

May 1, 2023

Mr. Thomas Schwegmann
President & CEO
Pons Atlantic Partners GmbH

Dear Mr. Schwegmann,

On behalf of Commerce Lexington's economic development division, we want to thank your consulting team for recommending Lexington as a potential location for Project Zeus. Our central location, strong manufacturing background, and educated workforce are among the many reasons Lexington is the best choice.

Covering nine counties in Central Kentucky, the Bluegrass Region is a thriving metro area with nearly 700,000 people living within a 30-mile radius located at the crossroads of I-64 and I-75. Within a 45-minute drive of Lexington, there is a population of nearly 900,000 and a labor force of nearly 500,000 labor force. Lexington is located at the center of a 31-state distribution area and is within a 600-mile radius of most of the nation's manufacturing employment, retail sales, and population. By virtue of this geographic location and Kentucky's integrated system of state-maintained roads, interstates, and parkways, Lexington is within overnight range of over half of the United States' market.



Airport Access

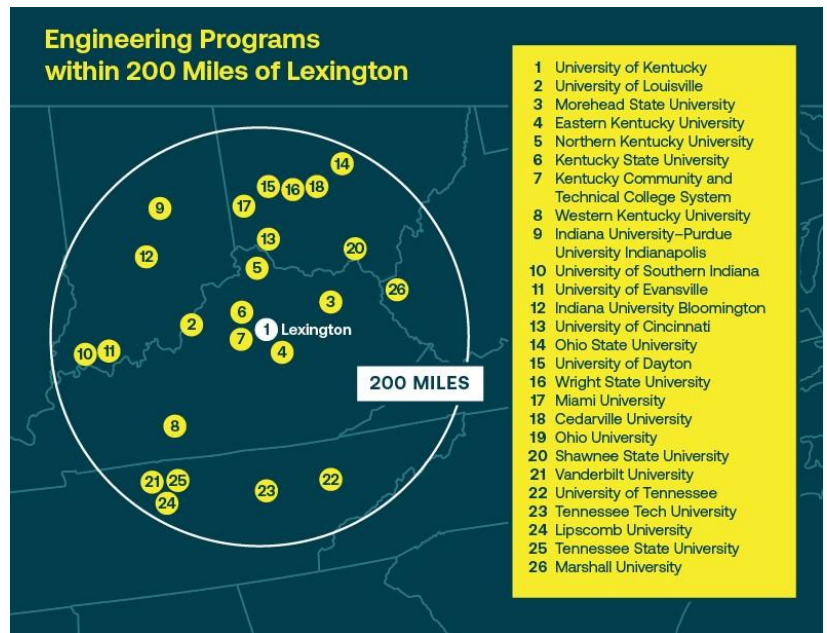
Lexington is home to the Blue Grass Airport, which offers 15 non-stop destinations on major carriers including Delta, American, United, and Allegiant Air. Within an hour's drive of Lexington are the Louisville and Cincinnati/Northern Kentucky Airports. Combined our region offers over 100 non-stop destinations daily from the three airports.

Educated Workforce

Lexington is a very smart city. According to the most recent Census data, Lexington is the 11th most highly educated city in the nation. Over 45% of the population over age 25 has at least a bachelor's degree. We are also 10th in the nation whose population over age 25 has an advanced degree. This is a result of the success of the area's colleges and universities. Within 40 miles of Lexington there are 10 institutions of higher education, which enroll nearly 70,000

students and graduate over 18,000 students annually. Our flagship university is the University of Kentucky, which is in the heart of Lexington. Each college will serve as a potential source for workforce and future partnerships for your client.

Specific to manufacturing, the University of Kentucky's College of Engineering offers undergraduate, master's, and doctoral programs in engineering. Within a 200-mile radius of Central Kentucky, there are over 20 institutions of higher learning with engineering programs, including the University of Kentucky, the University of Cincinnati, the University of Louisville, and the University of Tennessee. These schools provide an excellent workforce from which to draw talented workers in the areas of engineering, including biosystems and agricultural, biomedical, computer science, civil, mechanical, mining, electrical and computer, and chemical and materials, to name only a few.



Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP)

The BGCAPP is located near Richmond, Kentucky. The plant officially started chemical agent destruction operations in 2019, a long-awaited milestone since construction on the facility began in 2006. Mustard agent munitions will be destroyed in the Explosive Destruction Technology facility using a static detonation chamber, while nerve agent munitions will be destroyed in the main plant using neutralization followed by supercritical water oxidation. Approximately 1,800 people with various technical backgrounds and certifications are employed with this plant. Complete destruction of all materials must be completed by September 2023. Soon these employees will be searching for work in manufacturing plants and other sources in the local areas.

Quality of Life

The Bluegrass Region is fortunate to have a wonderful quality of life. In addition to lower housing costs, a vibrant downtown, and an eclectic array of restaurants and night clubs, we have many cultural amenities that add to the quality of life. The beautiful landscape of our city includes walking trails, farmers' markets, art galleries, entertainment venues, as well as the home of Keeneland Racecourse, which is one of the premier racecourses in the world. Outside of Lexington there are many attractions in Central Kentucky from shopping in downtown Richmond, touring Woodford Reserve bourbon distillery, Friday Night Festivals in Mt. Sterling, to attending a show at the Eastern Kentucky University Center for the Arts.

As you can see, we are proud of our community, and we believe the Bluegrass Region is ideal for your client. We appreciate you considering Lexington as a potential location and look forward to our continued work with you!

Sincerely,
Gina Greathouse
Executive Vice President | Economic Development