

WORKFORCE DEVELOPMENT AND JOB CREATION PLAN

Executive Summary

Bud Space LLC (“Bud Space”) is a proud New Jersey company deeply committed to providing high-quality, affordable products to our community as a Class 5 Retailer Licensee. Our strength will be defined by the opportunities created for everyone—especially people of color, individuals with disabilities, and other disadvantaged or underrepresented communities. This means harnessing our community’s diverse heritage and putting policies and procedures in place to ensure Bud Space will help make the legal cannabis industry equally as accessible and beneficial for the disadvantaged and underrepresented as it has been for everyone else. We will foster an environment where personal identity, heritage, race, gender, language, age, and military service are recognized as assets, and those assets are celebrated, respected, and valued. To meet these commitments, we have developed a strategic Workforce Development and Job Creation Plan that will guide our principles, decisions, and actions, both as an organization and as representatives of the New Jersey cannabis industry. Our Workforce Development and Job Creation Plan is compliant with the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act, N.J.S.A. § 24:6I-31 et seq. (“CREAMM Act”) and New Jersey Cannabis Regulatory Commission (“CRC”) Personal Use Cannabis Rules, N.J.A.C § 17:30-1.1 et seq. (“CRC Rules”).

Bud Space is eager to engage in diversity-focused employment practices to staff its proposed adult-use operations. Bud Space intends to implement recruiting and hiring initiatives to efficiently yield results and achieve its goal of hiring a diverse and intelligent local workforce. Bud Space also knows that its employees are its greatest asset, and as such, it is committed to offering competitive wages and comprehensive benefits. Our comprehensive Workforce Development and Job Creation Plan has been crafted to guide our efforts in promoting a locally based, diverse workforce, which includes individuals from socio-economically disadvantaged communities and impact zones, individuals with prior entanglements in the criminal justice or juvenile justice system, and people with disabilities. We have developed three (3) operational strategy goals to develop a diverse team of owners, managers, and staff at our cannabis business.

Bud Space has been established by an esteemed and professionally diverse group of members who are classified as minorities including but not limited to women, individuals of different ethnic backgrounds, and members of the LGBTQIA+ community. It is in the interest of this organization to employ individuals of minority status to further progress within the community’s objective in providing equal job opportunities to underprivileged groups.

Goal 1: Increase Diversity in the Workforce

Strategy 1.1: Recruit Candidates from Disadvantaged and Underrepresented Communities

We value a diverse workforce and promoting opportunities for disadvantaged and underrepresented persons. Our proposed facility (“Facility”) is located at 270 Newark Avenue, in the heart of Downtown Jersey City. Bud Space will implement plans to recruit and employ persons from disadvantaged and underrepresented communities, in particular residents of the neighboring areas of Jersey City which the CRC has identified as Economically Disadvantaged Areas. We will actively advertise employment opportunities in these neighborhoods and community groups and will seek to fill open positions with applicants from the target communities before expanding the search radius. Bud Space will make a good faith effort to recruit and employ persons who would

otherwise qualify for the social equity business provisions of N.J.A.C. § 17:30-6.6(a).¹ This includes targeted hiring within Jersey City as well as recruiting eligible individuals with past cannabis convictions. To prevent unconscious bias during hiring, Bud Space may utilize blind hiring practices that ensure the most highly qualified applicant receives a job offer, regardless of race, religion, or cultural background. Blind hiring practices involve removing an applicant's personal information, including name and address, from the recruitment team. Removing the fog of bias from the hiring process will result in increased diversity among our management and overall employment.

Strategy 1.2: Utilize Data-Driven Analytics to Measure Applicant Flow Data

Our leadership team will regularly analyze job applicants and recruitment data to ensure hiring strategies reflect the goals of this plan. The data-driven approach will inform efforts to increase diverse representation in the workforce.

Strategy 1.3: Analyze Bud Space's Diversity Practices

Bud Space will investigate systemic barriers that may exist in our organization and seek solutions from employees, community members, and outside experts. Bud Space will be tasked with completing audits of our workforce composition and adherence to our goals. To demonstrate the seriousness of our Workforce Development and Job Creation Plan, Bud Space will include key operational decision-makers, owners, and leadership from across our operations. If particular groups are identified as not reaching the expected levels of employment/management, we will remedy the situation by adjusting hiring and employment policies, increasing outreach, and working with staff to determine how we can better serve all populations.

Goal 2: Increase Diversity in Management Positions

Strategy 2.1: Develop Diversity Mentorship Programs

Our management and leadership team members will offer one-on-one mentorship for all employees who express interest in executive and managerial positions. This mentorship program will provide managerial training and include other opportunities for professional development. Persons from target communities and those with a demonstrated history of disadvantage will be encouraged to call on mentors as needed for professional growth. Our mentorship program will be designed to show the strength and collaboration that come with diversity.

Strategy 2.2: Provide Diversity & Inclusion Training for All Managers

We will require all managers to be trained to fulfill Bud Space's diversity and inclusiveness commitments, which will include instruction regarding respect, cross-cultural communication, identifying and addressing discrimination, and best practices for implementation of our Workforce Development and Job Creation Plan. As a condition of employment, all managers must integrate these principles and practices into their daily activities, operational teams, and leadership style. Inclusivity training will foster inclusive environments by providing a safe space to discuss any concerns, raise potential issues, or offer feedback to improve Bud Space's culture and diversity.

Strategy 2.3: Increase Diverse Employee Retention and Promotion

Bud Space strives to not only achieve a diverse team but to sustain that diversity for the duration of our operations. We understand that it is not only important to have diverse faces in the organization, but it is critically important to have those diverse voices included in decision-making. We will accomplish this not only through our existing-diverse management and ownership teams

¹ N.J.A.C. § 17:30-9.4(e).

but also by promoting from within. All employees will be afforded the opportunity to apply for promotions or transfers without advance approval from their immediate supervisor, which all too often can stymie an employee's professional progression. Internal and external promotions for vacancies in managerial positions will be conducted by a diverse group of executives who are representative of the Bud Space's demographics.

Goal 3: Create an Inclusive Work Environment Based on Mutual Acceptance

Strategy 3.1: Strict Enforcement of Anti-Harassment Policies and Reporting Mechanisms

Bud Space has created strict anti-harassment policies. No employee is allowed to discriminate based on race, gender, age, religion, national origin, sexual orientation, disability, or any other protected class under state and federal law. Employees are required to report any discrimination or harassment to their supervisor. Mechanisms have also been established to report any discrimination or harassment anonymously. Reports of discrimination and harassment on these bases will be promptly investigated and, if supported by investigative findings, will be grounds for immediate termination.

Strategy 3.2: Investigation & Address Systemic Barriers to Entry and Success

Bud Space will actively investigate systemic barriers that may exist in the company and seek solutions from employees, community members, and outside experts. Systemic barriers and ways to overcome them will be explored on at least an annual basis and more often if desired by management. Each year, we will implement recommendations for addressing systemic barriers to entry and success in the regulated cannabis industry. The goal is to ensure disadvantaged and underrepresented populations have equal opportunities within our organization.

Strategy 3.3: Partnership with Disability Service Organizations

Bud Space achieves to partner with disability organizations to allow for equal opportunity amongst all groups of the community.

Strategy 3.4: Plan to Hire Individuals with Criminal Records

Bud Space recognizes its responsibility to help combat the disproportionate impact of drug enforcement and, as such, will seek out and work with organizations that provide ex-offenders with employment. Bud Space will work with these organizations to provide job training and form workforce partnerships for qualified and eligible employees pursuant to the CRC Rules. Bud Space will explore partnerships with local community organizations that seek to connect employers with individuals seeking employment.

Goal 4: Educate Employees to Create a Knowledgeable Work Force

Strategy 4.1: Comprehensive Employee Onboarding

Bud Space has developed a training plan that ensures all employees have the education, training, experience, or any combination thereof, to enable them to not only perform all assigned functions but feel confident in their career choice and empowered to continue learning. Bud Space will abide by all training requirements set forth by the CREAMM Act and CRC Rules. We believe that training introduces employees to new ideas, business standards, and best practices. Employees will continually demonstrate a working knowledge of training materials and all standard operating procedures as a condition of employment and be encouraged to communicate with the management team on how we can improve the procedures of the company.

Bud Space fully appreciates the importance of a team that is well-trained and confident in the execution of our best practices in regard to safeguarding public health and safety. After completing training, employees will be well-versed in various product types and potencies, customer service

policies, and intimately familiar with all laws governing personal use in New Jersey. Further, all employees will be trained on our safety education plan, incident response protocols including robbery and burglary, as well as other potential cannabis industry hazards.

Bud Space’s employee training will involve both virtual and in-person training, including five (5) days of on-site, Bud Space-specific training and onboarding upon store opening.

Employee training will comply with state and local requirements and will be tailored to the roles and responsibilities of the job function of each employee. We intend to demonstrate the same degree of care in our employee training for this and all future operations.

Strategy 4.2: Continuous Employee Training

Bud Space believes training is not just a one-time occurrence undertaken at hiring, but a constant of employment. Regularly scheduled trainings help ensure all staff are continually updated and reminded of our best practices and company policies and provide us an opportunity to stay at the cutting edge of this quickly evolving industry. Should a deficiency in our policies or procedures arise, a re-training will be immediately scheduled on the amended standard operating procedures to ensure 100% compliance at all times.

Outreach to the Community: Hiring Individuals from Socio-Economically Disadvantaged Communities and Impact Zones

Outreach is a crucial component to meeting and sustaining Bud Space’s diversity goals. All too often, the keys to success and advancement remain out of reach, even for the most qualified applicants. Professional groups promoting diversity can be crucial to combating this insidious barrier. As such, it is incredibly important to our team that we participate in these associations and identify talented individuals to join our team. Our outreach efforts will directly contribute to the success of our goal of hiring diverse individuals.

Minority Cannabis Business Association (“MCBA”)

MCBA serves the specific needs of minority cannabis entrepreneurs, employees, and patients and consumers alike through progressive policy advocacy. We intend to join this noble organization as a member as soon as we are operational to both utilize their immense network for a potential employee pool and support their efforts to advance inclusive policy measures as cannabis laws continue to evolve.

Minorities For Medical Marijuana (“M4MM”)

M4MM is a non-profit organization focused on providing advocacy, outreach, research, and training to underserved communities. The group strives to create an inclusive and diverse cannabis industry. As a future member, our goals for involvement are twofold:

- To utilize their expansive network to connect with like-minded organizations, businesses, and consultants for employment opportunities.
- To make meaningful impacts regarding economic development for underserved and disadvantaged areas.

African American Chamber of Commerce of New Jersey

Bud Space intends to work with the African American Chamber of Commerce of New Jersey to recruit highly qualified minority candidates

The Arc of New Jersey’s Project HIRE (“Project HIRE”)

The Arc of New Jersey’s Project HIRE connects people with disabilities to integrated employment opportunities in their community. The program assists adults with disabilities in finding and maintaining competitive employment across New Jersey. Since its founding in 1985, Project HIRE has assisted thousands of New Jerseyans in earning competitive wages and finding independence and inner strength. Bud Space will explore partnering with The Arc of New Jersey and other employment-focused organizations to welcome disabled individuals into our ownership, management, and workforce.

Ensuring Accountability: Diversity Goals

Our Workforce Development and Job Creation Plan is supported by rigorous and transparent metrics, timelines, and benchmarks to ensure we are accomplishing our diversity goals and that all members of our team are aware of our goals and how we aim to achieve them. An inclusive atmosphere depends on the buy-in of *all* team members, from our CEO to our part-time staff and outside vendors. All staff, from leadership to part-time employees, will be trained on our Workforce Development and Job Creation Plan: what our goals for the organization are, how we aim to get there, and what we need from our staff to be successful.

Our management team will take charge of tracking our goals and making necessary changes to our policies and procedures if issues arise. We will use data-driven approaches to determine whether we are short of our goals. Specifically, we will be sure to track all new hires, promotions, and attritions to ensure no unintended systematic policies are negatively influencing our workplace. This will also provide us documentation of our year-to-year efforts at inclusivity. We will be reaching out to institutions and organizations serving those groups to help staff and run our business.

Conclusion

Bud Space’s exemplary commitment to diversity is a key component of our company’s core mission and identity. Under the guidance of our leadership team, our team will take concrete steps to obtain substantial participation from diverse populations, including socio-economically disadvantaged communities, individuals with prior entanglements in the criminal justice or juvenile justice system, and people with disabilities. We believe the cannabis industry will blossom—both literally and figuratively—with a focus on diversity in its ranks, and we are committed to being an industry leader in making that goal a reality.