

# Social Equity Plan

Next Level Wellness is committed to promoting and encouraging participation in the marijuana industry by people from communities that have been disproportionately impacted by marijuana prohibition, including groups that have been historically under-represented, excluded, marginalized, or otherwise discriminated against. Our “Diversity and Inclusion Mission Statement” is as follows:

Through our strategic diversity planning efforts, we will create an inclusive work environment, develop continual improvement in workforce representation, strengthen employee talent through diversity recruiting, hiring and retention, ensuring a diverse leadership pipeline through employee development, promoting and holding management accountability for diversity at all levels.

At this time, Next Level Wellness, through 3<sup>rd</sup>-party or direct hires, employs close to 25 residents of Flint – a community that is recognized as one of the 19 communities that have been specifically disproportionately impacted by marijuana prohibition and enforcement. Next Level Wellness takes great pride in bringing jobs to the Flint area and pledges to grow the current number of opportunities significantly as the Company continues to expand in the Michigan market.

In addition to providing employment opportunities, Next Level Wellness has partnered with the MRA for purposes of providing targeted educational sessions. Specifically, Next Level Wellness representatives have spoken at two Social Equity Education Sessions in surrounding areas, including Flint. We have also taken part in one-on-one sessions with participants outside of the larger sessions. Next Level Wellness continues to act as a sounding board and mentor to participants of the social equity program - providing guidance, direction and information to facilitate more diverse participation in the marijuana industry.

Our other continuing strategies include: (1) a commitment to enhance staff development opportunities that prepare staff of different genders, ages, races, ethnicities and lifestyles for senior level positions; (2) a focus on expanding partnerships with minority-serving universities, education associations and professional organizations; (3) our pledge to attend and participate in networking opportunities at minority conferences and job fairs; and (4) our commitment to “second-chance” employment.

## **Our Second-Chance Employment & Diversity Strategies**

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The legalization of cannabis is an important step in remedying harm the “War on Drugs” has inflicted, particularly within minority communities. At Next Level Wellness, we are confident that our hiring practices reflect the purposes of the social-equity program.

First, we strive to be part of the growing nationwide “second-chance employment” movement. We seek to prioritize hiring individuals with past convictions - especially those with drug convictions - to give these individuals a second-chance. The stigma of a criminal record unfairly punishes people and prevents them from finding gainful employment.

Second, creating a diverse workplace is important to us, and also the best for the organization. We recognize that the disproportionate amount of convictions of people of color has especially hurt minority communities. At the same time, we acknowledge that simply stating a broad aspiration that we want to be “diverse” is insufficient. So, we have adopted two concrete employment practices, inspired by law firms and the National Football League.

Many law firms are now following the “Mansfield Rule,” named after Arabella Mansfield, the first licensed female attorney. Under the Mansfield Rule, law firms have committed to considering diverse, women, or LGBTQ employees for at least 30% of open positions. The NFL has, for over 10 years, followed the “Rooney Rule,” named after Dan Rooney, the former owner of the Pittsburgh Steelers. Under the Rooney Rule, NFL teams interview at least one minority candidate for any open head-coaching position or senior leadership role.

We have combined our commitment to second-chance employment and diversity, as well as the lessons from the Mansfield and Rooney Rules. In doing so, we have developed our own “Cannabis Hiring” Rule, comprised of two parts. Specifically, for any and every open position, we are dedicated to interview:

1. At least 2 individuals with a prior criminal record; and
2. At least 3 individuals that are women, people of color, or LGBTQIA

Finally, we will periodically assess the composition of our employees to ensure that at least 50% of our workers fall into one or both of the above categories.

In closing, it is our Company’s policy to prohibit discrimination and to ensure equal opportunity. We pledge to promote and encourage participation in the marijuana industry by diverse candidates and people from communities that have been disproportionately impacted by marijuana prohibition - specifically Flint, home to Next Level Wellness.