTACHMENTS

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 and 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-2021) 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-2021).
• Lump sum conversion	IRC 417(e) table

SCHEDULE SB ATTACHMENTS

Termination

Rates varying by age, service and plan

- Nestlé Pension Plan

PEP

Percentage leaving during the year	
Years of Service	All
Attained Age	Rates
25	13.90%
30	12.30%
35	10.60%
40	10.60%
45	9.90%
50	9.90%
55	0.00%

Traditional – not PCAP

Percentage leaving during the year	
Years of Service	All
Attained Age	Rates
25	5.90%
30	5.90%
35	5.90%
40	5.90%
45	5.80%
50	5.80%
55	5.80%

Traditional - PCAP

Percentage leaving during the year		
Years of Service	< 3	> 3
Attained Age	Rates	Rates
25	12.40%	10.30%
30	12.20%	10.00%
35	11.30%	9.30%
40	11.30%	4.80%
45	10.10%	4.60%
50	10.10%	4.00%
55	0.00%	0.00%

SCHEDULE SB ATTACHMENTS

Disability

Rates varying by age, sex, and plan

- Nestlé Pension 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%

NPPC Traditional Salary

Percentage becoming disabled during the year		
Age	Males	Females
30	0.03%	0.07%
40	0.04%	0.09%
50	0.10%	0.22%

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%

NPPC Traditional Hourly

Percentage becoming disabled during the year		
Age	Males	Females
30	0.05%	0.07%
40	0.06%	0.08%
50	0.15%	0.20%

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

NUSA PEP Hourly

Percentage becoming disabled during the year		
Age	Males	Females
30	0.11%	0.44%
40	0.32%	0.51%
50	0.72%	0.93%

Retirement

Rates varying by age and plan.

- Nestlé Pension Plan

PEP

Percentage leaving during the year	
Attained Age	Rates
55	10.00%
56	10.00%
57	10.00%
58	10.00%
59	10.00%
60	15.00%
61	15.00%
62	25.00%
63	25.00%
64	25.00%
65	35.00%
66	35.00%
67	35.00%
68	35.00%
69	35.00%
70	100.00%

SCHEDULE SB ATTACHMENTS

Traditional - Non-PCAP

Percentage leaving during the year	
Attained Age	Rates
55	10.00%
56	10.00%
57	10.00%
58	10.00%
59	10.00%
60	20.00%
61	20.00%
62	30.00%
63	30.00%
64	30.00%
65	40.00%
66	40.00%
67	40.00%
68	40.00%
69	40.00%
70	100.00%

Traditional - PCAP

Percentage leaving during the year	
Attained Age	Rates
55	7.50%
56	7.50%
57	7.50%
58	10.00%
59	10.00%
60	10.00%
61	15.00%
62	25.00%
63	25.00%
64	30.00%
65	30.00%
66	30.00%
67	40.00%
68	40.00%
69	40.00%
70+	100.00%

SCHEDULE SB ATTACHMENTS

Nutrition

Percentage leaving during the year	
Attained Age	Rates
55	5.00%
56	5.00%
57	5.00%
58	5.00%
59	5.00%
60	15.00%
61	15.00%
62	30.00%
63	30.00%
64	30.00%
65	30.00%
66	40.00%
67	40.00%
68	40.00%
69	40.00%
70+	100.00%

Benefit commencement date:

Nestlé Pension Plan (Excludes Gerber Life and Infant Nutrition)

- Preretirement death benefit — The later of the death of the active participant or the date the participant would have attained age 65
- Termination benefit — 25% of the PCAP and 50% of the non-PCAP/PEP deferred vested participants who terminated within 2 years of valuation are assumed to take a lump sum payment immediately; remaining deferred vested participants commence their benefit at age 62 and 63 for PEP/PCAP and traditional non-PCAP respectively.
- Disability benefit — Age 65
- Retirement benefit — Upon termination of employment

SCHEDULE SB ATTACHMENTS

Nestlé Pension Plan (Gerber Life and Infant Nutrition)

- Preretirement death benefit — Upon death and eligibility for benefit
- Termination benefit — Upon termination of employment and eligibility for benefit
- Disability benefit — Upon disability and eligibility for benefit
- Retirement benefit — Upon termination of employment and eligibility for benefit

Form of payment

- Nestlé Pension Plan (Excludes FPCB, Gerber Life and Infant Nutrition)

Termination Benefit

Participant Group	Life	Cert & Life	J&S	Lump Sum
PEP	2.50%	0%	2.50%	95%
Traditional – not PCAP	7.50%	0%	7.50%	85%
Traditional - PCAP	5%	0%	5%	90%

Retirement Benefit

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%

- Nestlé Pension Plan (FPCB)

Married Participants

50% single life annuity, 50% J&S

Single Participants

100% single life annuity

- Nestlé Pension Plan (Gerber Life and Infant Nutrition) — 100% Lump sum

Percent Married — 75% for Gerber Life participants in Nestlé Pension Plan, 80% all other plans

Spouse age — Wife three years younger than husband.

SCHEDULE SB ATTACHMENTS

Covered pay	Weighted average of prior three years' pensionable earnings (each adjusted with salary increase assumption), with the most recent pay receiving the highest weight e.g., 50%/35%/15%.
Timing of benefit payments	Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.
Administrative expenses	Nestlé no longer pays administrative expenses from the pension 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.

Methods

Valuation date	First day of plan year.
Funding target and PVAB	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.
Benefits not valued	All benefits described in the Plan Provisions section of this report were valued. WTW has reviewed the plan provisions with Nestlé and is not aware of any significant benefits required to be valued that were not. 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, WTW, furnished participant data as of January 1, 2023. 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.
Lump sum interest conversion rate (Funding valuation)	Assumptions based on the annuity substitution method described in IRC Section §430.
Rates of increase in Social Security Wage Base, compensation and statutory limits	Assumed increases were chosen by the plan sponsor and represent an estimate of future experience..
Administrative and investment expenses	Administrative and investment expenses are determined by Nestlé at year-end.

SCHEDULE SB ATTACHMENTS

Assumptions Rationale – Significant Demographic Assumptions

Mortality (Funding valuation)	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Termination	Termination rates were based on an experience study conducted in 2020 for the period 2016-2019, 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 age, 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.
Retirement	Retirement rates were based on an experience study conducted in 2020 for the period 2016-2019, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future. Assumed retirement rates differ by plan because of observed differences in retirement rates by plan.

SCHEDULE SB ATTACHMENTS

Benefit commencement date:

• 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 2016-2019. 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 2016-2019.

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 and methods 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. 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. The lump sum interest conversion rates was changed from 4.75%/5.18%/5.92% in 2022 to 4.75%/5.00%/5.74% in 2023. The compensation increase assumption changed from 3.50% for all years to 4.50% in 2023 and 4.00% in 2024 and beyond. The Social Security wage base increase assumption changed from 2.50% to 3.50%. The statutory limits on compensation and benefits increase assumption changed from 2.00% to 3.00%.
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.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 24
Change in Actuarial Assumptions

The lump sum interest conversion rates was changed from 4.75%/5.18%/5.92% in 2022 to 4.75%/5.00%/5.74% in 2023.

The compensation increase assumption changed from 3.50% for all years to 4.50% in 2023 and 4.00% in 2024 and beyond.

The Social Security wage base increase assumption changed from 2.50% to 3.50%.

The statutory limits on compensation and benefits increase assumption changed from 2.00% to 3.00%.

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V
Summary of Plan Provisions

Nestlé Pension Plan (Nestlé USA employees and NPPC salaried employees hired after 2002)

Plan Provisions

The Nestle Pension Plan was Amended and Restated effective 1/1/2020; Amendments to the Plan are dated 4/23/2021, 12/21/2021, and 12/16/2022.

Covered employees	Salaried employees and certain nonunion hourly employees of Nestlé USA, and salaried employees of Nestlé Purina PetCare hired after 2002
Participation date	January 1, following date of hire
Type of plan	Three-year average earnings or pension equity

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; for Pfizer, from 12/1/2012; for Nestlé Professional Beverage – Vitality, from 1/1/2014.
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.

Plan Name:	Nestlé Pension Plan
EIN / PN:	95-1572209/100
Plan Sponsor:	Nestlé USA Inc
Valuation Date:	January 1, 2023

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	4.00%
40-49	5.00%
50-59	6.00%
60-69	8.00%
70-79	10.0%
80-89	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 (if hired before 5/1/2003); lump sum.
Pension increases	None.
Plan participants' contributions	None.

SCHEDULE SB ATTACHMENTS

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.

Optional Forms of Payment

Participant Group	Actuarial Equivalence	Optional Forms

Nestlé Traditional benefit
<u>Eligible for early retirement factors</u>
No grandfathered prior plan benefits, **OR** with the following prior plans (but only if Nestlé benefit wins):
Beechnut
Hills Bros.
NFC post-1988 terminations
Carnation #2 post-1991 terminations
Clintec
	• The greater of the plan factors and the 417(e) factors for interest rates and mortality
	• Plan Factors:
	  • 8.00%
	  • 1971 TPF&C Forecast set back 3 years
		1) Single Life Annuity
		2) 50%, 75%[1] & 100% Joint Survivor Annuity
		3) 10 year Certain and Life Annuity
		4) Lump Sum
		5) 5 year Certain and Life Annuity for Hills Bros. only

Nestlé Traditional benefit
<u>Deferred vested commencements with deferred vested factors</u>
No grandfathered prior plan benefits, **OR** with the following prior plans (but only if Nestlé benefit wins):
Beechnut
Hills Bros.
NFC post-1988 terminations
Carnation #2 post-1991 terminations **OR** post-55 commencement of excess/ residual piece for the following prior plans:
Clintec
	• The greater of the plan factors and the 417(e) factors for interest rates and mortality
	• Plan Factors:
	  • 8.00%
	  • 1971 TPF&C Forecast set back 3 years
		1) Single Life Annuity
		2) 50%, 75%[1] & 100% Joint Survivor Annuity
		3) 10 year Certain and Life Annuity
		4) Lump Sum

[1] 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 a) Terminations before 12/31/1985 b) Pre-1992 terminations after 12/30/1985 c) Post-1991 terminations & Carnation wins	• The greater of the plan formula based factors and the 417(e) factors for interest rates and mortality	1) Single Life Annuity 2) 50%, 75% & 100% Joint Survivor Annuity 3) 10 year Certain and Life Annuity (post-1991 only) 4) Lump Sum

Nestlé Traditional benefit / Clintec** & Clintec benefit wins
a) Lump sum available
b) No lump sum available
	• The greater of the plan factors and the 417(e) factors for interest rates and mortality
	• Plan Factors
	  • 7.00%
	  • 1983 GAM
		1) Single Life Annuity
		2) 50%, 75%[2] & 100% Joint Survivor Annuity
		3) 10 year Certain and Life Annuity
		4) Lump Sum

Nestlé Traditional benefit / prior plans Deferred vested commencements
• Beechnut prior plan wins
• Hills Bros. pre-55 commencement of "Hills portion" only
• Hills Bros. post-55 commencement & prior plan wins
• NFC post-1988 terminations pre-55 commencements of "NFC portion" only
• NFC post-1988 terminations, post-55 commencements of NUSA excess/residual piece
• NFC post-11/30/1989 terminations, post-55 commencements of entire benefit & prior plan wins
	• The greater of the plan factors and the 417(e) factors for interest rates and mortality
	• Plan Factors
	  • 8.00%
	  • 1971 TPF&C Forecast set back 3 years (except Hills factors for 5 year Certain and Life Annuity)
		1) Single Life Annuity
		2) 50%, 75%[2] & 100% Joint Survivor Annuity
		3) 10 year Certain and Life Annuity
		4) 5 year Certain and Life Annuity for Hills Bros. only
		5) Lump Sum

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

SCHEDULE SB ATTACHMENTS

- NFC terminations between 1/1/1989 & 11/30/1989, post-55 commencements of entire benefit

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)	• The greater of the plan factors and the 417(e) factors for interest and mortality
	• Plan Factors:
	  • 6.00%
	  • 1979 Buck (80% male set back 1 year, 20% female set back 3 years)
		1) Single Life Annuity
		2) 50% & 100% Joint Survivor Annuity
		3) Lump Sum

Nestlé Account Benefit 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 interest rates and mortality under 417(e)	1) Single Life Annuity 2) 50% & 100% Joint Survivor Annuity 3) Lump Sum

Nestlé Account Benefit
With grandfathered Nestlé Traditional Benefit **OR** other grandfathered prior plan benefits
a) Winning for at least one (but not all) optional forms
b) NUSA winning for all optional forms eligible for early retirement factors
c) NUSA winning for all optional forms deferred vested commencements with deferred vested factors
	• Applicable interest rates and mortality (for a)
	• The greater of the plan factors and the 417(e) factors for interest and mortality (for b&c)
	• Plan Factors (for b&c)
	  • 8.00%
	  • 1971 TPF&C Forecast set back 3 years
		1) Single Life Annuity
		2) 50% & 100% Joint Survivor Annuity
		3) 10 year Certain and Life Annuity
		4) Lump Sum
		5) 75% Joint Survivor Annuity (b and c only)

SCHEDULE SB ATTACHMENTS

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 Pension Plan (NPPC salaried employees hired prior to 2003 and NPPC hourly employees)

Plan Provisions

The Nestle Pension Plan was Amended and Restated effective 1/1/2020; Amendments to the Plan are dated 4/23/2021, 12/21/2021, and 12/16/2022.

Covered employees	Salaried employees hired prior to 2003 and hourly employees of Nestlé Purina PetCare.
Participation date	January 1 following date of hire.
Type of plan	Five-year average earnings or pension equity for salaried employees; career average earnings for hourly employees.

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. 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. 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.

Plan Name:	Nestlé Pension Plan
EIN / PN:	95-1572209/100
Plan Sponsor:	Nestlé USA Inc
Valuation Date:	January 1, 2023

SCHEDULE SB ATTACHMENTS

Years of Credited Service	Purina Basic %	Age + Points Service	Nestlé Basic %*
0–5	4.0%	<40	4.00%
6-10	5.0%	40-49	5.00%
11-15	6.5%	50-59	6.00%
16-20	8.0%	60-69	8.00%
>20	10.0%	70-79	10.00%
		80-89	12.00%
		>89	15.00%

*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.

SCHEDULE SB ATTACHMENTS

Benefits Paid Upon the Following Events

Normal retirement (NRD)	Accrued benefit payable immediately.
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.(if at least age 55 at benefit commencement date, then the normal form for married participants for the NPPC Traditional Benefit, the Career Average Pay Benefit, the NPPC Account Benefit, or the NPPC PPMA Cash Balance is a 100% Joint Survivor Annuity with a pop-up)
Optional forms	50% or 100% joint and survivor annuity; 10 year certain and life annuity; life annuity; lump sum; social security adjustment option/ level income..
Pension increases	None.
Plan participants' contributions	None.

Plan Name:	Nestlé Pension Plan
EIN / PN:	95-1572209/100
Plan Sponsor:	Nestlé USA Inc
Valuation Date:	January 1, 2023

SCHEDULE SB ATTACHMENTS

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.

Optional Forms of Payment

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

SCHEDULE SB ATTACHMENTS

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 Pension Plan (Formerly Franklin Park Cash Balance)

Plan Provisions

Effective December 31, 2012, this plan merged into the Nestlé Pension Plan.

The Nestle Pension Plan was Amended and Restated effective 1/1/2020; Amendments to the Plan are dated 4/23/2021, 12/21/2021, and 12/16/2022.

Covered employees	Salaried employees at Franklin Park. Employees hired on or after February 23, 1990 are not eligible to participate
Type of plan	Cash balance.

Definitions

Membership service	From date of hire.
Credited service	From date of hire.
Credited balance	Credited balance as of December 31, 1991, plus interest credits.
Accumulated benefit:	Credit balance increased with interest at PBGC deferred rate to NRD, converted to a life annuity using PBGC immediate rate. Participation in the Plan was frozen, effective December 31, 1991, when Compensation Credits were frozen.

Eligibility for Benefits

Normal retirement	Retirement after both attaining age 65 and completing three years of vesting service.
Early retirement	Retirement before NRD and on or after both attaining age 50 and completing three years of vesting service.
Postponed retirement	Retirement after attaining age 65.

SCHEDULE SB ATTACHMENTS

Vested termination	Termination for reasons other than death or retirement 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 or credited balance divided by 8.2.
Early retirement	Accrued benefit actuarially reduced or credited balance divided by a factor varying by age (from 8.2 at age 55 to 9.0 at age 50).
Postponed retirement	Accrued benefit payable immediately.
Vested termination	Accrued benefit payable unreduced at age 65, actuarially reduced for early commencement.
Preretirement death	If married, credit balance divided by PBGC factor at date of death or credit balance as a lump sum for all others.

Other Plan Provisions

Normal form of payment	Life annuity.
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

Franklin Park Cash Balance	• The greater of the plan factors and the 417(e) factors for interest rates and mortality
	• Plan Factors:
	  • 8.00%
	  • 1971 TPF&C Forecast set back 3 years
		1) Single Life Annuity
		2) 50% & 100% Joint Survivor Annuity
		3) 10 year Certain and Life Annuity
		4) 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 Pension Plan (Former Nestlé Infant Nutrition Pension Plan)

Plan Provisions

Effective December 31, 2016, this plan merged into the Nestlé Pension Plan

The Nestle Pension Plan was Amended and Restated effective 1/1/2020; Amendments to the Plan are dated 4/23/2021, 12/21/2021, and 12/16/2022.

Covered employees	Salaried employees, part-time sales and office employees, and hourly-paid employees formerly of Gerber Products.
Participation date	Age 21 and one year of service. Closed to new entrants effective December 31, 2004.
Type of plan	Frozen pension equity plan as of December 31, 2004.

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. Automatic vesting was granted on September 1, 2007.
Credited service	Same as vesting service. Service was frozen as of December 31, 2004.
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%

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 Starting 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.

SCHEDULE SB ATTACHMENTS

Eligibility for Benefits

Normal retirement	Retirement on SSNRA.
Early retirement	Retirement before NRD and on or after both attaining age 57 and completing three years of vesting service.
Postponed retirement	Retirement after SSNRA.
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.
Early retirement	Accrued benefit determined as of early retirement date is equal to the greater of (a) and (b) below: (a) The Grandfathered Benefit reduced according to the prior plan provision. (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.

SCHEDULE SB ATTACHMENTS

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	100% of the lump sum balance as of time of death or an actuarially equivalent annuity. For grandfathered participants, spouse will receive a survivorbenefit equal to the greater of the survivor benefit determined under the PEP formula or the prior plan formula.

Other Plan Provisions

Forms of payment

Normal form	Life annuity.
Optional forms	100%, 75%, or 50% contingent annuitant; five, ten or fifteen year certain and life; level income; 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[1]

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.

Plan Name:	Nestlé Pension Plan
EIN / PN:	95-1572209/100
Plan Sponsor:	Nestlé USA Inc
Valuation Date:	January 1, 2023

SCHEDULE SB ATTACHMENTS

Nestlé Pension Plan (Former Gerber Life Insurance Company Retirement Plan)

Plan Provisions

Effective December 31, 2013, this plan merged into the Nestlé Pension Plan.

The Nestle Pension Plan was Amended and Restated effective 1/1/2020; Amendments to the Plan are dated 4/23/2021, 12/21/2021, and 12/16/2022.

Covered Employees	Salaried employees of Gerber Life Insurance Company.
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. Automatic vesting was granted on September 1, 2007.
Credited service	Same as vesting service. Service was frozen as of December 31, 2004.
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 participants 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%

Eligibility for Benefits

Normal retirement — Retirement on SSNRA,

Early retirement — Retirement before NRD and on or after both attaining age 57 and completing three years of vesting service,

Postponed retirement — Retirement after SSNRA,

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,

SCHEDULE SB ATTACHMENTS

Benefits Paid Upon the Following Events

Normal retirement (NRD)	Accrued benefit (greater of Pension Equity Benefit and Grandfathered Benefit) payable immediately.
Early retirement	Accrued benefit determined as of early retirement date is equal to the greater of (a) and (b) below: (a) The Grandfathered Benefit reduced according to the prior plan provision. (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	100% of the lump sum balance as of time of death or an actuarially equivalent annuity. For grandfathered participants, spouse will receive a survivor benefit equal to the greater of the survivor benefit determined under the PEP formula or the prior plan formula.

Other Plan Provisions

Forms of payment	
Normal form	Life annuity.
Optional forms	100%, 75%, or 50% contingent annuitant; five, ten or fifteen year certain and life; level income; lump sum.
Pension increases	None.

SCHEDULE SB ATTACHMENTS

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.

Optional Form Conversion Factors[1]

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)

SCHEDULE SB ATTACHMENTS

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 26a
Schedule of Active Participant Data as of January 1, 2023
Participant Count and Average Compensation for all Active Participants[1]

Attained Age		Attained Years of Credited Service[2]									
		0 to 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	Over 40
15 to 24	Count	59	84	4							
	Avg Earnings	63,269	74,816								
25 to 29	Count	81	225	117	5						
	Avg Earnings	65,120	78,123	86,075							
30 to 34	Count	76	291	538	259	11					
	Avg Earnings	65,988	82,009	97,526	109,246						
35 to 39	Count	77	225	524	591	181	7				
	Avg Earnings	66,991	85,372	100,410	108,966	123,773					
40 to 44	Count	62	175	438	574	312	131	4			
	Avg Earnings	67,422	85,458	110,892	113,097	134,789	115,871				
45 to 49	Count	38	147	315	565	313	289	78	1		
	Avg Earnings	69,141	86,254	113,356	111,328	127,757	119,434	124,477			
50 to 54	Count	28	117	305	597	279	307	160	72	8	
	Avg Earnings	64,455	79,075	104,284	110,031	109,608	117,024	145,406	125,568		
55 to 59	Count	20	71	264	567	267	266	169	153	85	6
	Avg Earnings	56,695	78,933	98,802	103,183	106,815	118,706	130,367	153,249	89,849	
60 to 64	Count	7	36	167	407	164	151	75	64	71	38
	Avg Earnings		75,362	98,494	94,570	97,181	99,192	128,024	118,812	111,474	83,328
65 to 69	Count	1	2	34	65	30	21	14	5	7	11
	Avg Earnings			86,622	93,549	83,918	102,051				
Over 69	Count			7	14	6	2	1	2	1	3
	Avg Earnings										

[1] 754 active transfer participants are excluded from the chart above
[2] Age and service for purposes of determining category are based on exact (not rounded) values.

Plan Name: Nestlé Pension Plan
EIN / PN: 95-1572209/100
Plan Sponsor: Nestlé USA Inc
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26a
Schedule of Active Participant Data as of January 1, 2023
Participant Count and Average Account Balance for all Active Participants with Account Based Benefits[1]

		Attained Years of Credited Service[2]									
Age		0 to 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	Over 40
15 to 24	Count	0	0	0	0	0	0	0	0	0	0
	Avg Acct										
25 to 29	Count	0	0	67	4	0	0	0	0	0	0
	Avg Acct			24,209							
30 to 34	Count	0	0	435	234	11	0	0	0	0	0
	Avg Acct			32,579	54,227						
35 to 39	Count	0	0	396	544	154	5	0	0	0	0
	Avg Acct			38,598	63,877	102,951					
40 to 44	Count	0	0	326	513	269	100	3	0	0	0
	Avg Acct			51,416	73,197	134,000	150,003				
45 to 49	Count	0	0	216	483	252	212	66	1	0	0
	Avg Acct			61,597	80,642	141,845	188,260	222,482			
50 to 54	Count	0	0	214	529	196	208	116	47	3	0
	Avg Acct			61,707	91,927	135,151	205,680	318,346	330,454		
55 to 59	Count	0	0	199	513	192	166	109	111	53	2
	Avg Acct			67,097	92,767	140,871	226,687	318,693	423,651	228,891	
60 to 64	Count	0	0	144	373	127	92	48	35	39	20
	Avg Acct			70,796	98,026	136,877	199,181	356,098	317,800	360,809	273,300
65 to 69	Count	0	0	29	60	29	14	7	2	5	1
	Avg Acct			66,028	101,274	129,892					
Over 69	Count	0	0	5	13	6	2	0	1	0	0
	Avg Acct										

[1] NPP active transfer participants are excluded from the chart above
[2] Age and service for purposes of determining category are based on exact (not rounded) values.

Plan Name: Nestlé Pension Plan
EIN / PN: 95-1572209/100
Plan Sponsor: Nestlé USA Inc
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26b
Schedule of Projection of Expected Benefit Payments

Plan Year	Active Participants	Terminated Vested Participants	Retired Participants and Beneficiaries Receiving Payments	Total
2023	87,993,925	180,347,462	44,106,265	312,447,652
2024	81,861,121	24,847,482	42,671,348	149,379,951
2025	77,957,501	27,258,006	41,371,386	146,586,893
2026	74,490,341	30,126,092	39,997,013	144,613,446
2027	71,291,176	28,500,685	38,590,106	138,381,967
2028	68,459,324	31,839,568	37,148,145	137,447,037
2029	65,465,181	33,977,673	35,678,467	135,121,321
2030	63,095,657	29,354,713	34,165,978	126,616,348
2031	62,344,432	31,815,746	32,627,859	126,788,037
2032	61,583,260	32,377,093	31,094,734	125,055,087
2033	60,356,077	29,336,265	29,497,607	119,189,949
2034	57,964,567	30,129,019	27,902,559	115,996,145
2035	59,706,631	27,817,734	26,291,046	113,815,411
2036	56,912,312	30,087,091	24,670,820	111,670,223
2037	56,836,729	30,694,944	23,047,210	110,578,883
2038	55,717,678	27,988,312	21,428,547	105,134,537
2039	56,557,129	30,765,560	19,822,060	107,144,749
2040	57,120,602	29,473,549	18,236,199	104,830,350
2041	54,872,997	26,681,391	16,679,875	98,234,263
2042	53,881,735	26,731,583	15,162,268	95,775,586
2043	52,166,567	26,601,154	13,691,797	92,459,518
2044	51,367,601	25,216,196	12,278,365	88,862,162
2045	51,299,214	22,717,261	10,930,837	84,947,312
2046	49,572,340	23,529,118	9,656,004	82,757,462
2047	47,011,068	22,135,412	8,460,576	77,607,056
2048	46,651,991	20,327,755	7,350,120	74,329,866
2049	43,618,364	19,048,823	6,328,929	68,996,116
2050	41,948,106	17,452,694	5,399,754	64,800,554
2051	40,880,187	16,312,966	4,563,701	61,756,854
2052	37,927,172	14,546,859	3,820,259	56,294,290
2053	35,556,586	13,395,392	3,167,243	52,119,221
2054	33,239,731	12,348,114	2,600,854	48,188,699
2055	30,491,006	9,839,381	2,115,949	42,446,336
2056	28,201,328	8,757,974	1,706,307	38,665,609
2057	26,527,435	7,930,980	1,364,848	35,823,263
2058	24,750,263	7,164,211	1,083,955	32,998,429
2059	23,116,846	6,477,881	855,849	30,450,576
2060	21,560,565	5,894,831	672,885	28,128,281
2061	20,010,826	5,354,123	527,801	25,892,750
2062	18,521,737	4,855,592	413,958	23,791,287
2063	17,073,135	4,398,930	325,446	21,797,511
2064	15,668,459	3,981,832	254,178	19,904,469
2065	14,329,137	3,601,115	201,736	18,131,988
2066	13,055,539	3,253,309	161,579	16,470,427
2067	11,855,155	2,935,512	130,817	14,921,484
2068	10,734,473	2,644,645	107,166	13,486,284
2069	9,691,334	2,377,914	88,855	12,158,103
2070	8,723,011	2,132,873	74,531	10,930,415
2071	7,828,349	1,907,438	63,178	9,798,965
2072	7,003,524	1,699,853	54,038	8,757,415

Plan Name: Nestlé Pension Plan
EIN / PN: 95-1572209/100
Plan Sponsor: Nestlé USA Inc
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Nestle USA Inc
EIN/PN	95-1572209/006
Plan Name	Nestle Hourly Retirement Plan
Valuation Date	January 1, 2023
Enrolled Actuary	Michael Altilio
Enrollment Number	23-07062

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, 2023

Group	Count of Actives	Weight	Average Age	Weight*Age
NPPC	1,365	40.46%	61	24.68
NUSA	807	23.92%	63	15.07
Nutrition	1,202	35.63%	62	22.09
	3,374	100%		**62**

Plan Name: Nestle Hourly Retirement Plan
EIN / PN: 95-1572209/006
Plan Sponsor: Nestle USA Inc
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Participant group: NPPC

Description of Weighted Retirement Age

Age	Retirement Rate	1.00 - Retirement Rate	Probability of Remaining Active	Percentage Retiring at Age	Age Times Percentage Retiring
49	0.00%	100.00%	100.00%	0.00%	0.00
50	5.00%	95.00%	95.00%	5.00%	2.50
51	5.00%	95.00%	90.25%	4.75%	2.42
52	5.00%	95.00%	85.74%	4.51%	2.35
53	5.00%	95.00%	81.45%	4.29%	2.27
54	5.00%	95.00%	77.38%	4.07%	2.20
55	5.00%	95.00%	73.51%	3.87%	2.13
56	5.00%	95.00%	69.83%	3.68%	2.06
57	5.00%	95.00%	66.34%	3.49%	1.99
58	5.00%	95.00%	63.02%	3.32%	1.92
59	5.00%	95.00%	59.87%	3.15%	1.86
60	5.00%	95.00%	56.88%	2.99%	1.80
61	5.00%	95.00%	54.04%	2.84%	1.73
62	15.00%	85.00%	45.93%	8.11%	5.03
63	15.00%	85.00%	39.04%	6.89%	4.34
64	15.00%	85.00%	33.18%	5.86%	3.75
65	30.00%	70.00%	23.23%	9.96%	6.47
66	30.00%	70.00%	16.26%	6.97%	4.60
67	30.00%	70.00%	11.38%	4.88%	3.27
68	50.00%	50.00%	5.69%	5.69%	3.87
69	50.00%	50.00%	2.85%	2.85%	1.96
70	100.00%	0.00%	0.00%	2.85%	1.99
				100.00%	

Average Retirement Age: 61

Plan Name: Nestle Hourly Retirement Plan
EIN / PN: 95-1572209/006
Plan Sponsor: Nestle USA Inc
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Participant Group: NUSA

Description of Weighted Retirement Age

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	5.00%	95.00%	95.00%	5.00%	2.75
56	5.00%	95.00%	90.25%	4.75%	2.66
57	5.00%	95.00%	85.74%	4.51%	2.57
58	5.00%	95.00%	81.45%	4.29%	2.49
59	5.00%	95.00%	77.38%	4.07%	2.40
60	10.00%	90.00%	69.64%	7.74%	4.64
61	10.00%	90.00%	62.68%	6.96%	4.25
62	15.00%	85.00%	53.27%	9.40%	5.83
63	15.00%	85.00%	45.28%	7.99%	5.03
64	15.00%	85.00%	38.49%	6.79%	4.35
65	40.00%	60.00%	23.09%	15.40%	10.01
66	40.00%	60.00%	13.86%	9.24%	6.10
67	40.00%	60.00%	8.31%	5.54%	3.71
68	40.00%	60.00%	4.99%	3.33%	2.26
69	40.00%	60.00%	2.99%	2.00%	1.38
70	100.00%	0.00%	0.00%	2.99%	2.10
				100.00%	

Average Retirement Age: 63

Plan Name: Nestle Hourly Retirement Plan
EIN / PN: 95-1572209/006
Plan Sponsor: Nestle USA Inc
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Participants group: Nutrition

Description of Weighted Average Retirement Age

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	5.00%	95.00%	95.00%	5.00%	2.75
56	5.00%	95.00%	90.25%	4.75%	2.66
57	5.00%	95.00%	85.74%	4.51%	2.57
58	5.00%	95.00%	81.45%	4.29%	2.49
59	5.00%	95.00%	77.38%	4.07%	2.40
60	15.00%	85.00%	65.77%	11.61%	6.96
61	15.00%	85.00%	55.91%	9.87%	6.02
62	30.00%	70.00%	39.13%	16.77%	10.40
63	30.00%	70.00%	27.39%	11.74%	7.40
64	30.00%	70.00%	19.18%	8.22%	5.26
65	30.00%	70.00%	13.42%	5.75%	3.74
66	40.00%	60.00%	8.05%	5.37%	3.54
67	40.00%	60.00%	4.83%	3.22%	2.16
68	40.00%	60.00%	2.90%	1.93%	1.31
69	40.00%	60.00%	1.74%	1.16%	0.80
70	100.00%	0.00%	0.00%	1.74%	1.22
				100.00%	

Average Retirement Age: 62

Plan Name: Nestle Hourly Retirement Plan
EIN / PN: 95-1572209/006
Plan Sponsor: Nestle USA Inc
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26b
Schedule of Projection of Expected Benefit Payments

Plan Year	Active Participants	Terminated Vested Participants	Retired Participants and Beneficiaries Receiving Payments	Total
2023	12,988,970	2,304,411	4,255,316	19,548,697
2024	12,523,494	2,639,309	4,082,992	19,245,795
2025	11,552,786	2,881,354	3,952,158	18,386,298
2026	11,021,579	3,185,973	3,812,307	18,019,859
2027	10,429,328	3,422,816	3,662,690	17,514,834
2028	9,864,812	3,631,508	3,516,912	17,013,232
2029	9,280,492	3,793,645	3,373,910	16,448,047
2030	8,345,969	3,957,256	3,218,885	15,522,110
2031	7,602,619	4,100,077	3,054,015	14,756,711
2032	6,972,543	4,220,238	2,886,406	14,079,187
2033	6,504,732	4,310,654	2,717,111	13,532,497
2034	5,871,326	4,395,619	2,549,773	12,816,718
2035	5,459,655	4,454,326	2,387,675	12,301,656
2036	5,049,992	4,464,145	2,223,688	11,737,825
2037	4,803,398	4,747,475	2,060,157	11,611,030
2038	4,529,987	4,473,391	1,899,750	10,903,128
2039	4,389,581	4,460,837	1,744,954	10,595,372
2040	4,135,621	4,449,317	1,594,775	10,179,713
2041	3,881,613	4,398,256	1,450,632	9,730,501
2042	3,942,231	4,328,620	1,312,795	9,583,646
2043	3,837,775	4,272,996	1,181,918	9,292,689
2044	3,883,844	4,170,174	1,058,215	9,112,233
2045	3,711,233	4,048,256	945,559	8,705,048
2046	3,530,731	3,930,551	840,510	8,301,792
2047	3,273,580	3,797,439	739,147	7,810,166
2048	3,181,997	3,670,130	645,706	7,497,833
2049	2,994,538	3,515,427	560,263	7,070,228
2050	2,785,607	3,351,227	482,819	6,619,653
2051	2,725,644	3,196,791	413,274	6,335,709
2052	2,497,304	3,030,826	351,422	5,879,552
2053	2,428,627	2,866,741	296,960	5,592,328
2054	2,224,907	2,691,166	249,493	5,165,566
2055	1,919,307	2,513,795	208,543	4,641,645
2056	1,790,466	2,357,144	173,569	4,321,179
2057	1,545,691	2,181,387	143,986	3,871,064
2058	1,523,599	2,023,262	119,185	3,666,046
2059	1,446,669	1,861,891	98,564	3,407,124
2060	1,213,920	1,719,632	81,543	3,015,095
2061	1,081,483	1,583,666	67,569	2,732,718
2062	948,404	1,452,392	56,138	2,456,934
2063	893,522	1,328,760	46,798	2,269,080
2064	808,936	1,212,623	39,158	2,060,717
2065	700,396	1,104,805	32,880	1,838,081
2066	628,548	1,004,917	27,687	1,661,152
2067	565,170	912,385	23,353	1,500,908
2068	509,109	826,664	19,699	1,355,472
2069	457,800	747,252	16,583	1,221,635
2070	410,632	673,699	13,901	1,098,232
2071	367,227	605,599	11,577	984,403
2072	327,377	542,586	9,558	879,521

Plan Name: Nestle Hourly Retirement Plan
EIN / PN: 95-1572209/006
Plan Sponsor: Nestle USA Inc
Valuation Date: January 1, 2023

Schedule SB, Part V
Summary of Plan Provisions

Nestlé Hourly Retirement Plan

The most recent amendment reflected in the following plan provisions was effective in 2023.

Plan Provisions

Covered employees Hourly employees of Nestlé Food Company at covered locations.

Participation date:

Location	*Age*	*Service*	*Entry Date*
Allentown	0	0	January 1
Beich	21	0	Immediate
Burlington	21	0	Immediate
Crete	0	0	January 1
Decatur	21	1	Immediate
Franklin Park	20	0	Immediate; 1 year of service for Local 552; 3 months of service for Local 339
Freehold	21	0	January 1 or July 1

Type of plan Dollar per month.

Definitions

Vesting service One year for each 1,000-hour year of employment after age 18. From date of hire for Crete and Allentown. Pro-rata for more than 500 hours for Freehold.

Credited service One year for each 1,000-hour year of employment. From date of hire for Crete, Allentown, and Franklin Park.

Pensionable earnings Calendar year W-2 compensation, excluding expense reimbursements, and including 401(k) and 125 deferrals.

Accumulated benefit: Decatur*: 50% of FAE – 75% of Social Security benefit, prorated for less than 30 years of service at NRD, times the ratio of actual credited service to service at NRD.

Location	*Monthly Benefit** X Credited Service*	*Minimum Annual Benefit*	*Effective Date*	*Maximum Service*
Allentown	$52 for service from 3/1/2020+ $47 for service from 3/1/2015+ $43 for service from 1/1/2012+ $40 for service from 3/15/2009 to 12/31/2011 + $36 for service from 1/1/2009 to 3/14/2009 + $35 for service from 3/15/2004 to 1/1/2009 + $29 for service from 1/1/2002 to 3/15/2004 + $28 for service from 12/1/1994 to 12/31/2001 + $4 for service before 12/1/1994	None	03/01/2020	None
Beich	$43.00	$120	03/03/2019	30 years, if hired after March 10, 1991
Burlington	$49.50	$130	02/15/2022	35 years
Crete	$44.25 for service after 12/1/94 + $5.50 for service before 12/1/94	None	01/31/2022	None
Decatur*	$27.00	None	07/01/1997	None
Franklin Park	$39.00	None	11/13/2016	None
Freehold	$61.00	$100	08/02/2021	30 years, if hired after August 1,1989

* If a person in the Decatur location becomes a participant after 7/1/1997, he receives the dollar-per month formula. If he became a participant before 7/1/1997, he receives the better of the dollar-per-month or the pay-related formula.

** Reflects ultimate benefit levels used for the IAS 19 valuation. See last page of Appendix B for more detail.

Eligibility for Benefits

Normal retirement	Most locations	Retirement on or after both attaining age 65 and completing three years of vesting service.
	Allentown	Retirement on or after both attaining age 62 and completing three years of vesting service.
Early retirement	Most locations	Retirement before NRD and on or after both attaining age 55 and completing ten years of vesting service
	Allentown	Retirement before NRD and on or after both attaining age 50 and completing ten years of vesting service
	Crete	Retirement before NRD and on or after both attaining age 50 and completing ten years of vesting service
	Decatur	Retirement before NRD and on or after both attaining age 55 and completing three years of vesting service
Vested termination		Termination for reasons other than death or retirement after completing three years of vesting service.
Disability	Most locations	Permanent and total disability after completing ten years of vesting service.
	Franklin Park	Permanent and total disability on or after both attaining age 50 and completing fifteen years of service.
Preretirement death benefit	Most locations	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.
	Allentown	Early retirement date.
	Freehold	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse on or after both attaining age 55 and completing three years of vesting service.

Benefits Paid Upon the Following Events		
Normal retirement (NRD)		Accrued benefit payable immediately.
Early retirement	Most locations	Accrued benefit reduced 6% for each year of the first five years prior to age 65, and 4% for each additional year.
	Allentown	Accrued benefit reduced 5% for each year prior to NRD.
	Crete	Accrued benefit reduced 6% for each of the first five years, and 5% for each of the next five years and 4% for each additional year.
	Decatur	Accrued benefit reduced 6.667% for each of the first five years prior to age 65, and 3.333% for each additional year.
Vested termination		Accrued benefit payable at NRD, or reduced as for early retirement, or actuarially reduced to age 40.
Disablement	Most locations	Accrued benefit payable immediately, with additional accrual to age 65 for Crete.
	Franklin Park	Accrued benefit payable immediately.
Preretirement death	Most locations	Reduced immediate pension payable for the life of the spouse.
	Allentown	Reduced pension payable for life of spouse.
	Freehold	If married, reduced 100% joint and survivor early retirement benefit if attained age 55 or 100% accrued benefit for all others reduced to be payable at 40.
	Crete (pre-65)	Greater of reduced pension payable for life of spouse and 45% of accrued benefit unreduced.
	Crete (post-65)	100% joint and survivor benefit.

Other Plan Provisions

Form of payment:

Normal form	Life annuity for single employees; 100% joint and survivor for married employees.
Option form	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.

Optional Forms of Payment

Participant Group	Actuarial Equivalence	Optional Forms
Allentown Stoughton Weirton (closed)	Greater annuity benefit reflecting a. or b. a. 417 interest rate; 417 mortality table b. 8.00%; UP-1984 (20% female, 80% male)	1) Single Life Annuity 2) 50%, 75% & 100% Joint Survivor Annuity 3) 10 year Certain and Life Annuity, 15 year Certain and Life Annuity (Allentown) 4) 5 year Certain and Life Annuity, 10 year Certain and Life Annuity (Weirton) 5) Lump Sum
Beechnut	Greater annuity benefit reflecting a. or b. a. 417 interest rate; 417 mortality table b. 8.50%; 1971 GAM	1) Single Life Annuity 2) 50%, 75% & 100% Joint Survivor Annuity 3) 5 year Certain and Life Annuity, 10 year Certain and Life Annuity 4) Lump Sum
Bloomington Burlington Cains (closed) Freehold (If not 60/10) Fulton (closed) Granite City (closed) New Milford (closed) Ripon (closed) Sunbury (closed)	Greater annuity benefit reflecting a. or b. a. 417 interest rate; 417 mortality table b. 6.00%; 1979 Buck (80% male set back 1 year, 20% female set back 2 year	1) Single Life Annuity 2) 50% & 100% Joint Survivor Annuity 3) Any option with 5 year Certain and Life Annuity (if 55/10, Fulton & Granite City) 4) Lump Sum

Optional Forms of Payment (cont.)

Participant Group	Actuarial Equivalence	Optional Forms
Carnation #1	Greater annuity benefit reflecting a. or b. a. 417 interest rate; 417 mortality table b. 8.00%; 1994 GAR	1) Single Life Annuity 2) 50% & 100% Joint Survivor Annuity 3) Lump Sum
Crete b) Married participants c) Unmarried participants	Greater annuity benefit reflecting a. or b. a. 417 interest rate; 417 mortality table b. UP-1984 (20% female, 80% male) or table of factors if better	1) Single Life Annuity 2) 50% & 100% Joint Survivor Annuity 3) 10 year Certain and Life Annuity, 15 year Certain and Life Annuity 4) 20% Joint & Spousal Annuity (only if married, no reduction) 5) Lump Sum
Decatur (closed)	Greater annuity benefit reflecting a. or b. a. 417 interest rate; 417 mortality table b. 8.00%; TSA-IV proj. to 1965 with Scale C	1) Single Life Annuity 2) 50%, 75% & 100% Joint Survivor Annuity 3) 10 year Certain and Life Annuity 4) Lump Sum
Drumstick (married participants only) (closed)	Greater annuity benefit reflecting a. or b. a. 417 interest rate; 417 mortality table b. Table of factors	1) Single Life Annuity 2) 50% & 100% Joint Survivor Annuity 3) 3 year Certain and Life Annuity, 10 year Certain and Life Annuity 4) Lump Sum

Optional Forms of Payment (cont.)

Participant Group	Actuarial Equivalence	Optional Forms
Franklin Park	Greater annuity benefit reflecting a. or b. a. 417 interest rate; 417 mortality table b. 10.50%; UP-1984 (20% female, 80% male)	1) Single Life Annuity 2) 50% & 100% Joint Survivor Annuity 3) Lump Sum
Freehold Participants who are at least 60/10	Greater annuity benefit reflecting a. or b. a. 417 interest rate; 417 mortality table b. 6.00%; 1979 Buck (80% male set back 1 year, 20% female set back 2 years)	1) Single Life Annuity 2) 50% & 100% Joint Survivor Annuity 3) Lump Sum
Salinas (closed)	Greater annuity benefit reflecting a. or b. a. 417 interest rate; 417 mortality table b. 6.00%; 1979 Buck (80% male set back 1 year, 20% female set back 2 years); Table for pop-up	1) Single Life Annuity 2) 50% & 100% Joint Survivor Annuity 3) 50% & 100% Joint Survivor Annuity with pop-up 4) Lump Sum
Stouffer Hourly	Greater annuity benefit reflecting a. or b. a. 417 interest rate; 417 mortality table b. 8.00%; 1971 TPF&C Forecast set back 3 years	1) Single Life Annuity 2) 50%, 75% & 100% Joint Survivor Annuity 3) 10 year Certain and Life Annuity 4) Lump Sum

Future Plan Changes

Benefit increases negotiated on or before January 1, 2023 and effective during 2023 were recognized in determining contribution requirements.

Changes in Benefits Valued Since Prior Year

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

Nestlé Hourly Retirement Plan (Formerly Nestlé USA Hourly Pension Plan)

Plan Provisions

Effective December 31, 2012, this plan merged into the Nestlé Hourly Retirement Plan.

Covered employees	Nonunion hourly employees.
Participation date	Completion of one year of service.
Type of plan	Dollar per month.

Definitions

Vesting service	One year for each 1,000-hour year of employment.
Credited service	One year for each 2,000-hour year of employment; partial credit for partial years.

Accumulated benefit:	Benefit level x credited service. See last page of Appendix B for locations and benefit levels.
	
	For Distribution Centers and Transportation Centers participants of the Nestlé Hourly Retirement Plan:
	
	• Current employees will receive a version of the account benefit formula. The benefit will be the better of A+B or C
	  − A is the CHPP benefit as of 12/31/2015
	  − B is the account formula benefit with past CHPP service for points counting towards points service in the PEP
	  − C is continued accruals under the $36/month benefit formula which will run concurrent with the “A+B” benefit and will serve as a minimum benefit
	
	Additionally, the current $36/month benefit will continue to run concurrent with the “B” benefit and will serve as a minimum benefit.

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 three years of vesting service.
Postponed retirement	Retirement after both 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 five 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.
Early retirement	Accrued benefit reduced 6.67% for each of the first five years prior to age 65, and 3.33% for each additional year.
Postponed retirement	Accrued benefit payable immediately.
Vested termination	Accrued benefit payable unreduced at age 65, reduced 6.67% for each of the first five years prior to age 65, and 3.33% for each additional year.
Disablement	Accrued benefit payable immediately.
Preretirement death	If married, reduced 100% early retirement benefit if attained age 55 or 100% accrued benefit for all others reduced to be payable immediately.

Other Plan Provisions

Normal form of payment	Life annuity for single participants; 100% joint and survivor for married participants; 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.

Optional Forms of Payment

Participant Group	Actuarial Equivalence	Optional Forms
All Locations	Greater annuity benefit reflecting a. or b. a. 417 interest rate; 417 mortality table b. 8.00%; 1994 GAR 1994 GAR	1) Single Life Annuity 2) 50% & 100% Joint Survivor Annuity 3) Lump Sum

Future Plan Changes

Benefit increases negotiated on or before January 1, 2023 and effective during 2023 were recognized in determining contribution requirements.

Changes in Benefits Valued Since Prior Year

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

Nestlé Hourly Retirement Plan (Formerly Nestlé USA Pension Plan)

Plan Provisions

Effective December 31, 2012, this plan merged into the Nestlé Hourly Retirement Plan.

Covered employees	Union employees of the covered locations.
Participation date	Date of hire.
Type of plan	Dollar per month.

Definitions

Vesting service	One year for each 1,000-hour calendar year of employment.
Credited service	One year for each 1,600-hour calendar year of employment at, St. Joseph (Packers), and Fort Dodge; 1,800 hours at the other locations.
Accumulated benefit:	Benefit level x credited service. See last page of Appendix B for locations and benefit levels.

Eligibility for Benefits

Normal retirement	Retirement after attaining age 65.
Early retirement	Retirement before NRD and on or after both attaining age 55 and completing three 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 five years of vesting service.

Plan Name:	Nestle Hourly Retirement Plan
EIN / PN:	95-1572209/006
Plan Sponsor:	Nestle USA Inc
Valuation Date:	January 1, 2023

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.
Early retirement	Accrued benefit reduced 6.67% for each of the first five years prior to age 65, and 3.33% for each additional year.
Postponed retirement	Accrued benefit payable immediately.
Vested termination	Accrued benefit payable unreduced at 65, reduced 6.67% for each of the first five years prior to age 65, and 3.33% for each additional year.
Disablement	Accrued benefit payable immediately.
Preretirement death	If married, reduced 100% early retirement benefit if attained age 55 or 100% accrued benefit for all others reduced to be paid immediately.

Other Plan Provisions

Normal form of payment	Life annuity for single participants; 100% joint and survivor for married participants; 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.

Optional Forms of Payment

Participant Group	Actuarial Equivalence	Optional Forms
All Locations	Greater annuity benefit reflecting a. or b. a. 417 interest rate; 417 mortality table b. 8.00%; 1994 GAR 1994 GAR	1) Single Life Annuity 2) 50% & 100% Joint Survivor Annuity 3) Lump sum

Future Plan Changes

Benefit increases negotiated on or before January 1, 2023 and effective during 2023 were recognized in determining contribution requirements.

Changes in Benefits Valued Since Prior Year

The ultimate benefit level for Gateway increased from $40.00 to $41.00.

The ultimate benefit level for Morton (Union) increased from $47.00 to $48.00.

The ultimate benefit level for St. Joseph (Packers) increased from $17.75 to $18.00.

Nestlé Hourly Retirement Plan (Formerly Sacramento Can Pension Plan)

Plan Provisions

Effective December 31, 2012, this plan merged into the Nestlé Hourly Retirement Plan.

Covered employees	Union employees at Sacramento Can manufacturing plant; there are currently no active employees covered.
Type of plan	Dollar per month.

Definitions

Credited service	From date of hire.
Accumulated benefit:	Benefit level, varying by job class, times credited service.
Normal retirement	Retirement after both attaining age 65 and completing three years of vesting service.
Early retirement	Retirement before NRD and on or after both attaining age 60 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.
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.

Plan Name:	Nestle Hourly Retirement Plan
EIN / PN:	95-1572209/006
Plan Sponsor:	Nestle USA Inc
Valuation Date:	January 1, 2023

Benefits Paid Upon the Following Events

Normal retirement (NRD)	Accrued benefit payable immediately.
Early retirement	Accrued benefit reduced 6.0% for each prior to age 62.
Postponed retirement	Accrued benefit payable immediately.
Vested termination	Accrued benefit payable unreduced at age 65, or reduced for each year prior to age 62, if attained age 60 and 10 years of service.
Preretirement death	If married, reduced 100% joint and survivor early retirement benefit if attained age 60 or 100% accrued benefit for all others reduced to be payable immediately.

Other Plan Provisions

Normal form of payment	Life annuity.
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.

Optional Forms of Payment

Participant Group	Actuarial Equivalence	Optional Forms
Sacramento Can	Greater annuity benefit reflecting 417(e) interest rate and mortality table or conversion factors below varying by age of the retiree and the spouse	a) Single Life Annuity
	Sample 1: Retiree and Spouse both at age 60	b) 50% & 100% Joint and Survivor Annuity
	50% J&S Annuity 0.8500	c) Lump sum
	100% J&S Annuity 0.7391	
	Sample 2: Retiree and spouse both at age 65	
	50% J&S Annuity 0.8340	
	100% J&S Annuity 0.7153	

Future Plan Changes

Benefit increases negotiated on or before January 1, 2023 and effective during 2023 were recognized in determining contribution requirements. .

Changes in Benefits Valued Since Prior Year

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

Nestlé Hourly Retirement Plan (Formerly Gerber Fort Smith Hourly Pension Plan)

Plan Provisions

Effective December 31, 2012, this plan merged into the Nestlé Hourly Retirement Plan.

Covered employees	Hourly paid employees on Ft. Smith, Arkansas hourly factory payroll.
Participation date	Age 20 ½ and six months of service or upon attainment of age 40, if earlier.
Type of plan	Dollar per month plan.

Definitions

Vesting service	The number of completed full plan years of employment with the Company or any Affiliate in which the employee works 1,000 hours.
Credited service	One full year for each year with at least 1,000 hours of service.
Accumulated benefit:	Monthly benefit is the largest of (a) and (b) below: (a) The sum of (1) and (2) below: (1) The accrued benefits as of December 31, 1989, based on participation service, final average compensation, and the primary Social Security benefit as of December 31, 1989. (2) For participation service after January , 1989 (maximum 40 years less pre-1989 credited service up to 33 1/3 years), the monthly benefit accrual in a given year is the applicable Dollar Accrual based on total years of participation. (b) For all participation service up to 40 years, the monthly benefit accrual in a given year is the applicable Dollar Accrual Factor.

Plan Name:	Nestle Hourly Retirement Plan
EIN / PN:	95-1572209/006
Plan Sponsor:	Nestle USA Inc
Valuation Date:	January 1, 2023

The applicable Dollar Accrual Factor under (a) and (b) depends on the years of participation as shown below:

Dollar Accrual Factor Applicable to Years of Participation			
Accrual Period	Level One First 10 Years	Level Two Years 11-20	Level Three Years Beyond 20
Before 2004	$23.50	$27.50	$30.50
2004	$25.50	$29.50	$32.50
2005	$27.50	$31.50	$34.50
2006	$29.50	$33.50	$36.50
2010	$31.50	$35.50	$38.50
2013	$35.50	$39.50	$42.50
2016	$38.50	$42.50	$45.50

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 57 and completing five years of vesting service.
Postponed retirement	Retirement after both attaining age 65 and completing five years of vesting service.
Vested termination	Termination for reasons other than death or retirement after completing five 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 five years of vesting service.

Benefits Paid Upon the Following Events

Normal retirement (NRD)	Accrued benefit payable immediately.

Plan Name:	Nestle Hourly Retirement Plan
EIN / PN:	95-1572209/006
Plan Sponsor:	Nestle USA Inc
Valuation Date:	January 1, 2023

Early retirement	Monthly pension benefit determined as of early retirement date, reduced ½ of 1% for each month by which the early retirement date precedes 62. Unreduced for employees retiring after attaining age 60 with 40 years of uninterrupted service.
Postponed retirement	Accrued 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 by or at the expense of the company.
Preretirement death	50% of the projected accrued benefit as of participant's normal retirement date is payable immediately to the dependent spouse until the death or remarriage of the dependent spouse. If not eligible for a dependent spouse benefit, a 50% surviving spouse benefit (100% if eligible for early retirement) is payable on the participant's early retirement age date. If neither a dependent nor surviving spouse benefit is payable, the lump sum balance as of the time of death is payable.

Other Plan Provisions

Forms of payment

Normal form	Life annuity.
Optional forms	100%, 75%, and 50% contingent annuitant; level income; 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.

Optional Form Conversion Factors

Form of Payment	Conversion Factors	Sample Rates
	Greater annuity benefit reflecting 417(e) interest rate and mortality table or the descriptions below:	
Level Income Options to Age 62 (life Annuity Normal form)	The conversion factors are determined using an actuarial equivalent basis using 5.0% interest and the 1971 Group Annuity Mortality table blended 80% male / 20% female. Multiply the expected PIA at age 62 by the conversion factor to get the benefit decrease after age 62. The benefit before age 62 (payable until receipt of PIA) equals this decreased benefits plus PIA (payments are at beginning of month).	Age 55: 0.4378 Age 60: 0.1602
100% Contingent Annuitant	80% of the amount otherwise payable to the Participant as a sole annuitant, provided the age of the Participant and the designated contingent annuitant are the same. If the ages of the participant and the designated contingent annuitant are not the same, the 80% factor shall be increased by 1.0% up to a maximum of 100% for each full year that the birth date of the designated contingent annuitant precedes the birth date of the participant, or decreased by 1.0% for each full year that the birth date of the Participant precedes the birth date of the designated contingent annuitant.	Participant Age 60 and Spouse Age 60: 80.00% Participant Age 65 and Spouse Age 60: 75.00%

75% Contingent Annuitant	85% of the amount otherwise payable to the Participant as a sole annuitant, provided the age of the Participant and the designated contingent annuitant are the same. If the ages of the participant and the designated contingent annuitant are not the same, the 85% factor shall be increased by 0.85% up to a maximum of 100% for each full year that the birth date of the designated contingent annuitant precedes the birth date of the participant, or decreased by 0.85% for each full year that the birth date of the Participant precedes the birth date of the designated contingent annuitant.	Participant Age 60 and Spouse Age 60: 85.00% Participant Age 65 and Spouse Age 60: 80.75%
50% Contingent Annuitant	90% of the amount otherwise payable to the Participant as a sole annuitant, provided the age of the Participant and the designated contingent annuitant are not the same. If the ages of the participant and the designated contingent annuitant are the same, the 90% factor shall be increased by 0.7% up to a maximum of 100% for each full year that the birth date of the designated contingent annuitant precedes the birth date of the participant, or decreased by 0.7% for each full year that the birth date of the Participant precedes the birth date of the designated contingent annuitant.	Participant Age 60 and Spouse Age 60: 90.00% Participant Age 65 and Spouse Age 60: 86.50%

Future Plan Changes

Benefit increases negotiated on or before January 1, 2023 and effective during 2023 were recognized in determining contribution requirements.

Changes in Benefits Valued Since Prior Year

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

Nestlé Hourly Retirement Plan (Formerly Gerber Fremont Hourly Pension Plan)

Plan Provisions

Effective December 31, 2012, this plan merged into the Nestlé Hourly Retirement Plan.

Covered Employees	Hourly paid employees on Fremont, Michigan hourly factory payroll.
Participation Date	Age 20 ½ and six months of service or upon attainment of age 40, if earlier.
Type of plan:	Dollar per month plan.

Definitions

Vesting service	The number of completed full plan years of employment with the Company or any Affiliate in which the employee works 1,000 hours.
Credited service	One full year for each year with at least 1,000 hours of service.
Pensionable earnings	Total compensation including section 125 and 401(k) contributions but excluding deferred compensation.
Accumulated benefit:	

Monthly benefit is the largest of (a) and (b) below:

(a) The sum of (1), (2), (3) and (4) below:

(1) The accrued benefits as of December 31, 1988, based on participation service, final average compensation, and the primary Social Security benefit as of December 31, 1988.

(2) For participation service after December 31, 1988 and before April 5, 2003 (maximum 40 years less pre-1989 credit service up to 33 1/3 years), the monthly benefit accrual in a given year is the applicable Dollar Accrual based on total years of participation.

(3) $50 for each year of participation service after April 4, 2003 and before April 1, 2012.

(4) $56 for each year of participation service after April 1, 2012.

(5) $58 for each year of participation service after April 1, 2017.

(b) The sum of (1), (2) and (3) below:

(1) For all participant service credited prior to April 5, 2003, up to 40 years, the monthly benefit accrual in a given year is the applicable Dollar Accrual Factor.

(2) $50 for each year of participation service after April 4, 2003 and before April 1, 2012.

(3) $56 for each year of participation service after April 1, 2012.

(4) $58 for each year of participation service after April 1, 2017.

The applicable Dollar Accrual Factor under (a) and (b) depends on termination date and years of participation as shown below:

Dollar Accrual Factor Applicable to Years of Participation			
Termination of Employment On or After	Level One First 10 Years	Level Two Years 11-20	Level Three Years Beyond 20
1/1/89	$21.00	$25.00	$28.00
4/1/91	$21.50	$25.50	$28.50
4/1/92	$22.00	$26.00	$29.00
4/1/93	$22.50	$26.50	$30.00
5/1/94	$23.00	$27.00	$30.50
5/1/95	$23.50	$27.50	$31.00
5/1/96	$24.00	$28.00	$31.50
4/1/97	$25.00	$29.00	$32.50
4/1/98	$25.50	$29.50	$33.00
4/1/99	$26.00	$30.00	$33.50

Eligibility for Benefits

Normal retirement	Retirement after both attaining age 65 and completing five years of vesting service.
Early retirement	Retirement before NRD and on or after both attaining age 57 and completing five years of vesting service.
Postponed retirement	Retirement after both attaining age 65 and completing five years of vesting service.
Vested termination	Termination for reasons other than death or retirement after completing five 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 five years of vesting service.

Benefits Paid Upon the Following Events

Normal retirement (NRD)	Accrued benefit payable immediately.
Early retirement	Monthly pension benefit determined as of early retirement date, reduced ½ of 1% for each month by which the early retirement date precedes age 62. Unreduced for employee retiring after attaining age 60 with 30 years of uninterrupted service.
Postponed retirement	Accrued 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 by or at the expense of the company.
Preretirement death	50% of the projected accrued benefit as of participant's normal retirement date is payable immediately to the dependent spouse until the death or remarriage of the dependent spouse. If not eligible for a dependent spouse benefit, a 50% surviving spouse benefit (100% if eligible for early retirement) is payable on the participant's early retirement age date. If neither a dependent nor surviving spouse benefit is payable, the lump sum balance as of the time of death is payable.

Other Plan Provisions

Forms of payment

Normal form	Life annuity.
Optional forms	100%, 75%, and 50% contingent annuitant; level income option; 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.

Optional Form Conversion Factors

Form of Payment	Conversion Factors	Sample Rates
	Greater annuity benefit reflecting 417(e) interest rate and mortality table or the descriptions below:	
Level Income Options to Age 62 (life Annuity Normal form)	The conversion factors are determined using an actuarial equivalent basis using 5.0% interest and the 1971 Group Annuity Mortality table blended 80% male / 20% female. Multiply the expected PIA at age 62 by the conversion factor to get the benefit decrease after age 62. The benefit before age 62 (payable until receipt of PIA) equals this decreased benefits plus PIA (payments are at beginning of month).	Age 55: 0.4378 Age 60: 0.1602
100% Contingent Annuitant	80% of the amount otherwise payable to the Participant as a sole annuitant, provided the age of the Participant and the designated contingent annuitant are the same. If the ages of the participant and the designated contingent annuitant are not the same, the 80% factor shall be increased by 1.0% up to a maximum of 100% for each full year that the birth date of the designated contingent annuitant precedes the birth date of the participant, or decreased by 1.0% for each full year that the birth date of the Participant precedes the birth date of the designated contingent annuitant.	Participant Age 60 and Spouse Age 60: 80.00% Participant Age 65 and Spouse Age 60: 75.00%

75% Contingent Annuitant	85% of the amount otherwise payable to the Participant as a sole annuitant, provided the age of the Participant and the designated contingent annuitant are the same. If the ages of the participant and the designated contingent annuitant are not the same, the 85% factor shall be increased by 0.85% up to a maximum of 100% for each full year that the birth date of the designated contingent annuitant precedes the birth date of the participant, or decreased by 0.85% for each full year that the birth date of the Participant precedes the birth date of the designated contingent annuitant.	Participant Age 60 and Spouse Age 60: 85.00% Participant Age 65 and Spouse Age 60: 80.75%
50% Contingent Annuitant	90% of the amount otherwise payable to the Participant as a sole annuitant, provided the age of the Participant and the designated contingent annuitant are not the same. If the ages of the participant and the designated contingent annuitant are the same, the 90% factor shall be increased by 0.7% up to a maximum of 100% for each full year that the birth date of the designated contingent annuitant precedes the birth date of the participant, or decreased by 0.7% for each full year that the birth date of the Participant precedes the birth date of the designated contingent annuitant.	Participant Age 60 and Spouse Age 60: 90.00% Participant Age 65 and Spouse Age 60: 86.50%

Future Plan Changes

Benefit increases negotiated on or before January 1, 2023 and effective during 2023 were recognized in determining contribution requirements.

Changes in Benefits Valued Since Prior Year

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

Nestlé Hourly Retirement Plan (Formerly Gerber Reedsburg Hourly Pension Plan)

Plan Provisions

Effective December 31, 2012, this plan merged into the Nestlé Hourly Retirement Plan.

Covered employees	Hourly paid employees on Reedsburg hourly payroll and Asheville, North Carolina hourly factory payroll.
Participation date	Age 21 and one-year of service or upon attainment of age 40, if earlier. Closed to new entrants effective December 31, 2006.
Type of plan	Frozen dollar per month.

Definitions

Vesting service	The number of completed full plan years of employment with the Company or any Affiliate in which the employee works 1,000 hours. Automatic vesting was granted December 31, 2008.
Credited service	One full year for each year with at least 1,000 hours of service.
Pensionable earnings	Total compensation including section 125 and 401(k) contributions but excluding deferred compensation.
Accumulated benefit:	Monthly Benefit is the largest of (a) and (b) below: (a) The sum of (1) and (2) below: (1) The applicable benefit rate multiplied by years of participation completed after January 1, 1969 up to a maximum of 30 years. (2) $21.50 multiplied by years of participation completed after February 28, 2003. (b) $1.50 multiplied by years of participation completed prior to January 1, 1969, but not exceeding 30 years less the number of years of service after that date. For Hankscraft Motors only, the benefit rate in (a) above is $19.00 For Baby care participants only, the benefit rate in (a) above is $19.50

Plan Name:	Nestle Hourly Retirement Plan
EIN / PN:	95-1572209/006
Plan Sponsor:	Nestle USA Inc
Valuation Date:	January 1, 2023

Eligibility for Benefits

Normal retirement	Retirement 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 five years of vesting service.
Postponed retirement	Retirement after both attaining age 65 and completing five years of vesting service.
Vested termination	Termination for reasons other than death or retirement after completing five years of vesting service.
Disability	Permanent and total disability on or after 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 five years of vesting service.

Benefits Paid Upon the Following Events

Normal retirement (NRD)	Accrued benefit payable immediately.
Early retirement	Monthly pension benefit determined as of early retirement date, reduced ½ of 1% for each month by which the early retirement date precedes age 65.
Postponed retirement	Accrued benefit payable immediately.
Vested termination	Accrued benefit determined as of termination date, actuarially reduced for commencement of payments prior to NRD.
Disablement	Accrued benefits determined as of disability retirement date, reduced by certain other benefits provided by or at the expense of the company.
Preretirement death	Payable on the participant's early retirement age date to the surviving spouse as if the participant had elected a 50% survivorship annuity option. If neither a dependent nor surviving spouse benefit is payable, the lump sum balance as of the time of death is payable.

Plan Name:	Nestle Hourly Retirement Plan
EIN / PN:	95-1572209/006
Plan Sponsor:	Nestle USA Inc
Valuation Date:	January 1, 2023

Other Plan Provisions

Forms of payment

Normal form	Life annuity.
Optional forms	100%, 75%, and 50% contingent annuitant; level income; 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.

Optional Form Conversion Factors

Form of Payment	Conversion Factors	Sample Rates
	Greater annuity benefit reflecting 417(e) interest rate and mortality table or the descriptions below:	
Level Income Options to Age 62 (life Annuity Normal form)	The conversion factors are determined using an actuarial equivalent basis using 5.0% interest and the 1971 Group Annuity Mortality table blended 80% male / 20% female. Multiply the expected PIA at age 62 by the conversion factor to get the benefit decrease after age 62. The benefit before age 62 (payable until receipt of PIA) equals this decreased benefits plus PIA (payments are at beginning of month).	Age 55: 0.4378 Age 60: 0.1602

100% Contingent Annuitant	75% of the amount otherwise payable to the Participant as a sole annuitant, provided the age of the Participant and the designated contingent annuitant are the same. If the ages of the participant and the designated contingent annuitant are not the same, the 75% factor shall be increased by 1.0% up to a maximum of 100% for each full year that the birth date of the designated contingent annuitant precedes the birth date of the participant, or decreased by 1.0% for each full year that the birth date of the Participant precedes the birth date of the designated contingent annuitant.	Participant Age 60 and Spouse Age 60: 75.00% Participant Age 65 and Spouse Age 60: 70.00%
75% Contingent Annuitant	80% of the amount otherwise payable to the Participant as a sole annuitant, provided the age of the Participant and the designated contingent annuitant are the same. If the ages of the participant and the designated contingent annuitant are not the same, the 80% factor shall be increased by 1.0% up to a maximum of 100% for each full year that the birth date of the designated contingent annuitant precedes the birth date of the participant, or decreased by 1.0% for each full year that the birth date of the Participant precedes the birth date of the designated contingent annuitant.	Participant Age 60 and Spouse Age 60: 80.00% Participant Age 65 and Spouse Age 60: 75.00%
50% Contingent Annuitant	85% of the amount otherwise payable to the Participant as a sole annuitant, provided the age of the Participant and the designated contingent annuitant are not the same. If the ages of the participant and the designated contingent annuitant are the same, the 85% factor shall be increased by 1.0% up to a maximum of 100% for each full year that the birth date of the designated contingent annuitant precedes the birth date of the participant, or decreased by 1.0% for each full year that the birth date of the Participant precedes the birth date of the designated contingent annuitant.	Participant Age 60 and Spouse Age 60: 85.00% Participant Age 65 and Spouse Age 60: 80.00%

Future Plan Changes

Benefit increases negotiated on or before January 1, 2023 and effective during 2023 were recognized in determining contribution requirements.

Changes in Benefits Valued Since Prior Year

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

SCHEDULE SB ATTACHMENTS

Benefit Levels for Valuations

Benefit increases negotiated on or before December 31, 2022 and effective during 2023 were recognized in determining contribution requirements.

	PPA Benefit Level	Effective Date
Nestlé Hourly Retirement Plan		
• Allentown	52.00	3/1/2020
• Bloomington - Beich	43.00	3/3/2019
• Burlington*	49.50	2/15/2022
• Crete*	44.25	1/31/2022
• Decatur	27.00	7/1/1997
• Franklin Park	39.00	11/13/2016
• Freehold	61.00	8/2/2021
• Distribution	36.00	1/1/2014
• Transportation	36.00	1/1/2014
• Morton (nonunion)	30.00	1/1/2008
• Danville	33.00	4/9/2019
• Eau Claire	40.00	5/16/2021
• Fort Dodge*	49.00	3/27/2022
• Gateway*	41.00	11/1/2023
• Morton (Union)*	48.00	4/1/2022
• St. Joseph (Packers)*	18.00	12/11/2023
• St. Joseph (Lower Lakes)	30.50	6/1/2003

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 24
Change in Actuarial Assumptions

The lump sum interest conversion rates was changed from 4.75%/5.18%/5.92% in 2022 to 4.75%/5.00%/5.74% in 2023.

The compensation increase assumption changed from 3.50% for all years to 4.50% in 2023 and 4.00% in 2024 and beyond.

The Social Security wage base increase assumption changed from 2.50% to 3.50%.

The statutory limits on compensation and benefits increase assumption changed from 2.00% to 3.00%.

Plan Name:	Nestle Hourly Retirement Plan
EIN / PN:	95-1572209/006
Plan Sponsor:	Nestle USA Inc
Valuation Date:	January 1, 2023