

Can XA Group, LLC d/b/a Jersey Dispensary

Workforce Development Plan

Diversity Statement

Can XA Group, LLC (“Can XA” and/or the “Company”) d/b/a Jersey Dispensary and its CEO and sole owner, Peter Nguyen, is committed to creating a diverse workforce that does not discriminate based on race, color, religion, gender, national origin, age, disability (or perceived disability), pregnancy, genetic information, gender identity, sexual orientation, military or veteran status, ancestry, marital or familial status, or citizenship. Additionally, we believe the more diverse and community oriented our team is, the more successful we will be in New Jersey and specifically Jersey City as we utilize the experiences and ideas from employees with a variety of backgrounds, experiences and cultures to grow and expand opportunities for the community.

Purpose

Our Diversity Plan has been created to ensure that our hiring practices create a diverse and inclusive organization. In doing so, individuals will be able to apply their life experiences and talents to support the goals of the Company to make our Workforce Development Plan successful.

The Diversity Plan is an evolving document designed to guide Company decisions and practices that ensure we can reach our goals described below. The Diversity Plan represents an initial approach to establish a comprehensive management plan with goals and measures for inclusion and diversity. The Diversity Plan will be evaluated and modified, when necessary, as the company grows and expands.

Peter has a unique perspective and first-hand experience with prejudice and other disparities. As a young refugee from Communist Vietnam that overcame the stigma of not speaking English, being labeled a Communist, Vietcong, Asian and ethnic discrimination, Peter learned a successful skill set to succeed and become a successful businessman in his community and Jersey City. Peter’s background enables him to connect with other

disadvantaged and minority groups and has become an active community advocate for inclusion and non-discriminatory practices.

History of Job Creation

Peter has a history of creating jobs through the start-up of several successful businesses over the years, with employees from the community that represented all types of minorities and individuals overcoming prejudice. Also, Peter's active participation in multiple charity outreach programs, such as the South Hudson Civic Association, collectively since the mid-1990s gave him opportunities to mentor, encourage and network amongst those most in need.

Peter started working to support the Nguyen family of nine in 1994 and had to drop out of college. He first worked as an Assistant Manager of a Supermarket and was responsible for a wide range of business duties, employee management, inventory, revenue reconciliation, customer service and sales.

In 1995, Peter and his family purchased a laundromat in Jersey City. Peter was the primary manager, had a diverse workforce, used primarily minority vendors and was able to build the business into a success increasing job and economic opportunities in Jersey City.

As the business became more successful, Peter was able to pull internal resources together and purchase a mini market with family members. At this time Peter transitioned to this business because of his prior success with the laundromat. Once again, he was tasked with a wide range of duties, actively recruited and managed employees from diverse backgrounds, sales, inventory management, vendor agreements and others. Peter continued his entrepreneurship by opening a Bar and Grill in 2006 and then a restaurant in 2012 called the Big Easy Restaurant.

It has not been easy, and Peter understands how to persevere and succeed. The Big Easy was sold in 2012 and a family-owned company that owns the building became the landlord. When the pandemic hit, the business was hit hard and he gave concessions to the Tenant in order for the business to survive and was not paid rent for over 8 months. Eventually, the restaurant

couldn't survive and now Peter is using this location to implement his next successful business, a retail dispensary.

All of these efforts have increased employment opportunities for primarily minorities throughout Jersey City. The number of jobs created and maintained is numerous over the years. We will be Actively recruiting an experienced staff and team members that are representative of our diverse community. Our goal is to hire at least 75% of our employee base from the local community and Impact Zone. Employees will receive hands-on training continually on all aspects of the business, our standard operating procedures, compliance, the employee manual, and other segments to create a cohesive and efficient workplace.

Jersey City Community Give Back and Historical Philanthropic Efforts

Peter has been an active Jersey City citizen, and a business and property owner. He has owned numerous properties in Jersey City and believes in the long-term success of the leadership and people of Jersey City.

In 2010, Peter became involved with the South Hudson Civic Association. Peter started to volunteer with the Association, and it reinvigorated his community activism. Over the years, he has dedicated both time and money to numerous outreach programs that directly impact Jersey City.

Peter's dedication was fueled by the joy, happiness, and community impact he witnessed on a weekly basis when helping others. Simple acts such as handing out a flower to all the woman at the senior citizens home on Mother's Day to having an Easter egg hunt for children in local parks, an annual Halloween party, Thanksgiving turkey and meal giveaways, personally delivering hot meals to those in need, Christmas toy drives, and others has expanded the continual impact Peter has in his local community in the past and currently.

During the pandemic when everyone was frightened and incomes plummeted, Peter delivered essential necessities to seniors who are in need and they are most vulnerable to catch covid-19. Then Peter started a weekly food drive that is still active today.

Planned Job Creation and Development

The Workforce Development Plan (“WDP”) calls for recruiting and developing a staff that is diverse, talented, community oriented, and primarily from Jersey City. Our WDP is tailored, in part, to recruit and retain employees from our socio-economically disadvantaged community, individuals with prior convictions in the criminal justice or juvenile justice system, and others who are underemployed.

The Company is actively recruiting an experienced staff and team members that are representative of our diverse community. The goal is to hire at least 75% of our employee base from the local community and Jersey City. Employees will receive hands-on training continually on all aspects of the business, our standard operating procedures, compliance, the employee manual, and other segments to create a cohesive and efficient workplace.

We will have starting salaries or hourly wages that meet the criteria for a living wage in the Hudson County and Jersey City metropolitan statistical area in which the Company's premises are located based on the [Living Wage Calculator](#) developed by Amy K. Glasmeier, at the Massachusetts Institute of Technology. The Company’s starting minimum hourly wage to paid is \$18 per hour and will be higher based on an employee(s) or candidates experience.

Diversity and equity are the foundation of the Company’s recruitment and hiring strategies. We will implement strategic outreach initiatives to recruit from a diverse, qualified group of potential applicants to secure a high-performing workforce drawn from all segments of society and the Jersey City community by building relationships with local Jersey City officials, vendors, service providers, and charitable organizations that share in our diversity objectives.

The Company will follow these steps as its action plan for recruiting a diverse workforce:

- The Company will audit job ads to develop strategies to speak to a broader range of candidates.
- The Company will place advertisements in locations where diverse candidates will find them.

- When advertising a position, the Company will emphasize benefits that may be available in the future from the Company such as health related activities/clubs.
- The Company will be flexible regarding time off and scheduling policies to include more religious holidays, community events, paid community engagement participation, working parents, industry events and training and others.
- The Company will use a system when evaluating candidates in which we remove all personal information on resumes (i.e., “blind resumes) to reduce conscious or unconscious bias.
- The Company will participate in a cannabis industry apprenticeship program established by an academic medical center as defined in Section 18 of P.L.2021 C.24:6I-3 (page 7) if that program offers apprenticeships related to the Company's commercial activity and in the region in which the premises are located.
- The Company will work with the Department of Labor and Workforce Development to recruit and hire qualified applicants, including participation in The New Jersey Apprenticeship Network (NJAN) to the extent that the program is available to businesses in the cannabis marketplace.
- The Company will contact the New Jersey Division of Vocational Rehabilitation Services (DVRS) regarding hiring opportunities for qualified job candidates with physical, mental, cognitive, or other forms of disability.
- The Company will enter into a partnership with the Hudson County re-entry program to identify and promote employment opportunities for individuals with prior entanglements/convictions in the criminal justice or juvenile justice system who are qualified for employment at a cannabis business. The Company will submit the information required per NJAC § 17:30-7.10(b)(22) (page 104) to the CRC.

Training

Each owner, principal, employee, volunteer, and any management services contractor staff will complete at least eight (8) hours of ongoing training that meets or exceeds the requirements of NJAC § 17:30-9.8 (page 149) each calendar year. Unless expressly authorized in advance by the CRC, no person will begin working at the Company before completing training per NJAC § 17:30-8.1(b) (page 133) as discussed below. Also, we will strongly encourage

our employees and managers to attend local and state-wide conferences, trade shows, cannabis association functions and community events in which the attendance cost will be paid by the Company.

Building worker skills is essential for the efficient operation of the business and the long-term success of the employees and the business. The WDP includes fundamental job skills evaluation and development strategies, including the use of technology and equipment, effective communication, time management, and more. In addition to fundamental skills training, the Company will provide all employees with basic workplace training related to safety, harassment, cannabis, regulations, and the following:

- Workplace safety training is essential for all employees. The Company will provide job-specific safety training for all employees that meets the standards established by the New Jersey Department of Health and the Occupational Safety and Health Administration (OSHA). Training will include preventing injuries, safe use of equipment, proper use of personal protective equipment, cleaning spills, safe use of chemicals, and more. The Company will implement and have training materials published by state and federal regulators, materials published by equipment and chemical manufacturers or vendors, material data safety sheets, credible online resources, on-the-job training and industry webinars, events and conferences.
- All employees will receive anti-harassment training to help prevent all forms of harassment or oppression in the workplace, with a special focus on sexual and identity harassment.
- The Company will train all employees in the topics required under NJAC § 17:30-9.8(b) (page 149) related to cannabis laws, privacy, developments in the cannabis industry, security measures and controls, and responding to emergencies.
- All employees will receive information regarding the Company's alcohol, drug, and smoke-free workplace policies per NJAC § 17:30-9.9 (page 150), which will include a written smoke-free workplace policy; a written policy prohibiting cannabis business personnel from possessing, consuming, or being under the influence of an illicit controlled dangerous substance or alcohol; and a written policy prohibiting cannabis business personnel from consuming or being under the influence of cannabis at the workplace, provided that no

cannabis business shall infringe upon the rights of qualifying patients under P.L. 2019, C.153 (C.24:6I-5.1 et al.).

In addition to other training provided by the Company, each employee will be trained in the topics listed below per NJAC § 17:30-8.1(b)(2) (page 133) as part of their registration with the CRC to obtain a Cannabis Business Identification card. Training per NJAC § 17:30-8.1(b)(2) includes a history of cannabis use and law, cultivation techniques, varieties and types of cannabis, packaging, labeling, advertising, cultivation/manufacturing/retail processes, health and safety information, dependency issues, dosing, methods of production of various extracts, and Federal, State and local cannabis laws and regulations.

The Company also needs employees trained to do job-specific tasks. The skills and knowledge required for cannabis employees vary based on the job. The WDP calls for the Company to develop specific training procedures and materials for each position. Peter Nguyen as sole owner and CEO is responsible for ensuring that managers and other designated employees develop or collect and implement job-specific training procedures.

The CEO will create and maintain a training matrix and individual training records per the Company's staffing and training procedures outlined in the WDP. Per NJAC § 17:30-9.6(i)(8) (page 144), these sheets will include, at a minimum, documentation of all required training and the signed statement of the person indicating the date, time, and place that individual person received such training and the topics discussed, including the name and title of presenters or source of the training. The training matrix will include each training topic to be covered and the date on which the training was completed. The records related to individual training will be incorporated into the personnel files of each employee per NJAC § 17:30-9.7(i) (page 145) and other applicable state laws and regulations.

Can XA is responsible for ensuring that all training required by procedures and regulations is provided at no cost to employees. Additionally, Peter will evaluate and identify areas where specified training is lacking, create or advise on providing the new training as needed, and assist in modifying procedures that require new training.

Recordkeeping is an essential aspect of the training provided under the WDP. In addition to the records specified above and in the state regulations, the Company will maintain detailed personnel records for all owners, principals, management services contractors, employees, and volunteers that include all of the items listed in NJAC § 17:30-9.7 (page 145):

- An application for employment or to volunteer;
- Current Cannabis Business Identification Card;
- Driver's license or other state or federally issued photo identification;
- Certification confirming the person's or entity's submission to the jurisdiction of the courts of the State and agreeing to comply with all of the requirements of the laws of the State pertaining to the CRC;
- Documentation and verification of references;
- Documentation and submission of fingerprint impressions for compliance with a criminal history record background check;
- Job or role description or contract that includes the duties, authority, responsibilities, qualifications, and supervision of the job or role;
- Documentation of all required training and the signed statement of the person indicating the date, time, and place that individual person received such training and the topics discussed, including the name and title of presenters or materials;
- Documentation of periodic performance evaluations; and
- Documentation of any disciplinary action(s) taken.

Employee Retention

The Company's employee retention strategy serves to preserve the benefit of hiring and training talented staff members. The goals are to decrease turnover of high-value staff, decrease training and recruitment costs, and prevent the loss of organizational knowledge. The Company's retention strategies include onboarding and a detailed orientation program, on-the-job training and support, continuous constructive feedback, inclusivity, non-discrimination, and a harassment and oppression-free workplace.

Cannabis Business Identification Cards

Each owner, principal, management services contractor, employee, or volunteer will obtain a Cannabis Business Identification Card (CBIC) per NJAC § 17:30-8.1 (page 133). The Company will retain copies of each unexpired CBIC as part of the personnel file or other documentation related to each individual required to have a CBIC. The process of obtaining a CBIC ensures

that each person holding a card meets the criteria specified in NJAC § 17:30-8.1 (page 133):

- Each CBIC holder will be at least twenty-one (21) years old.
- Each CBIC holder will complete the training required under subsection NJAC § 17:30-8.1(b) (page 133), described above as basic workplace training.
- Each owner, principal, management services contractor, employee or volunteer will complete a criminal history background check pursuant to NJAC § 17:30-7.12(d) (page 114) demonstrating that they do not have any disqualifying convictions that have not been found to be rehabilitated.

Resources for Employees

The Company will provide resources to help its employees succeed in the workplace:

- On-the-job Training and Support - Employees who need additional training or skills development will have access to time and training materials at no cost. The goal of ongoing on-the-job training is to reduce frustration, improve performance and relative efficiencies. Properly trained employees are more satisfied, confident, and effective.
- Employee Resource Group (ERG) - An ERG is a voluntary group of employees who join together in the workplace for the purposes of mutual support, problem solving, innovation and to improve efficiencies from the ground floor up to management. The Company encourages participation in ERGs to promote inclusivity, wellness, and workplace development.
- Health Insurance – The Company will introduce a health benefits reimbursement plan and will evaluate and implement a Group Insurance Plan if warranted.

Continuing Education and Certifications

The Company will contract and implement the Patient Focused Certification (PFC) to provide its initial and ongoing training for employees. The ISO-certified PFC program is a web-based training course hosted by Americans for Safe Access Foundation, the nation's leading medical cannabis patient advocacy organization and adult-use/recreational cannabis advocacy and information. PFC offers Company certification, consultation services, and industry training for cannabis businesses nationwide. The PFC course

material is based on the Cannabis Monograph created with the American Herbal Products Association (AHPA) and the American Herbal Pharmacopeia (AHP) to establish business standards that have been directly adopted by nearly half the medical and recreational cannabis businesses in the United States.