



Diversity, Equity, and Inclusion Plan

NMG NV L1, LLC
Independent Cannabis Consumption
Lounge Application

October 14, 2022

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Owner Demographic

NMG NV L1, LLC and DEP Nevada, Inc.

NMG NV L1, LLC dba BaM Body and Mind, a Nevada limited liability company, is a subsidiary of DEP Nevada Inc. (collectively, “BaM”), a Nevada corporation and experienced cannabis operator that has developed, constructed, and managed successful medical and adult use cannabis retail, cultivation, and processing facilities throughout the United States. Our years of cannabis experience have allowed us to become industry experts at building a diverse team and successfully starting up and operating compliant, thriving cannabis businesses in five states. At each of our locations, we have been successful in recruiting a diverse team from different backgrounds to help lead, manage, and operate our facilities through local connections, incubator and social equity programs, and offering exceptional employee benefits. Many of these same employees have been promoted into leadership roles and have become equity partners in our operations, while mentoring and training other employees to successfully lead other businesses.

Nevada Experience

Our story began in the great State of Nevada. In 2015, our team successfully obtained medical and adult use cultivation and manufacturing licenses and designed, constructed, and opened an 18,000 square foot facility in Las Vegas. Since then, our business and employees in Las Vegas have generated \$5,548,623 in wholesale marijuana tax revenue for the State, donated thousands of dollars, and volunteered hundreds of hours to local charities, nonprofits, and schools. The business currently employs over forty Las Vegas residents, many of whom have been with the company since the beginning. All employees receive the same benefits, including health, dental, and vision benefits, paid time off and sick leave, educational reimbursements, access to professional development programs, mentorships and leadership programs, and more. To develop and manage our business, we have worked directly with local agencies and coalitions to recruit and hire employees from all races, ethnicities, genders, and underrepresented groups, such as veterans, persons with disabilities, and LGBTQ+, to mentor and train them. Over time, we developed a reputation for attracting and recruiting hard-working, dedicated employees from all types of individual backgrounds because of our commitment to promote meaningful inclusion of diverse and underrepresented groups.

Officer Demographic

Stephen ‘Trip’ Hoffman, President



Stephen ‘Trip’ Hoffman currently serves as President of DEP Nevada, Inc. and Manager of NMG NV L1, LLC. Mr. Hoffman has seven years of experience in the legal cannabis market. He is 56 years of age and a Las Vegas resident. He holds a Doctorate (PhD) in Physics and a Bachelor of Science in Physics, along with specific business, technology, and commercial agriculture experience. In 2015, he entered the legal cannabis industry in Colorado as a flower trimmer, learning operations from the ground on up to eventually manage two retail dispensaries and two cultivation facilities. Through this experience, he learned the importance of equal opportunity,

community outreach, and building a diverse, qualified team. With 17 years of experience developing and leading companies through strategy, capital raising, and operational efficiency, he has successfully operated and managed profitable, compliant, diverse, reliable marijuana facilities. In 2018, he became President of DEP Nevada, Inc., overseeing operations in cultivation, production/manufacturing, and retail in Nevada, Ohio, California, and Arkansas. Mr. Hoffman has a unique ability to increase revenues, decrease spending, drive product quality and operational efficiency, assemble teams of management, staff, and industry experts, raise capital, develop business models and SOPs, train employees hands-on, negotiate contracts, and help operations achieve financial success and diversity and inclusion goals.

Ivan 'Alex' Fox, Vice President

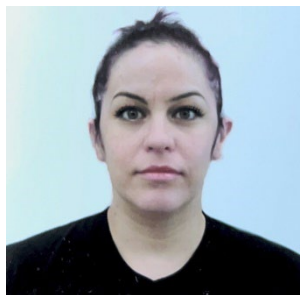


Ivan 'Alex' Fox currently serves as Vice President of NMG NV L1, LLC. He has seven years of experience in the legal cannabis market. Mr. Fox is 38 years of age, a Las Vegas resident, and bilingual in Spanish and English. He holds an Associate of Arts Degree from Northern Virginia Community College. Before entering the cannabis market, Mr. Fox owned and managed several construction companies based out of Las Vegas, Nevada, managing over 40 employees at once. By 2015, he applied his knowledge in the construction industry and entered the cannabis industry to help develop and manage operations in Las Vegas,

Nevada. Today, he serves as Director of Operations for cannabis cultivation, production, and distribution businesses in Nevada and supervises all aspects of the business, such as engaging and managing engineers and contractors, developing SOPs, communicating with the state cannabis regulatory authority, managing inventory and quality control procedures, community outreach, recruiting and hiring, onboarding, employee training, diversity training, managing social incubator programs, product development, branding, distribution, and more. Mr. Fox has been recognized as a well-rounded manager who operates and manages a secure, safe, and compliant cannabis facility by the Cannabis Control Board (CCB) of Nevada. He has also been active in the operational management of all facilities under control by the company, including manufacturing and cultivation businesses in other states.

Employee Demographic

Elizabeth Retana



Elizabeth Retana is a proposed employee of NMG NV L1, LLC who will help manage the kitchen and inventory. Ms. Retana has five years of experience in the legal cannabis market. She is 36 years of age, a Las Vegas resident, and bilingual in Spanish and English. She holds Baker's Helper Certification and Kitchen Steward Certification Degrees from the Culinary Academy of Las Vegas and is ServSafe Certified. Her career began as a Kitchen Manager for a high-end restaurant, where she prepared food, monitored compliance with food, safety, and health regulations, developed and priced-out input goods, managed inventory and quality control standards, managed POS systems, and oversaw accounting. Ms. Retana eventually began training

as a cake decorator and assisted a large pastry team with desserts and pastries for a high-scale restaurant in Las Vegas. In 2017, she entered the cannabis industry in manufacturing and has held Kitchen Supervisor and Head Chef positions, overseeing all kitchen operations which included recipe batching, infusions, lab testing, creating detailed food and cannabis labels, managing inventory, METRC compliance, distribution, and developing detailed SOPs and recipes.

Gladis Rubi Sanchez



Gladis Rubi Sanchez is a proposed employee of NMG NV L1, LLC who will help manage the kitchen and inventory. Ms. Sanchez has two years of experience in the legal cannabis market. She is 23 years of age, a Las Vegas resident, and bilingual in Spanish and English. She holds a high school diploma. Her career began in 2018 as a Team Lead for a food catering company that specializes in manufacturing specialty food items and catering Las Vegas conventions, conferences, and other events.

During her time there, she followed specialty recipes to prepare food, used culinary and cutlery tools, packaged and stored food products, implemented nutritional restrictions, maintained food safety guidelines, and sanitize work conditions to prevent cross-contaminations. By 2021, she entered the cannabis industry as a production and manufacturing employee. Applying her unique skills and knowledge in food preparation, she currently manages development projects in cannabis cultivation and production facilities and assists with the packaging and distribution of cannabis flower, concentrates, and infused edibles to dispensaries throughout the State of Nevada.

Nicholas Dnistransky



Nicholas Dnistransky is a proposed employee of NMG NV L1, LLC who will help manage inventory, sales, and customer service. Mr. Dnistransky has four years of experience in the legal cannabis market. He is 44 years of age and a Las Vegas resident. He holds an Associates of Arts Degree from Harrisburg Area Community College and a Bachelor of Business Administration Degree from Indiana University of Pennsylvania. His career in Las Vegas began at a large casino as a Sportsbook Superwriter, where he oversaw operations in the sportsbook, monitored compliance with

state gaming and federal regulations, and managed the distribution of informational materials. By 2018, he entered the cannabis industry as a facility manager for both cultivation and production operations in Las Vegas, managing a team of employees, overseeing quality control and supervision, and managing inventory, METRC compliance, packaging levels, distribution, and associated costs.

Carlie Meyer



Carlie Meyer is a proposed employee of NMG NV L1, LLC who will help manage inventory, sales, and customer service. Ms. Meyer has two years of experience in the legal cannabis market. She is 26 years of age and a Las Vegas resident. She began her career working for multiple Las Vegas casinos as an Usher, Executive Assistant, and Marketing Assistant. During her time in the casino industry, she helped manage day-to-day operations in the showroom, organized and maintained records, assisted executives in planning and business development, managed spreadsheets, supervised social media marketing, and managed front desk operations. By 2020, she entered the cannabis industry as a packager in a cultivation and production operation. As a packager, she inspected cannabis goods, processed flower, concentrates, and edibles, created labels, packaged cannabis goods, installed quality control standards, and helped develop its business throughout the State of Nevada.

Zacharry Daproza



Zacharry Daproza is a proposed employee of NMG NV L1, LLC who will help manage sales and customer service. Mr. Daproza has one year of experience in the legal cannabis market. He is 23 years of age and a Las Vegas resident. His career began as a Food Preparer and Server for a food catering company that specializes in manufacturing specialty food items and catering Las Vegas conventions, conferences, and other events. During his time there, he prepared food, cleaned and sanitized the kitchen, inspected supplies and food ingredients, and monitored inventory levels to ensure it met quality and safety standards. In 2021, Mr. Daproza entered the cannabis industry in a cultivation and manufacturing operation in Las Vegas, where he packaged products, inspected products for quality control, managed inventory, and worked with a large team to ensure all products are packaged and ready for sale to dispensaries.

Strategies for Obtaining a Diverse Group

Developing a Diverse Team

Overview

We will put in significant effort to recruit and hire a group of candidates and retain a diverse group of employees. We have adopted several models for diversity, equity, and inclusion that include multiple social identity characteristics. As research has shown, people from diverse backgrounds who work together identify better solutions and innovative ways to achieve results. Our business will avoid building a group of like-minded staff and commit to attracting a diverse range of applicants from different backgrounds, cultures, and experiences, while meeting with local organizations specializing in diversity to help advance our mission and retain employees. Through improved recruiting methods and tools, we will reach underrepresented members of the community by diversifying job descriptions and job placement tools, offering employee referral bonuses, educating and training interviewers, showcasing our diversity practices in a career blog, and by working with local minority organizations.

Mission Statement

Our mission is to foster a culture that exemplifies teamwork, embraces innovation, and values diversity, equity, and inclusion in every aspect of our business.

Purpose

The purpose of our Diversity, Equity, and Inclusion Plan (DEI Plan) is to promote equity among all the following groups to obtain a diverse group of owners, officers, managers, and employees:

- People of color, particularly African American, Hispanic, Latino, and Indigenous people
- Women
- Veterans
- Persons with disabilities
- LGBTQ+
- Disproportionally underrepresented groups

Five Strategic Goals

The strategies we plan to implement represent the foundation of our core values and crusade to promote diversity, equity, and inclusion in all aspects of our business. We have organized our plan around five strategic goals: culture, career, communication, consistency, and community. Relying on these goals, we have created actionable steps that will provide a clear map forward for our business, officers, and employees, while integrating diversity, equity, and inclusion into our recruitment, hiring, training, community outreach, and career development programs.

Culture

We have built a company culture that promotes the vision of our diversity, equity, and inclusion efforts by taking measurable and quantifiable actions to maintain an inclusive workplace. We aspire to ensure that every employee can develop and excel in their career, while recognizing and

rewarding high performers. We will fully implement a new performance standard that concentrates on employee career development and fostering an inclusive, respectful, and constructive work environment that is committed to equal opportunity policies and principals through effective recruitment, hiring, training, continued education, and local connections. We will regularly conduct an analysis to identify any root causes of existing barriers to equal opportunity, establish timelines to regularly review systemic barriers, receive feedback from employees, coach staff, and take decisive actions to remedy any deficient policies, procedures, and practices.

Career

We will recruit, hire, and develop a high-performing and inclusive workforce that reflects the communities we serve and enhances the experience, skills, and knowledge of our staff. This starts with working directly with local diversity and equity organizations to help us implement our plans, attract a diverse set of candidates, and track our progress. We will assign a Community Liaison and develop a Diversity, Equity, and Inclusion Committee to serve as our equal opportunity advisor to establish local events, workshops, and job fairs to enhance our recruitment efforts, identify opportunities to strengthen our engagement with diverse groups and agencies, promote equitable access and opportunities, and track and report the results to our officers and managers.

Communication

We have developed a communication system that promotes open, respectful dialogue between our employees, managers, and owners. Our communication goals are designed to allow all learners to gain insights into the perspectives and realities of individuals with identities that are different from their own and learn about how others can experience the same workplace in very different ways. We will share key data points with employees and update all internal employee message boards with information on our commitment to diversity, equity, and inclusion, and perform regular volunteer, anonymous surveys to gather feedback from employees and collect key identifiers to provide a full picture of diversity in our workplace. At the end of each employment year, the managers will meet with all employees one-on-one to discuss career goals, continued education opportunities, and how the company can help expand the employee's knowledge, experience, and skills.

Consistency

For us, consistency is key. We will continually address the effectiveness of our diversity, equity, and inclusion measures by improving the consistency of our desired outcomes and strengthening our policies, procedures, and training. We will foster a work environment without barriers for opportunity, help employees feel welcomed, valued, and respected by bringing their unique talents, skills, and perspectives to the table. We will conduct regular audits of our diversity, equity, and inclusion measures by evaluating any barriers that exist and by regularly meeting one-on-one with employees. We will continually expand and work to enhance the tools we use to assess attrition rates by identifying deficiencies and addressing any barriers that may exist and expand on empathy-based training, diversity training, anti-harassment training, interview training, and equal opportunity training for managers and employees.

Community

We will encourage our diversity, equity, and inclusion measures in our business activities and foster an environment that provides opportunities to the community for economic development. We will identify barriers that our local communities may face in taking advantage of employment opportunities. We will host a series of technical assistance events that equip disproportionately underrepresented groups with the tools they need to compete for economic opportunities, review our recruitment and selection processes, partner with local coalitions to host joint events, determine whether new opportunities exist that may be necessary to advance equity in our recruitment, hiring, and training processes, and implement automated tools to improve the efficiency and effectiveness of our ability to assess our diversity policies and practices across the community.

Oversight and Management

Diversity, Equity, and Inclusion Committee (DEI Committee)

We will develop a DEI Committee focused on increasing diversity and equity among recruits, employees, and owners, comprised of our Community Liaison Director, General Manager, and one lounge employee. All committee members will have different backgrounds and help oversee diversity initiatives at the facility. Under the direction of our Community Liaison, the committee will oversee progress and new diversity recruiting initiatives and lead interviews for open roles. We will provide continued education to all members of the committee, enhancing their understanding of conscious and unconscious biases and how to effectively initiate and manage diversity measures. We will foster understandings between all people, regardless of faith, race, or identity. Our specialized DEI Committee will regularly meet with local groups to identify the needs of the community, attract, and recruit qualified employees, and establish our practices based on feedback from industry experts and other professionals.

Community Liaison

We will hire one Community Liaison to work closely in the community to assist the company excel its culture, career, communication, consistency, and community goals in the State of Nevada. This includes our efforts to recruit and hire employees, train managers and employees on diversity and inclusion, partner with local leaders, community, and civic engagement, meet with local organizations and businesses, and philanthropy. The Community Liaison will collaborate with our officers and managers as a spokesperson for our lounge to develop and advance new business and community relationships, recruitment, advance our business and diversity, inclusion, and social equity goals, incubator programs, philanthropic efforts, and community engagement.

Employee Hiring and Retention

Equal Opportunity Employer

We are an Equal Employment Opportunity (EEO) employer and committed to ensure people of color and disproportionately unrepresented groups, such as veterans, women, and other historically excluded groups, are equally represented at all levels at the lounge. We will instill a strong set of social and community initiatives focused on equal opportunity, community service, and career development. We will hire professional advisors and attorneys to review federal, state, and local laws to help create specific Employee Handbooks, policies, and practices for the facility to follow. We will follow all Federal Acts relating to employment, including the Civil Rights Act, Pregnancy Discrimination Act, Equal Pay Act, Age Discrimination in Employment Act, The Americans with Disabilities Act, and Genetic Information Non-discrimination Act.

Recruitment and Hiring

Advertising Job Descriptions

When we develop and advertise a new position at our lounge, the hiring manager will work with local organizations first to advertise available positions to reach a diverse pool of candidates. A strategic plan is necessary to attract people from diverse backgrounds, and we will designate our DEI Committee to establish goals, build a plan, meet with residents, and attend job fairs and community events. We will focus on advertising essentials of the job, knowledge and skills required, minimum experience and educational requirements, preferred experience, necessary licenses and registrations, and the work environment.

Job Applications

We will provide equal opportunity for all candidates who apply for an open position and focus on character, experience, and willingness to learn to determine who is qualified. An applicant will only be eliminated from the recruiting process if that person does not meet the basic minimum qualifications of the position or has a disqualifying offense. During the application process and in accordance with federal, state, and local regulations, potential recruits will be asked to voluntarily disclose race, ethnicity, gender, military status, disability status, and other demographical information. This information will assist our hiring officers and managers identify and address any deficiencies in workplace diversity.

Recruitment Efforts

We will establish relationships with local leaders, residents, and organizations, listen to residents, and successfully attract diverse candidates, no matter their background, identification, or cultural experience. We will proactively recruit diverse candidates by effectively communicating available positions to targeted populations. Any non-violent related criminal history will not disqualify candidates from being interviewed. We will connect with local communities on the ground level to successfully recruit qualified candidates through local workforce development agencies and organizations, such as social equity advisors, to help us find and locate a diverse group of local individuals. Our DEI Committee will also attract a diverse group of employees through grassroots

efforts, which include participating and sponsoring cannabis job fairs in and around the local community.

Accommodations

We believe in offering accommodations to job candidates and employees to allow them an opportunity to interview for the position and perform the essential functions of the job. We will design our lounge and operations to accommodate disabled individuals and provide accommodations, including transportation to and from an interview, technical assistance, job restructuring, part time or modified work schedules, paternal and maternity leave, reassignment to a vacant position, acquiring equipment or devices, electronic readers, modified supervisory methods, additional training, PTO or leave of absence, and other accommodations for individuals with disabilities or special circumstances.

Interviews

Over the phone and in-person interviews provide an opportunity for us to discover more about the applicant's skills, background, and experience. We will not solicit information from a candidate that is not specific to the job description. We have built Employee Handbooks and specific procedures and policies that focus on selecting qualified candidates, regardless of race, religion, color, national origin, ancestry, physical or mental disability, medical condition, marital status, sex, age, gender, or sexual orientation, and our DEI Committee to oversee the recruitment, interviewing, and hiring process.

Best Hiring Practices

Among the most important decisions we can make as an employer is making good hiring decisions, which requires careful planning, removing biases, writing accurate job descriptions, screening applicants, interviewing, and training. Our DEI Committee will use these tools to build a diverse team of employees that represents the landscape in the surrounding community and provide the necessary tools and resources to help guide them in advancing their careers. Integrating into the community requires working with residents and leaders to build connections and recruit candidates from diverse backgrounds, while providing the means to find and retain employment.

Individuals with Criminal Entanglements

Serving the Interests of State of Nevada

Our mission is to serve the interests of the diverse people in the State of Nevada and beyond. We value inclusion and a progressive learning environment and respects all perspectives and lived experiences that exist in a diverse community and workforce, including those who have criminal entanglements. We support diversity of all views, histories, cultural experiences, and knowledge across all social groups. Diversity, equity, and inclusion for our managers and owners includes the intersectionality of race, ethnicity, class, gender, national origin, immigrant status, disability status, veteran's status, criminal entanglements, sexuality and gender identity, and religion.

Fair Chance Hiring

Our goal in the State of Nevada is to fight against the stigmas associated with hiring individuals with criminal entanglements by practicing fair chance hiring and bringing together a diverse group of individuals from all parts of our organization. When reentering society after incarceration, we believe qualified individuals must be given a chance to provide for their family, contribute to their community, and attain the same successes we all seek. We understand that employment is the leading factor in reducing recidivism, which is the tendency of a convicted criminal to reoffend. In other words, without opportunities for employment, individuals with criminal entanglements will likely reenter incarceration. By providing employment opportunities to individuals with a criminal history without disqualifying offenses, we can reduce recidivism and invest in the success of those who need it the most.

Assessing the Candidate, Not the Record

We will assess the candidate, not their record. By taking a fair chance hiring approach, we can help stop the reverberations that occur as the result of being incarcerated. We believe by hiring formerly incarcerated jobseekers who do not have disqualifying offenses, we can increase our bottom line, improve employment retention rates, and decrease employment turnover. In fact, contrary to stereotypes, employees with non-violent criminal background are a better pool for employers. As we recruit employees for open roles, we will put ourselves in the skills-based assessment mindset that focuses on interviewing applicants on their transferable skills and willingness to learn. By assessing the candidate, not their record, we can give individuals with criminal entanglements a fair chance at a job and a decent life, while benefiting the local economy.

Banning the “Box”

We will eliminate criminal record questions on our job applications. We believe this will encourage our hiring managers to avoid eliminating applicants based on blanket exclusions of people with criminal records. We will delay criminal history inquiries until later in the hiring process and ensure that the applicant’s criminal record is considered in a job-related context. As the State of Nevada has shown, banning questions regarding criminal histories on job applications inevitably improves job opportunities for people with criminal histories. We realize that most managers and human resources professionals are not equipped to evaluate prior convictions and how they might interfere with an applicant’s capacity to do their job.

Gathering Support for Fair Chance Hiring

We will partner with local and state workplace development programs and non-profit organizations to identify candidates and ensure our applicants, candidates, and employees receive the support they need, such as training, developing workplace skills, transitional housing, substance abuse counseling, and transportation to work. We will also take advantage of the resources made available by Clark County and the State of Nevada. We recognize that employees with criminal entanglements need training, education, and access to programs tailored on their needs and workplace history. By partnering with expert organizations, we can enhance opportunities for our employees with criminal entanglements and ensure they have equal access to the support they need and receive access to resources necessary to succeed in the workplace.

Retention

Retention Methods

Through our experience and studying a variety of locations, we have discovered that to meet our own standards we must also focus on retention to avoid eroding our recruitment efforts through poor attrition rates. To maintain a diverse staff, we will retain good employees and maintain a safe, clean, and professional work environment for employees and the surrounding community, where every individual feels respected, valued, and supported. To combat any attrition rates, we will partner with local organizations and develop mentorship programs and affinity groups, pathways to leadership, continued education, and provide fair and equitable compensation to all staff. We will also provide very competitive salary and wage rates, exceptional employee benefits, such as medical, dental, and vision insurance, paid time off, sick time, educational reimbursements, volunteer reimbursements, professional development programs, and more.

Awarding Success

We have developed an incentive program, Awarding Success, that awards employees for successfully completing any certificate or degree program. We will deploy this program and celebrate and award employees with 2 days of paid-time-off and a \$500 bonus for any degree or certificate they attain while working at the lounge and recognize them in a monthly blog posted on our website. Our Awarding Success program is designed to reward employees who attain their GED or college certificate of degree and enhance their knowledge and experience while being employed by the lounge. To support our employees seeking a degree, we revise their work schedules around school, provide tuition reimbursement for courses relevant to lounge operations, and award successful completion of any certificate of degree program.

Performance Evaluations

Our managers will conduct quarterly one-on-one performance evaluations of all staff and meet with them individually to discuss job performance, achievements, goals, operations, and attendance. Employees will also receive forms to evaluate themselves in comparison to last quarter, based on the goals outlined from the last performance evaluation. Managers will meet with staff to discuss their job performance, achievements, and set goals for the future to improve performance and operations. Performance evaluations become a part of employee records. In turn, employees will receive questionnaires to evaluate the operations and be afforded opportunities to provide feedback to managers. We will encourage employees to assess themselves and managers during these reviews to help ensure employee relations and communication remain cohesive.

Promoting From Within

One of the most important things we can do as a company to increase diversity among our owners, officers, and employees is make sure we implement an effective and established promotion policy, while ensuring all employees, regardless of race, ethnicity, or background, are able to take advantage of advancement opportunities. Our goals are to promote within by focusing our efforts on education, training, and awarding employees for good work. We have developed procedures

for internal communication of positions and a neutral selection method that removes barriers and safeguards against employees being adversely impacted. Before publishing any job advertisement, we will advertise positions internally, outline the steps and qualifications necessary, accept and evaluate internal applications, and interview candidates. If the employee does not obtain the position, we will meet with the employee individually to discuss the outcome and establish goals for the next quarter.

Safe, Productive, and Rewarding Workplace Environment

We believe in providing a safe, diverse, respectful, inclusive, productive, and rewarding workplace environment for employees. Employee morale and satisfaction is vital to retaining good employees, and we focus on motivating, incentivizing, and providing opportunities for education, tuition reimbursement, bonuses, awards, promotions, paid-time-off, and pay increases. All of this starts through our diversity, equity, and inclusion plan, good communication, and providing a workplace environment that is safe, productive, respectful, and supportive for all employees by providing equal opportunity to employees, rewarding and recognizing good work, promoting internally, and ensuring an open line of communication between owners, officers, managers, and staff.

Whistleblower Policy

We will adopt a policy to encourage our employees to report any information that violates company policy or may adversely impact customers, the facility, managers, staff, or community without fear of termination or reprisal. Examples of a violation to company policy include criminal acts, inappropriate behavior, harassment of any kind, racism, prejudice, and bullying. Because we believe in transparency, employees may report any violation of company policy to our owners, officers, and managers without fear of their direct supervisors retaliating. This policy addresses our commitment to integrity and ethical behavior and fostering a safe environment where employees can work without fear of punishment for highlighting violations in company policy.

Diversity-Related Community Outreach

Local Connections

We understand many local businesses, nonprofits, and agencies have developed diversity, equity, and inclusion committees to help diversify and provide opportunities to the local workforce. Through an effective approach, companies like us have proven that diversity among the labor force is vital for a good and just economy. Working together through thoughtful leadership and execution, we believe we can connect with these local organizations to advance our recruitment efforts and continually improve our methods based on proven concepts.

Community Benefits and Advisory Board

We take pride in the work we do and the communities we benefit and invest in. We have established a Clark County Community Benefits and Investments Advisory Board (CBIAB) to meet and discuss how to invest in the community, oversee how funds are dispersed, work together with the DEI committee on community outreach efforts, and identify social equity and incubator candidates. Our CBIAB will regularly meet and consult with community leaders to determine how best to assist the community, whether through volunteering, fundraising, social equity issues, targeted workplace development, or collaborating with minority and women organizations. The CBIAB will comprise of the President, Vice President, Community Liaison, General Manager, and one staff member.

Targeted Workplace Development

Clark County BaM Job Fair

Upon license approval, we will advertise a “BaM Job Fair” in and around our local community to recruit and hire disproportionately underrepresented groups, people of color, women, veterans, persons with disabilities, and LGBTQ+, and social equity incubator candidates. Since we pay some of the highest wages in the industry and offer full time benefits, we anticipate a strong showing at the job fair. During the job fair, prospective employees will have an opportunity to submit their resume, meet with the hiring managers, and discuss the position and their professional goals and aspirations. The job fair will focus on recruiting employees who live in and around Las Vegas and Clark County.

Economic Opportunity for the Underrepresented

We will partner with local organizations that focus on providing economic opportunities to low-income residents, people of color, women, and other underrepresented groups, with a specific goal to recruit, train, and staff our lounge. These coalitions and organizations have proven track records of promulgating job opportunities to underrepresented communities and assisting us with our BaM Job Fairs. We will provide these organizations any and all pertinent company and position information to be displayed on their platforms. We will look to promote our positions in accordance with the standard practices of these organizations and work with each one to further develop our social equity and incubator programs. We believe that these local initiatives will align nicely with our company-wide commitment to improving economic opportunities for low-income residents, people of color, and women.

Social Equity Program

Recruiting in the Community

Another part of our community outreach efforts involves promoting and encouraging residents in the Clark County who have been disproportionately impacted by marijuana prohibition to participate in the marijuana industry. The core of our social equity efforts will be to increase access to the industry and provide training for qualified individuals. We will seek exceptional candidates who qualify for social equity status and hire, train, and mentor them. We will attend conferences, trade shows, and industry events, and meet with community leaders to find, interview, and hire qualified individuals. Our goal is to ensure individuals who have been disproportionately impacted by marijuana prohibition will have an opportunity to participate in the industry and positively impact their communities.

Hiring Social Equity Employees

Once a social equity candidate is identified, they will move through an interview and review process, which includes meeting with the General Manager and Chief Operating Officer to discuss their professional goals, experience, and availability. Once the candidate is hired and on boarded, the qualified employee will learn from the ground-on-up and move through multiple positions at the facility to learn about marijuana operations. Overtime, the qualified employee will learn all aspects of the operation. The General Manager will regularly meet with the employee to review standard operating procedures, training sessions, discuss professional goals, and evaluate performance.

Mentoring, Training, and Professional Development

Mentorship and Leadership Programs

We understand the significant importance of developing and maintaining a healthy, diverse set of owners, managers, and staff. To do this, we put emphasis on our training, mentoring, and professional development programs and hold great value in embracing the diversity of the local community by inclusion. We are committed to provide equal opportunity to all persons who desire employment in the cannabis industry, while ensuring every aspect of our business is inclusive, respectful, and supportive. Our mentorship and leadership programs provide a pathway for our owners, officers, and staff to realize their career aspirations and promotional goals.

Fellowship Program

We will develop mentorship and leadership programs specifically catered to meaningful inclusion of diverse groups. Each year, we will implement a fellowship program and provide talented individuals with an opportunity to learn leadership and advanced skills in inventory management, security, technology, and cannabis operations. Our managers and the Community Liaison will work with local organizations and communities to recruit talented individuals from disproportionately affected areas, women, veterans, minority groups, and people with disabilities. For two months, the selected fellow will meet with the General Manager to learn management skills and work alongside staff, managers, and officers to learn about the cannabis industry. This initiative will be an excellent way to build management and leadership skills for talented individuals in the community.

Corporate Learning

We developed a mentoring program that connects lounge staff with our corporate staff, which includes executive, tax and accounting, compliance, business development, and marketing departments. Each quarter, one lounge staff member will meet with our corporate staff and assist them with day-to-day tasks to learn more about the business, corporate structure, and management. Following the corporate mentorship, the employee will meet one-on-one with the President or Vice President and discuss what they learned, career goals, and how to use these skills in the future. By learning all aspects of the business from a bird's-eye-view, staff members can expand their knowledge in the cannabis industry.

Manager Mentoring

Managers will regularly meet with staff to discuss operations to monitor employee and departmental activities while working one-on-one with individual employees to help them excel and succeed. By evaluating employees, we can ensure that all active employees are receiving the attention and guidance necessary to operate the lounge from top to bottom. In turn, the manager will meet with the employee following the evaluation to review the results, discuss business objectives, provide guidance, address concerns, and discuss career goals. Following the review, the manager and employee will establish goals for the next quarter and use the review as a metric for the next quarter.

Training

Diversity, Equity, and Inclusion Training

Employees will be afforded the opportunity to regularly meet one-on-one with managers and receive training that helps ensure a beneficial work environment for everyone, including anti-discriminatory, bullying, workplace harassment, sexual harassment, and diversity and cultural awareness training. We will ensure that all employees are afforded the same opportunities to meet and discuss concerns they have or reporting violations of company policy without fear of retribution. We will also arrange meetings with community leaders, local organizations, and consultants to seek guidance on training and solve community-based issues, including how to best offer equal opportunity to all members of the community. With help from minority-owned organizations, we will engage expert consultants to train our managers and staff about diversity in the workplace, including how best to represent those in disproportionately affected communities.

Recognizing Conscious and Unconscious Biases

We understand that we must educate managers and DEI Committee members to recognize their own conscious and unconscious biases, as often individuals are not aware of them. Every member of our committee will take the Implicit Association Tests on topics such as culture, age, gender, sexuality, and disability biases. Established by academic professionals from Harvard and other top-rated universities, the Implicit Association Test is designed to help people identify their thoughts and feelings outside of conscious awareness and control. In addition to committee members, we will educate and train managers on how to identify biases, such as tuning out people with foreign or regional accents, making assumptions about graduates from religious, women or historical black colleges, or believing that younger people are more creative and quicker than older people. By recognizing biases, our committee and managers will be able to consider whether the image of a “perfect candidate” is affected by preferences, rather than actual qualifications and competencies needed for the position.

Manager Training

Before recruiting from the community, hiring-managers will undergo diversity and cultural awareness training, as developed by our Community Liaison and officers. In concert with the General Manager, the Community Liaison will help educate and train our managers and employees on diversity, equity, inclusion and cultural awareness and work with local minority organizations to develop interview assessments and scoring criteria for the hiring-managers to use during the recruitment process. Our Community Liaison Director will develop relationships with local organizations, attend local events, and engage with local minority organizations to address how best to recruit and assess recruits according to their qualifications and competencies.

Diversity and Cultural Awareness Training Workshops

All employees will be required to attend diversity, equity, inclusion, and cultural awareness training workshops annually during company events, meetings, and company training sessions. Our managers and officers will avoid dividing employees into categories to avoid exclusion. Before

the workshop, employees will be given a survey to be completed anonymously to gauge their knowledge on diversity and cultural awareness. The workshop will cover a variety of topics, specifically managing change, effective communication, cultural awareness, the value of age, experience, social customs, sense of time and demeanor, counteracting unconscious bias, fostering an inclusive environment, improving engagement, and handling conflict resolutions.

Professional Development Program

Overview

We believe in providing employees with opportunities to develop and enhance their professional knowledge and skills through education and community service. The Professional Development Program is designed to benefit staff and the community, while providing a mechanism to continually educate and retain highly competent employees. Employees are encouraged to meet with their manager to discuss their professional goals, review available opportunities, and design a plan that fits their needs. In concert with the Community Liaison, all managers will regularly organize and participate in community service events. If an employee is interested in participating in community service or has a new idea for an event, they may meet with their manager and submit their proposal. In turn, the manager will help assist the employee find, schedule, and organize community service events and opportunities.

Employee Education Reimbursements

Our managers will maintain a list of educational opportunities preapproved by the lounge. If an employee is interested in taking an educational course and be reimbursed for the course, the employee may complete a Professional Development Form and submit it to their manager for review and approval. Once approved, the employee may register and pay for the course. Upon completing the course with a passing grade, the employee will be eligible to be reimbursed for the total amount of educational expenses, including registration, tuition, and required course materials. Examples of educational opportunities include attending courses on cannabis education, inventory management, compliance, social equity, diversity and inclusion, American sign language, second language, project management, MS Office, accounting, leadership, and first aid and CPR training.

Paid Volunteering

We will incentivize employees to volunteer in the community by offering 40 hours per year of paid volunteering during operational hours. Since our lounge will be scheduling and coordinating volunteer events, one way for us to encourage participation and new ideas is to pay employees for their time, whether they are coordinating, scheduling, or volunteering at an event. For every hour an employee volunteers, we will pay the employee for one-hour at the same rate as normal pay.

Timeline and Benchmarks

Timeline

Provisional License Approval

Upon provisional license approval, the President and Vice President will engage and meet with local organizations and agencies to devise a plan on how to attract diverse candidates. In turn, we will recruit and hire a local Community Liaison with experience and connections to local leaders to manage recruiting and hiring of the General Manager and employees, take the steps necessary to implement our DEI Plan, and prepare for recruiting and hiring managers and staff. Our President, Stephen 'Trip' Hoffman, is well connected to local organizations to assist with identifying diverse candidates for these positions. We will connect with woman and minority- led recruiting agencies based in Las Vegas that specialize in recruiting diverse candidates for the interview process, such as All-In Recruiting & Talent Boutique and The Adinek Group.

3-4 Months Before Opening

Once a Community Liaison is hired, we will work with local organizations and agencies that specialize in recruiting diverse candidates to identify and recruit a qualified General Manager and help us further develop our diversity practices. As part of this effort, the President, Vice President, and Community Liaison will participate in the recruiting and hiring process. Upon hiring the General Manager, and under the direction of the President and Vice President, the Community Liaison and General Manager will work together to begin identifying and recruiting a diverse set of new employees and building training materials for the onboarding and continued education process.

2-3 Months Before Opening

The Community Liaison and General Manager will work together to recruit local employees to staff the lounge. To do this, the Community Liaison and General Manager will advertise a BaM Job Fair, identify and recruit candidates, conduct interviews, and hire employees. Our efforts will also include developing metrics to track diversity among recruits to ensure all new hires come from a range of different backgrounds, demographics, and cultures. We will place special emphasis on hiring a diverse makeup of races, ethnicities, genders, and disproportionately underrepresented groups. Out of the new hires, one employee will be selected to join the DEI Committee who has a different background than the General Manager and Community Liaison.

Recording and Reporting Results

Policies and Procedures

As part of our oversight into recruiting a diverse team and meeting our benchmarks, we have established policies and procedures for our DEI committee to report and track data to eliminate any disparities among women and minorities in our workforce, including managing social equity incubator and mentorship training programs focused on recruiting, training, hiring, and retaining people of color, underrepresented groups, women, veterans, and LGBTQ+ candidates. Our DEI committee will oversee our diversity efforts, partner with social justice coalitions and workforce

development agencies, provide educational opportunities, monitor and report our progress, and offer employees pathways to leadership. Our SOPs clearly detail how to practice, record, and report our DEI Plan. We are fully committed to positively aligning our facility with the State of Nevada and our local community, hiring staff from a range of backgrounds and experiences, analyzing demographical employee and recruiting data, and meeting with experts to refine and improve our processes.

Recording and Reporting

To support our goals, it is also important to address the characteristics that currently make up the employees based on the tracking and recording data of our DEI Plan. Every quarter, the DEI Committee will review the record, summarize the findings, answer the following questions, and report the results to the President and Vice President:

5 Strategic Goals

- Does our company **culture** promote inclusion, career, and reward high performers?
- Do our **careers** reflect a high-performing, diverse, and inclusive workforce?
- Does our **communication** promote open, respectful dialogue between our employees, managers, and owners?
- Is our business **consistent** in our diversity, equity, and inclusion efforts?
- Does our recruitment and hiring efforts provide our **community** with opportunity for economic development?

Strengths and Challenges

- Are we recruiting from a diverse pool of candidates?
- Do we promote the meaningful inclusion of diverse groups?
- What are the diversity and inclusion strengths at the lounge?
- How can we build on our strengths?
- What are the diversity challenges?
- How can we address those challenges?

By addressing our goals, strengths, and challenges, our DEI Committee and managers can identify from a high-level the areas that need improvement. Using these answers, the DEI Committee will discuss hiring goals with our owners, officers, and managers to ensure that all parties involved in the hiring process will consider the lounge's current demographic profile and note if there are any affirmative action goals associated with the position.