

**Nestle Purina PetCare Company, 2020-23**

**REQUIRED COMPONENTS OF THE GRANTEE ANNUAL REPORT**

|                                                       |                                     |                                                  |                                     |
|-------------------------------------------------------|-------------------------------------|--------------------------------------------------|-------------------------------------|
| 1 Grantee Annual Report Fee Received                  | <input checked="" type="checkbox"/> | 4 Certifications (all were checked or satisfied) | <input checked="" type="checkbox"/> |
| 2 Employee Profile(s)                                 | <input checked="" type="checkbox"/> | 5 Signature of officer of the company            | <input checked="" type="checkbox"/> |
| 3 Documentation of Capital Investment (if applicable) | <input checked="" type="checkbox"/> | 6 Notary signature and seal/stamp                | <input checked="" type="checkbox"/> |

**ALL REQUIRED COMPONENTS OF THE REPORT WERE SUBMITTED**

**2024 COMPLIANCE WITH THE BASIC TERMS OF THE AGREEMENT**

|                                 | Target        | Minimum       | Actual               | % of Target | % of Min. | Weighted %     |
|---------------------------------|---------------|---------------|----------------------|-------------|-----------|----------------|
| Jobs Retained (Ineligible)      | 23            | 23            | <b>26</b>            | 113.04%     | 113.04%   | N/A            |
| Jobs Created (Eligible)         | 300           | 270           | <b>464</b>           | 154.67%     | 171.85%   | 70.00%         |
| Average Annual Wage             | \$42,053      | \$37,848      | <b>\$75,760</b>      | 180.15%     | 200.17%   | 20.00%         |
| Capital Investment through 2024 | \$450,000,000 | \$405,000,000 | <b>\$784,334,544</b> | 174.30%     | 193.66%   | 10.00%         |
| <b>2024 Compliance Rating</b>   |               |               |                      |             |           | <b>100.00%</b> |

Note: Nestle Purina PetCare Company is/was required to make a total investment in the project of \$405 million by 2023. The company has documented that it had invested \$784.3 million by 2024.

|    |                                                                                                                                                           |            |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| 7  | Was the <b>job retention</b> requirement met?                                                                                                             | <b>Yes</b> |
| 8  | Was the <b>job creation</b> requirement met?                                                                                                              | <b>Yes</b> |
| 9  | Was the <b>average wage</b> requirement met?                                                                                                              | <b>Yes</b> |
| 10 | Was the 2024 capital investment requirement met?                                                                                                          | <b>Yes</b> |
| 11 | Has DOR certified that the grantee has no overdue taxes and verified the amount of withholdings reported for employees in eligible positions during 2024? | <b>Yes</b> |
| 12 | Other Requirement I                                                                                                                                       | <b>N/A</b> |
| 13 | Other Requirement II                                                                                                                                      | <b>N/A</b> |

**THE BASIC REQUIREMENTS OF THE AGREEMENT HAVE BEEN MET**

**NC WAGES AND WITHHOLDINGS**

|                              | All Employees | All Eligible Employees | All Non-Eligible Employees |
|------------------------------|---------------|------------------------|----------------------------|
| Total NC Wages               |               | \$29,704,025           |                            |
| Total NC Withholdings        |               | \$1,121,360            |                            |
| Average NC Withholdings      |               | \$2,116                |                            |
| Average % of NC Withholdings |               | 3.61%                  |                            |

**GRANT TERMS AND PAYMENT ELIGIBILITY**

**Terms of the Agreement**

- The term of the grant is 12 years (2022 through 2033), with the base period ending in 2024.
- The 2024 annual grant is equal to 80% of eligible withholding - capped at \$16000 for each eligible position.
- Because the project is located in a tier 1 county (based on the 3J tiering system), the company will receive 100% of the grant payment, and 0% will be paid to the Utility Account of the Industrial Development Fund.

**Payment Eligibility**

|                                                                                                                                                                                                            |                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 2024 Compliance Rating                                                                                                                                                                                     | <b>100.00%</b> |
| Have all compliance requirements been met for 2024, including a 100% Compliance Rating?                                                                                                                    | <b>Yes</b>     |
| Number of consecutive years the grant has been in default, including 2024?                                                                                                                                 | N/A            |
| Is 2024 within the initial base period or extended base period?                                                                                                                                            | Yes            |
| Is 2024 the last year of the initial base period or extended base period?                                                                                                                                  | Yes            |
| Can the initial base period or extended base period be extended?                                                                                                                                           | No             |
| If the grant is within the initial base period, how many eligible employees were transferred from locations outside North Carolina in 2024?                                                                | 6              |
| If the grant is out of the base period, are the number of Eligible jobs reported less than or equal to the number of eligible positions reported the last year of the base period or extended base period? | N/A            |
| If the grant was awarded after June 11, 2018, did the Company confirm that all eligible employees were not workers with an H-1 B visa or H-1 B status?                                                     | Yes            |
| Has the Compliance Rating (100%) met the minimum required for a payment in 2024?                                                                                                                           | Yes            |
| <b>Is the company eligible to receive a grant payment for 2024?</b>                                                                                                                                        | <b>Yes</b>     |

**If applicable, reason(s) that the Grantee is not eligible for a payment for 2024**

- ☐ The grant will be terminated because it was in default for two or more consecutive years in 2024 and the base period has expired.
- ☐ The grant will be terminated because it was in default for two or more consecutive years in 2024, the last year of the base period, and the base period will not be extended.
- ☐ The grantee voluntarily agreed to grant termination and forfeited the payment
- ☐ 2024 was at least the third consecutive year of default and the base period has not expired.
- ☐ The Compliance Rating is less than 70%
- ☐ The filing deadline(s) was not met, resulting in loss of payment.

**PAYMENT CALCULATIONS**

|                                                                                               |                  |
|-----------------------------------------------------------------------------------------------|------------------|
| Gross Withholdings (total withholdings of employees in eligible positions)                    | \$1,121,360      |
| Net Withholdings (Gross Withholdings multiplied by grant % (80%) & adjusted for \$16000 cap)  | \$897,088        |
| Maximum Grant (Annual Cap) per the CEDA                                                       | \$401,000        |
| Annual Grant (Lesser of the Net Withholdings and the Annual Cap)                              | \$401,000        |
| Total Grant Payment (Annual Grant Payment multiplied by the 2024 Compliance Rating (100%))    | \$401,000        |
| Actual Grant Payment (No adjustment was made because the grantee is eligible for a payment)   | \$401,000        |
| Company Portion of the actual grant payment (Based on tier, 100% of the Actual Grant Payment) | \$401,000        |
| 2024 PAYMENT TO THE COMPANY (Company Portion less the reporting penalty, if applicable)       | <b>\$401,000</b> |
| 2024 TRANSFER TO THE UTILITY ACCOUNT (0% of the revised Total Grant Payment)                  | \$0              |

**ADMINISTRATIVE NOTES**

None