



Pincanna

AU-G-C-000152
AU-G-C-000267
AU-G-C-000268
AU-G-C-000269

AU-G-C-000270
AU-G-EX-000136
AU-P-000119

AU-R-000195
AU-R-000478
AU-R-000738

This entity qualifies for the Silver level tier of
the Social Equity All-Star Program

PINCANNA

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Social Equity Plan All-Star Program

11.03.2023

Compassionate Advisors, LLC d/b/a Pincanna
Kalamazoo Marihuana Retail Location
121 & 123 E. South Street
Kalamazoo, MI 49007

Social Equity Plan
Compassionate Advisors, LLC d/b/a Pincanna
Kalamazoo Store
10/05/2023

1. Introduction

Compassionate Advisors, LLC d/b/a Pincanna (the "**Company**") has developed initiatives to demonstrate its dedication to assisting those who have been disproportionately impacted by marijuana prohibition and enforcement. The Company has already opened two facilities in communities harshly affected by marijuana prohibition; East Lansing and Kalamazoo. In each of these communities, we have hired, trained and provided competitive compensation to community residents who have been disproportionately impacted. We believe our initiatives will encourage entrepreneurship, support workforce development, and provide those employees with opportunities to improve their skills while being able to comfortably support themselves. We plan to make an ongoing assessment of these initiatives, and further update them, so that additional opportunities for recruitment, employee training, and community outreach projects are suitably explored.

2. Providing Job Opportunities

The Company, in addition to its store in Kalamazoo, has opened retail stores in Kalamazoo and East Lansing. The Company also expects to open retail stores in Pinconning, Mount Pleasant, and Saline within the next 3 to 5 months together with additional stores thereafter. Opening such facilities, throughout the State, will create extensive job opportunities for those residing within disproportionately impacted communities; whether they live within the communities where the stores are located or reside in neighboring locales.

Our store in Kalamazoo, in concert with our other sister facilities, plans to work to implement our social equity goals. This work will include advertising job openings that target community members that have been more harshly affected by marijuana prohibition. In Kalamazoo, as many as 50% of our current employees self-identify as part of a social group, or as members of communities, that satisfy the CRA's requirements for eligibility to its Social Equity Program. Apart from the benefits such diversity of employment has provided to these persons, employment diversity has proven to be "good business". The unique insights, perspectives, knowledge and passion for the industry, demonstrated by these individuals, are of service to our customers and benefit our business. As our business in Kalamazoo grows, we expect further opportunities for employment and job growth to be provided to eligible community members. We understand the importance of giving back to those communities that have previously endured harsher treatment. This is why we intend to ensure having a positive impact in Kalamazoo and in every city in which we operate.

3. Incorporating Training Opportunities

Implementing training opportunities in marijuana operations and sales help provide our Kalamazoo employees with the skills and knowledge needed to perhaps one day be able to operate their own businesses. This will help development of the marijuana industry by educating those who may later enter the industry as business owners. Not only are employees being trained in the marijuana products themselves, but they also receive training in business operations which includes, but is not be limited to, sales, customer service, business management and leadership training.

Employees are provided with competitive pay together with a compensation package which includes PTO and sick leave for team members including qualified part time hourly staff. This allows our staff to comfortably support themselves and gives them the financial freedom to focus on other important aspects of their lives such as education, health and community relations. In addition to the financial resources being provided to our Kalamazoo store, the Company is also providing such resources to our sister facilities within affected communities, ensuring that they too are financially capable of implementing our company-wide social equity goals. The Company aims to ensure that each employee's life is enhanced through their employment with the Company. This benefits the Company as well as the employee.

4. Spending

Approximately 19.3% of the Company's current operational expenditures are with diverse suppliers of goods and services, including minorities, women, LGBTQ, and individuals and businesses that have been disproportionately impacted by marijuana prohibition and enforcement. Examples of our diverse suppliers include:

Mexico Mexico LLC:

Facility Designer, Jeremiah Armstrong
LGBTQ and Racial Minority owned
Approximately \$10,000 was paid to this supplier.

Mason Jar Plant Store:

Local Plant Vendor
Women owned
Approximately \$1,000 has been paid to this vendor and we intend to continue purchasing from this vendor to supply our inventory.

SteelGuard Security Services:

Facility Security Services
Since we commenced operations in Kalamazoo, we have operated under a working assumption that SteelGuard Security Services is a minority-owned company. This was based on the fact that the executive leadership of the company, with whom we routinely interact, and the individuals who perform direct on-site security services on our behalf, are all, or nearly exclusively, "Minorities"(Latino, African

American, LGBTQ, and women). In addition, we have been advised by SteelGuard that most of these individuals live in Kalamazoo. However, we have since determined that ownership of SteelGuard is held by a person of Middle East decent (Arab American). While we are unsure if this disqualifies SteelGuard as a minority business, any substitution to some other minority owned business may have a negative impact on the number of minority jobs that are provided through SteelGuard on our behalf.

Approximately \$32,000 has been paid to this vendor and we intend to continue using their security services for our Kalamazoo location.

Korotkin Insurance Group (KIG Insurance)

Insurer of Facility

Our nearly exclusive interface and contact with this company is with an individual who identifies as a member of the LGBTQ community. This is a family owned insurance group owned by the Korotkin family, and the individual we work with at KIG is a member.

Approximately \$19,187 per year is paid to this supplier and we intend to continue using their services for our Kalamazoo location as well as our other locations.

The Company intends to continue to spend no less than 5% of its expenses for goods and services with qualified suppliers who identify as members of disproportionately affected groups.

5. Conclusion

The Company is committed to improving the livelihood of those more deeply affected by marijuana prohibition and enforcement through its support of the Social Equity Program and its implementation of social equity principles. As the Company continues to expand, we intend to provide additional opportunities to counter the disproportionate effect of previous prohibition. We plan to continually assess whether we are doing everything we can to promote our social equity goals. The Company is dedicated to leading the way toward mitigating damage caused by the disparate treatment of marijuana prohibition and enforcement.