

ODOR CONTROL PLAN:

A detailed plan describing how the applicant will prevent all odors generated from the cultivation/manufacturing and storage of cannabis from escaping from the buildings on the cultivation/manufacturing site, such that the odor cannot be detected by a reasonable person of normal sensitivity outside the buildings.

Embarc is committed to mitigating and controlling any odors associated with our facility and will be responsive to the odor control requirements set forth in the applicable State and local regulations.

Embarc utilizes odor control devices and techniques to ensure that odors from cannabis are not detectable off-site. Appropriate air purification systems and air scrubbers will be utilized to prevent the odor of cannabis from emanating beyond the walls of the premises. Other odor mitigation equipment will include, but not be limited to, charcoal filtration systems.

Embarc's odor mitigation practices are intended to serve the following purposes:

- To ensure that air circulation resulting from Embarc retail operations does not impact our employees' health and welfare;
- To ensure that air circulation resulting from Embarc retail operations does not impact surrounding businesses and outdoor areas; and
- To ensure thoughtful operations that demonstrate a true commitment to the health and welfare of the City and its residents.

Through our leadership team's years of operating cannabis facilities across the country, and the lessons learned at our existing 16 dispensaries, we have developed industry-leading protocols and procedures to mitigate and eliminate any potentially offensive odors that could be detectable by the surrounding community.

Many of Embarc's odor mitigation practices overlap with its hygiene protocols. Embarc will train all employees to maintain a sanitary facility reinforced by anti-contamination SOPs. Per Colusa regulations, Embarc prohibits employees from consuming cannabis within or outside our licensed facility, and odor control devices such as carbon filtration technology will be utilized to minimize the chances of off-site detection of odors emanating from our facility. To further minimize or eliminate odors emitted to the surrounding community, no cannabis will be stored or displayed in an area accessible to the general public or stored overnight outside of the building.

Our Odor Mitigation Plan will be approved by the applicable City authorities prior to operation. The system will consist of an exhaust air filtration system utilizing multiple fans and active carbon filters to prevent internal odors from escaping the facility. Generally, this means exhaust air will be filtered through active carbon filtration and, where applicable, HEPA filters prior to exterior release.

Carbon filters will be regularly inspected and recharged and/or replaced in accordance with usage and manufacturer specifications. Embarc will also perform self-inspections, encourage employee observation and reporting, and create response protocols to effectively address any odor complaints that may arise. It is our intention to resolve any complaints received from neighbors in a timely and satisfactory manner.

Our administrative controls have been field-tested and proven effective. They have been designed to ensure that no odors will be detectable outside of our facility. Our General Manager will ensure all odor-producing activities are isolated and mitigated and will perform routine audits to ensure that odor mitigation equipment, filters, and ventilation are working effectively and in good order. Each employee will be trained to ensure that all doors remain closed and odor-emitting activities are isolated. If an employee notices any

equipment malfunction, they are required to immediately report the situation to the General Manager, who will develop a plan of action to repair or replace the equipment.

Odor mitigation practices are only as good as their implementation. Thus, this Odor Mitigation Plan seeks to be all-encompassing, focused not only on the mitigation of odors but also on the ongoing maintenance of best practices with clearly defined process ownership, community engagement and communications protocols. It is this level of detail that ensures effective ongoing odor management is achieved.

Embarc's Odor Mitigation Plan detailed below contemplates the following critical components:

PHYSICAL INFRASTRUCTURE: Embarc's approach to retail design contemplates the importance of the physical infrastructure necessary to mitigate odors.

BEST PRACTICES: Embarc will employ industry-leading best practices to prevent odors from being generated and/or detected inside or outside the facility. Embarc will provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the business that is distinctive to its operation is not detected anywhere outside of the facility.

COMMUNITY ENGAGEMENT & RESPONSIVENESS: In addition to physical infrastructure designed to mitigate odors, an important component of our odor control plan is community engagement and responsiveness. While our facility is designed to eliminate odors, we recognize that any new cannabis use, even if that use is not odor-generating, can result in questions and concerns from community leaders, residents, and businesses. Thus, a critical component of our Odor Mitigation Plan is a robust community responsiveness protocol designed to be proactive in addressing community questions and diligent in responding to concerns.

INTERNAL PROCESS OWNERSHIP: Embarc's retail management structure ensures that there is at least one manager on-site during all working hours. All managers and staff are trained extensively on SOPs, including the odor management protocols outlined in this proposal. Managers are responsible for ensuring that any odor issues are resolved promptly and that the resolution is communicated effectively both internally and externally.

Potential Sources of Odor

As cannabis is legalized across the country, significant research is being undertaken to better understand odor intensity at each point in the cannabis supply chain. These findings are integral to ensuring thoughtful air quality management best practices are in place specific to each point along the chain.

One example of the research driving the development of best practices can be seen in the City of Denver's Public Health and Environment Guide to reducing the impact of cannabis operations on air quality. Per this Guide, odor generation is typically associated with the cultivation and manufacturing of cannabis, as both processes are odor intensive, and not with retail operations given all products arrive in their final form. California law requires that all products arrive at a retail establishment fully processed, tested, packaged, and sealed in child-resistant packaging. Because all products arrive at Embarc retail facilities in their final packaged form, there are virtually no odors associated with this license type.

Specifically, per State law, all packaging shall:

- Protect the product from contamination;
- Be tamper evident and sealed so the contents cannot be opened without destruction of the seal; and
- Be child resistant as stipulated by the California Department of Public Health Code (40415) .

Our proposed dispensary will receive, store, and sell packaged products in their final form. Consequently, it is highly improbable that any on-site product will emit a strong odor. Nevertheless, this section contains a comprehensive Odor Mitigation Plan designed to ensure odors are undetectable.

Odor Mitigation Practices

An overview of Embarc's proposed Odor Mitigation Plan is provided above in Section 3.3. Odor Mitigation Practices and more comprehensive information can be found in Section 3.5. Odor Control Devices, Equipment, & Techniques. In response to this prompt, we've provided details on Embarc's staff training plan related to odor mitigation.

Staff Training Related to Odor

The General Manager will train all employees on odor detection, mitigation, reporting, and general system maintenance as part of the pre-store opening training and on an ongoing basis throughout the lifetime of the business. System and process maintenance training and activities are incorporated into the quarterly all hands meeting, and the General Manager will provide a weekly update for all staff with pertinent reminders including retrainings on control measures, maintenance responsibilities, and community engagement, among others.

Additionally, each new hire must complete an odor control training curriculum prior to reporting to work. In addition to technical and procedural components, this curriculum includes de-escalation techniques for use in discussion with community members should odor rise to the level of concern.

The General Manager will organize re-training on administrative and engineering activities for odor mitigation at least once a year or following any material change in odor mitigation equipment or policy.

Trainings will be conducted in person, using real world examples and hands-on learning activities. All Embarc Colusa employees will be trained on the company's specific administrative and engineering activities for odor mitigation, including but not limited to:

- Employee responsibilities;
- The importance of closing doors and windows;
- Recordkeeping;
- System design;
- Employee observation and reporting;
- Equipment cleaning;
- Ensuring exhaust and filtration systems are running as required;
- Equipment maintenance; and
- Equipment audits and checks.

Embarc will also hold refresher courses throughout the year to remind employees of best practices for odor mitigation. These refresher courses will be mandatory for all employees. During these trainings, Embarc will stress that odor mitigation is each employee's responsibility.

All employees will be trained to report any odors emitted or any discrepancies between our operations and our odor control SOP. Embarc will also emphasize the fact that we are members of the Colusa community, and that each employee therefore has an obligation to monitor odors and make a positive impact on the neighborhood.

Embarc employee training practices have been proven successful at our seven existing dispensaries and this hands-on experience operating cannabis facilities has taken the guesswork out of developing training protocols. To date we have experienced no issues with odor management.

Odor Control Devices, Equipment, & Techniques

Odor control devices and techniques will be incorporated in all aspects of our facility to ensure cannabis odors are not detectable. Embarc Colusa will provide an odor absorbing ventilation and exhaust system so that odor generated inside the property is not detected anywhere outside the facility, including the adjacent property or public rights of way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other area available for use by common tenants or the visiting public, or within any other unit located inside the same building as Embarc Colusa.

Physical Infrastructure

Examples of the physical infrastructure that has been contemplated in the development of a proposed Odor Plan for Embarc Colusa include, but are not limited to, the following:

- Reduced path of travel for deliveries of bulk cannabis goods, i.e. a reduced path of travel to transport products from the distributor's vehicle to the Secure Product Storage Room;
- Installation of weather stripping on all doors and windows to prevent odor leakage; and
- A sufficiently sized inventory room to allow for all (appropriately packaged and self-contained) product to be unpacked from bulk boxes within the inventory room to ensure interaction with cannabis products at a high volume are self-contained.

Odor Mitigation Techniques

Embarc Colusa will implement the following odor mitigation strategies.

NO ODOR-PRODUCING ACTIVITIES ON-SITE:

Embarc will not be conducting any cultivation, testing, packaging, extraction or distribution of

cannabis and no noxious fumes or gases will be released.

CARBON CHARCOAL SCRUBBER: Embarc will use a carbon charcoal scrubber to remove contaminants and impurities using chemical absorption which will prevent odor from escaping the facility. Carbon charcoal scrubbers are an industry best practice for effectively neutralizing and mitigating odor from cannabis and other industries.

AIR FILTRATION AND NEGATIVE AIR PRESSURE:

Our HVAC consultant will design our air system to maintain negative air pressure between the interior and exterior of the building. The HVAC consultant will follow industry standard procedures that are summarized here, based on a study conducted by the California Department of Health Services and the Lawrence Berkeley National Laboratory:

Maintain the interior as depressurized relative to the exterior of the building. Our pressure differentials will be between -5 to -7 Pa (-0.02 to -0.03 in. w.c.). Because of this, exhaust efficiencies of at least 90% will be achieved.

Air from the commercial cannabis sales area will be filtered and exhausted to the outside without recirculation to other occupied spaces.

Increasing the ventilation rate will diminish the concentration of contaminants in any air that happens to leak from the commercial cannabis sales floor to the other areas of the building.

We will work with our vendor, Pure N Natural Systems, to procure industry-leading technology to implement the negative air pressure system including the use of the Clean Leaf System. This system captures VOCs, odors and more. As the air flows through three stages of filtration, it is cleaned of odors.

As a component of Embarc's commitment to sustainability, we will utilize biofiltration as a

component of our broader odor control plans, effectively enhancing odor control efforts. A recent NASA Clean Air Study identified biofiltration as a powerful tool in controlling odors. Through use of “living walls” and beneficial microbes, Embarc will be able to filter indoor pollutants and odors from the air in a completely sustainable way.

ON-SITE ODOR NEUTRALIZATION: Embarc will utilize industry-leading odor neutralization gel to eliminate odors. Odor neutralizers are different than air fresheners as they are chemically compounded gels that bind to and absorb terpenes, thus eliminating the cannabis smell. By utilizing these products in the inventory room and sales floor, Embarc is adding another layer of odor mitigation.

VENTILATION SYSTEM: Our facility will be equipped with a ventilation system to maintain air quality and prevent any cannabis odor from leaving the premises. The ventilation system is designed to control the facility’s environment, taking into consideration the square footage, quantity of cannabis products on site, and any odor-emitting activities that occur. Every occupied space will be ventilated by natural or mechanical means in accordance with the International Mechanical Code, International Building Code, and National Fire Protection Association Code. As previously stated, odor control equipment utilized at the facility will include responsible ventilation design and activated carbon filtration technology.

VENTILATION INTAKE OPENING: The location of air intake openings will comply with the International Mechanical Code. All intake fans will be equipped with UV and insect filters. Air intake openings that terminate outdoors will be protected with corrosion-resistant screens, louvers, or grilles. Openings in screens, louvers, and grilles will be sized in accordance with the International Mechanical Code and will be protected against local weather conditions. Outdoor air intake openings located in exterior walls will meet the provisions for exterior wall

opening protective measures in accordance with the International Building Code.

OUTDOOR AIR: The minimum outdoor airflow rate will be determined in accordance with the International Mechanical Code. Ventilation supply systems will be designed to deliver the required rate of outdoor airflow to the breathing zone within each occupied space.

AIR BALANCING: The ventilation air distribution system will be provided with a means to adjust the system to achieve at least the minimum ventilation airflow rate, as required by the International Mechanical Code. Ventilation systems will be balanced by an approved method. Embarc will maintain air balancing reports in the Facility Maintenance Log.

NEGATIVE AIR PRESSURE: As detailed above, negative air pressure will be maintained at all times inside the building. We will accomplish this by compartmentalizing the facility and by utilizing negative pressure airlocks. Airtight functionality will create pressure differentials that alleviate the permeation and spread of odors. Furthermore, doors and windows will always remain closed, except for the minimum time required to allow people to enter and exit the building.

EXHAUST OPENING PROTECTION: Exhaust openings that terminate outdoors will be protected with corrosion-resistant screens, louvers, or grilles. Openings in screens, louvers, and grilles will be sized not less than a quarter inch ($\frac{1}{4}$ ”) and not larger than half an inch ($\frac{1}{2}$ ”). Openings will be protected against weather conditions. Outdoor openings located in exterior walls will meet the provisions for exterior wall opening protective measures in accordance with the International Building Code.

DUCT SYSTEMS: The ducting systems used for the facility’s heating, air-conditioning, ventilating, and exhaust systems will conform to the provisions of

the International Mechanical Code and National Fire Protection Association Code 90A.

Ultimately, Embarc Colusa commits to utilizing the best available technology, devices, and techniques to eliminate odors and to effectively maintaining these systems to maximize their efficacy.

System Maintenance

Because each location is different, there is no one-size-fits-all maintenance schedule for retail operations. Rather, a customized plan is created for each location by the President of Development, Facilities Manager, General Manager, and construction team, encapsulating odor control as well as general facilities maintenance and management specific to the unique characteristics of the location.

President of Development Terri Gilles and Facilities Manager John Ngu oversee system maintenance for Embarc, bringing years of operational experience in cannabis and a variety of highly regulated industries. The operational excellence, including precise system maintenance protocols, exhibited at existing Embarc locations is a testament to this team's ability to approach system maintenance proactively and efficiently.

In accordance with all applicable municipal code requirements and regulations, Embarc's system maintenance plan will include detailed maintenance policies, procedures, and timelines for odor control. This timeline has daily, weekly, monthly, quarterly, and annual timelines (depending on item and focus area), and this timeline is built into our store-specific management software requiring proactive acknowledgment of completion for each activity. This proactive acknowledgment corresponds to various forms and checklists which are maintained electronically and built into the quarterly and annual performance review process for each General Manager at Embarc. This ensures ongoing maintenance is store-specific, detailed enough to ensure accuracy, and ongoing in nature.

As described previously, the odor control system's carbon filters will be regularly inspected and recharged and/or replaced in accordance with usage and manufacturer specifications. Embarc will also perform self-inspections, encourage employee observation and reporting, and create response protocols to effectively address any odor complaints that may arise. It is our intention to resolve any complaints received from neighbors in a timely and satisfactory manner.

Embarc is committed to ongoing preventative maintenance and ensuring proper functionality of all operations as well as aesthetic management of the facility and surrounding area, including ensuring the property is consistently provided with adequate electricity, sewerage, disposal, water, fire protection, and storm drainage for the intended business purpose. We will maintain proper facility and system maintenance through the following processes.

At the conclusion of a store buildout, the President of Development and Facilities Manager will schedule a building walkthrough with key members of the construction team to review all components of the facility as well as all warranty and maintenance information. This site inspection and transfer of warranty and other documentation is required of the general contractor before final payment is made and is kept in a binder on the premises.

Upon finalizing the documentation and handover from the construction team, the President of Development and Facilities Manager will then meet with the local onsite General Manager to review the binder in detail and develop a comprehensive preventative maintenance schedule. Items requiring maintenance plans include, but are not limited to:

- HVAC System Maintenance
- Odor Mitigation Infrastructure
- Charcoal Filters
- General PM Schedule

- Waste, Recycling, and Composting Disposal
- Smoke Detectors & Carbon Monoxide Alarms
- Uninterrupted Power Sources (UPS) Batteries for DVR and Network Server Systems
- Exterior Camera Cleaning
- Roof Structures
- Landscaping
- Pest Control
- Plumbing Back Flow & Hydrojetting

During this meeting, the team will also identify all relevant contractors and service personnel and initiate contracts with them to ensure regular service. Embarc Colusa seeks to achieve 100% local service providers and will utilize the Chamber of Commerce membership guide as a starting point for identifying service providers locally. In fact, for any purchase order or service contract to be approved, the General Manager and/or on-site Manager must assure that the contractor or vendor is based in Colusa County.

Non-local service providers will only be utilized when the service is not available locally or where warranties dictate the use of a specific entity. Thus, our commitment to utilizing local service providers goes beyond an abstract sense of community.

As noted above, the findings of this initial process development are then populated into the store-specific management software, with key daily, weekly, monthly, quarterly, and annual deadlines requiring proactive acknowledgment and documentation in order for the General Manager to remain in good standing with Embarc. The General Manager is supported in these key functions by the President of Retail, who oversees General Manager performance, and by the Facilities Manager, who works hand-in-hand with the General Manager to monitor and maintain the facility.

Odor Control Record Keeping Systems & Forms

Embarc has developed an Odor Mitigation Plan, which includes maintenance of all records relating to odor management, including system installation, maintenance, equipment malfunctions, and deviations from the plan. The General Manager will verify the effectiveness of the air quality management system weekly by physically inspecting the system by listening for the sound of the system, visually ensuring the lights are on and the system is functioning, and verifying there is no odor. The General Manager will log that the system has been checked weekly in an Odor Control Maintenance Log.

The equipment cleaning and maintenance records will include, at a minimum, the following information:

- Manufacturer information;
- Date equipment was put into service;
- Date and time of cleaning or maintenance;
- Detailed description of cleaning or maintenance;
- Name of employee who cleaned or maintained equipment;
- Name of tradesperson, if applicable; and
- Date of required next service.

The General Manager will also maintain an odor complaint log. Details of this procedure and log are outlined in part one of this Neighborhood Plan.

The General Manager will be responsible for creating and submitting a monthly odor management report, and Embarc Colusa will maintain complete records that can be provided to the City upon request.

All records and logs related to the Odor Mitigation Plan will be stored onsite in the Management Office as well as electronically as part of the store-specific management software requiring proactive acknowledgment of completion for each activity. This proactive acknowledgment corresponds to various forms and checklists which are maintained

electronically and built into the quarterly and annual performance review process for each General Manager at Embarc. This ensures ongoing maintenance is store-specific, detailed enough to ensure accuracy, and ongoing in nature.