

Environmental Compliance Program

Including:

NEIGHBORHOOD IMPACT PLAN

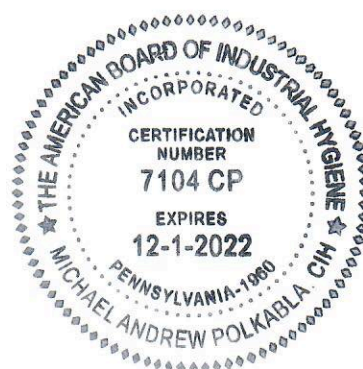
ODOR CONTROL PLAN

SUSTAINABILITY PLAN

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Date

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ENVIRONMENTAL COMPLIANCE PROGRAM

I. NEIGHBORGOOD IMPACT PLAN

1. Foot and Vehicle Traffic

The subject property operated by American Holdings Company (AHCO) is located in an industrial area of Hayward and the vehicle traffic anticipated from the use of the property is consistent with the overall neighborhood traffic. In terms of foot traffic, the AHCO doesn't foresee any increase in such as the facility will not be open to the general public. The vehicle traffic will minimally increase compared to the current traffic, as the subject property is presently vacant. Compared to other businesses in the area of the similar size, the vehicle traffic coming to and from the AHCO facility will be considered average to the area.

Presently, adjacent properties have a continuous flow of delivery/pickup trucks. Specifically, the property at 2748 Cavanagh Ct, H2O Precision has large trucks coming to and from the site on a daily basis. The property at 23188 Foley St, Oven Fresh Bakery, has trucks with trailers and reefer boxes coming in and out on a regular daily basis. Each of those businesses has other vehicle traffic including employees vehicles coming to and from the noted work places. Once the AHCO starts operating, just like in other businesses, the employees and contractors will be coming to and from work in their private cars and/or will be dropped off as carpools. There will be product deliveries and pickups at the facility, which will primarily consist of small delivery cars and vans. Therefore, it is anticipated that overall vehicle traffic will be consistent with the current neighborhood traffic in general.

2. Nuisance and Noise

The AHCO business operation by design doesn't create any increased noticeable noise. All the work done at AHCO will take place inside the building structure other than loading and

unloading of supplies and materials. Specifically, there will be no heavy trucks coming to the facility and no heavy machinery will be operated on the premises.

The maximum noise from the facility is from the air conditioner units which are located on the building rooftop and away from the property line. The overall increase in noise level is, therefore, believed to be minimal and non-invasive.

3. Consumption of Resources

The AHCO facility will total 11,000 sq ft in space and will be divided for use between the four components of the cannabis microbusiness, where the cultivation component will consist of less than 4,000 sq ft of canopy growing space. The primary focus of the AHCO facility and business will consist of distribution and delivery wherein the total overall cultivation portion of the business will be minimal as compared to, for example, exclusive cannabis cultivation facilities.

II. ODOR CONTROL PLAN

The AHCO Odor Control Plan will be implemented according to the mechanical drawings drafted by a licensed mechanical engineer which will be a part of the building permit application as separately submitted for approval. In accordance with the City requirements, the application can only be filed with the building department after the Odor Control Plan is approved. Therefore, below are the main principals and operating procedures related to odor control. However, the final details of the Odor Control Plan as it relates to actual site setup and equipment orientation will only be available after the building department reviews AHCO's engineering drawings and makes any comments and/or revisions. Therefore, the final Odor Control Plan site setup and layout will be affected by, and dependent on, the building permit as approved.

The following are the proposed guidelines for the odor control at AHCO's facility.

1. Engineering Design/Setup

- a) The facility as a whole, will have designated exhaust outlet areas designed to force air to the outside of the building. These outlets will either be equipped with carbon filters (cleaning air from low odor rooms) or with commercial UV-light odor eliminators, such as Pure Leaf, Big Blue, etc., that is designed to clean 99.9% of odors and is routinely used for odor control within high odor areas in cannabis and other similar industries.
- b) Controlled and filtered forced exhaust systems such as these creates negative pressure in the facility as a whole. This significantly minimizes and/or eliminates seeping of odor-containing gasses and vapors to the outside of the facility through open doors, windows, as well as structural cracks, seams, and joints. Such negative interior pressure will thereby establish a gradient pressure differential whereby outside will always flow towards the inside of the building.
- c) The AHCO's unique cultivation processes and equipment uses **NO Carbon Dioxide (CO2) enrichment processes** within our commercial space. It is important to outline pros and cons of such setup, as related to the odor management. The con of NOT using CO2 is potentially

lower growing rates and yield. The benefits (pros) of such systems and processes include, among others, efficient and simple odor control system.

As previously stated, the AHCO's facility processes will utilize growing areas which are under negative pressure as stated above in paragraph b).

Other companies who use CO₂ have to create systems that keeps CO₂ inside the room for as long as possible and when they exhaust air, they do so in very small quantities which does not permit maintaining adequate negative pressure and which thereby, leads to uncontrolled odor releases. Other competitor companies and facilities are known to bring air from the outside/outdoor into the cultivation room, thereby, causing positive pressure in the room and resultant fugitive odor emissions. Such competing methods (not performed by AHCO) cause odor to seep to the outside through building penetrations, unless the design of their facility is complex and provides for capturing odor on the outside of the grow area. These are the reasons why processes which do not employ CO₂ enrichment (such as performed by AHCO) generally emit lower levels of odors as part of the processes.

- d) In addition, a number of cultivators elect to create positive pressure in their rooms, trying to prevent outside bacterial and fungal spores come into their grow rooms. Such approach is mainly used by hydroponic growers who have to eliminate all the bacteria – good and bad - in their grow rooms. Positive pressure pushes odor to the outside through penetrations in the building envelope causing odor releases. AHCO has solved the issue of fungal/bacterial invasion by using live organic soils as a grow medium. Live soils such as these, contains beneficial bacterial and fungal spores that naturally fight harmful microbial organisms coming from the outside.
- e) TO SUMMARIZE: In the cultivation area, which is understood to be the primary contributor to emitting odors, AHCO has implemented what is called in the industry, an “open room” environment. With no CO₂ supplementation, each grow room has exhaust systems that expels air through designated outlets – known as centralized points of air expulsion. Those points are equipped with carbon filters and/or use a more advanced blue light odor management system (such as “Big Blue”, for example). Such systems minimize the

potential for odor to escape to the outside without first going through a cleaning and/or treatment process through a centralized point of expulsion.

- f) Hence, every room where cannabis **is being processed or stored** will have either a carbon filter exhaust system or a carbon air scrubber. The air scrubber is a carbon filter and a fan attached which collects air within the room and runs it through the carbon filter which adsorbs volatile organic compounds and gasses and expels clean air back into the room. These filter and fan systems will be labeled with the room size capacity for reference purposes. For example, a room that has 980 cu ft of air would be served well with a scrubber where both the fan and the filter are marked for 1100 cu ft rooms. If an exhaust system is used, it will be built similar to those used in the grow room with high odor.

2. Monitoring Effectiveness

Odor control is a known issue in many industries (including cannabis) where eliminating and/or controlling odor emissions is a regular challenge and procedure. In all such industries, the first measure of the odor control monitoring is the “sniff test”. If there is no detectible smell within close range of the facility, the assumption is that all the equipment is working properly. If there is a detectible smell coming from indoor cannabis facility it evidences that some equipment is in need of improvement/adjusting, and/or is either failing or out of order.

The second measure to control odor is through neighborhood complaints. The AHCO business and Odor Control Plan includes provisions to meet with and explain to neighbors that a smell is an indicator of equipment malfunction and if they detect/smell odors then they are encouraged to report such conditions to AHCO so such conditions may be addressed. See below section 4. Handling Complaints.

3. Maintenance

Carbon filters have their lifespan which depends on the size of the filter, the concentration of Volatile Organic Compounds (VOCs) creating such odors, and on the frequency and conditions under which the filter is working in. AHCO’s designated ventilation contactor will be required to inspect carbon filters and ducts annually and/or when the lifespan of the filter/duct nears

completion. The Big Blue equipment systems will be inspected as per manufacturer's instructions and/or as needed based on function and odor emissions.

If a neighbor complaint has been made or an on-site "sniff test" detects a smell outside the facility, AHCO will immediately perform a documented investigation of the exhaust system and ventilation controls and will mitigate and/or replace any failing and/or equipment determined to be out-of-order, as necessary. If deemed necessary, during the investigation, AHCO may add a carbon scrubber to the identified odor source area in the event that the area has been determined to be insufficiently filtered by the carbon filters that are the part of the exhaust system.

4. Handling Complaints

The neighboring businesses adjacent to the subject property will be provided with a contact number to report smell, suspicious activity, or other business-related complaints. AHCO will promptly review and address the complaint as necessary and will contact the complainant if additional details are needed to investigate. All complaint issues will be addressed as soon as possible within the reasonable time frame depending on the nature of the report and facts associated with such odor complaints.

III. SUSTAINABILITY PLAN

AHCO has determined that the cost of production of 1 lb of dry flower demonstrates sustainability of a grow operation. There are other contributing factors that have to be taken into account when comparing the cost of production of similarly sized facilities. Those factors include the types and strains that are produced and the quality of the resulting product.

The cost of production is highly dependent of electricity and water usage, as those are the main contributors to the cost of production. To analyze sustainability of a cultivation and grow operation, quantified measurements and metrics have to be taken and logged into the overall system for evaluation.

AHCO has elected to use its specific growing and cultivation method which are know for their simplicity and efficiency. AHCO has concluded that its production cost per lb of product is among the lowest in the industry.

1. Water Management

The main water savings possible to achieve at a cannabis business facility where the business is engaged in cultivation, lays with water management systems within the site operations. Office-related water management will be presented within design plans as submitted by a licensed plumbing engineer and a licensed architect made in accordance with the current building codes. The office water management will be approved by the City of Hayward during the building permit application. The office-related water management systems, therefore, will not be reviewed here.

a) Water Consumption for Cultivation

AHCO anticipates that its grow and cultivation systems consume between 10,650 and 11,000 gallons/month.

Please refer to the AHCO's Grow Room Layout as attached to this plan (DRAWING 1 and DRAWING 2). According to the planned layout, there will be 120 lights in the flower room 1 (number 7 on the marked architectural drawings) and 127 lights in the flower room 2 (number 8 on the marked architectural drawings). Each light is

serving two plant containers (trays) with total number of trays in both rooms at 494. The plants are watered every third day with 2 gal of water per tray, totaling in 494 trays x 2 gal = 988 gal/every third day. Therefore, on average the consumption of the entire flowering setup of the grow per day is $988 \text{ gal} / 3 \text{ days} = 329.33 \text{ gal/day}$.

For the vegetation room (non-flowering plants, number 3 on the marked architectural drawings) the water consumption is approximately 60 gal every third day and therefore, on average, it is 20 gal/day.

For the entire cultivation system, the average water consumption per day is approximately $329.33 + 20 = 349.33 \text{ gal/day}$, which is $365 \text{ days/year} \times 349.33 \text{ gal/day} = 127,505.45 \text{ gal/year}$, which is approximately 10,625.45 gal/month. AHCO has 247 lights in the flower rooms, which makes water consumption per light per month of **only 43 gal/month/light**.

b) Conservation of Cultivation-Related Water

AHCO adopts a highly efficient method of growing. It is efficient in use of water and electricity. Below are the main reasons AHCO's water consumption is lower than of other comparable cannabis facilities while achieving the same outcome.

- i. **Water used for cultivation will not be filtered.** Most of the competing cultivation facilities and especially those using hydroponic growing methods utilize filtration, and specifically reverse osmosis (RO) filtration, in their irrigation system. Making 1 gallon of RO water generates 4 gallons of backwash. By contrast, AHCO's direct use of tap (non-filtered) water directly from the faucet is the most efficient in terms of water conservation.
- ii. Custom Self-Watering Grow Tubs.
AHCO uses double-bottom tubs to implement self-wicking watering (a.k.a. sub-irrigation). All the runoff from watering is collected in the double-bottom area and is gradually used by plants when the upper soil dries. Drying soil literally wicks water accumulated in the double bottom of the grow tray and water travels up to the plant's roots. Therefore, AHCO has **no waste water (or runoff)** as a result of watering plants.

- iii. No wastewater/runoff means that no recapturing of runoff is needed, no filtration, no extra testing of the filtered water, and no cumbersome systems to take care of the issue of handling the runoff. This also provides electricity savings as the recapturing and filtration system is powered by electricity.
- iv. Watering of plants only takes place once every three days. Since runoff is simply collected in the double bottom of the self-wicking grow tray, this system and equipment provides continuous source of food and water to the plants until fully consumed. 2 gallons of feeding solution per tray is enough to sustain mature flowering plants for 3 days.
- v. The plants are handwatered and the self-wicking trays are constructed in the way that the double bottom capacity is 2 gallons. When 2 gallons of water are poured, the double bottom compartment does not permit more water in.
- vi. Pruning the plants.
Regular pruning at the stages when it is not detrimental to the plants, reduces transpiration and therefore water consumption.
- vii. AHCO performs and/or utilizes No CO₂ enrichment processes.
By contrast, CO₂ supplementation requires higher temperature of the environment for plants to utilize CO₂. Higher temperature promotes perspiration in plants which increases water consumption.

c) Alternative Water Supply

Under normal conditions AHCO's administrative and cultivation processes will use municipal (city) supplied water.

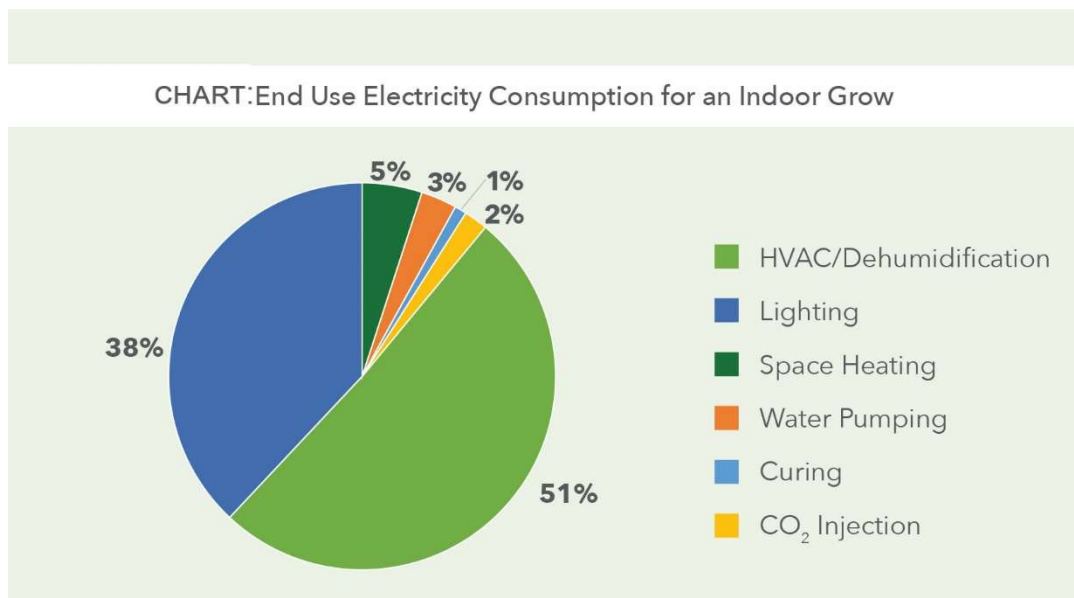
- i. Rain Water. If permitted by the City of Hayward, the Applicant will supplement such systems with rainwater barrels on the property to capture rainwater upon city approval. Under such approvals, the rainwater can be used for landscape irrigation, use in restrooms, and other utility purposes.
- ii. Out-of-State Water Suppliers. The Applicant will locate bulk water suppliers in Oregon (and other states), evaluate the costs of these alternate services, lock-in

the purchase price, and sign contracts that will be effectuated in event of an emergency, i.e. if California declares the drought state of emergency, for example.

- iii. In-State Well-Water Suppliers. The Applicant will also locate bulk well-water suppliers in California, that obtain well water in cities and regions that do not sink as a result of ground water depletion. The Applicant will evaluate such in-State services and costs, lock-in a purchase price, and sign contracts that will be effectuated in case of local water shortage emergency situation.

2. Energy Management

In regular commercial cannabis grow rooms, it is recognized that the largest percentage of electricity is used for cooling the flower rooms by running AC during the lights-on period. The below chart is an outtake from Kowley, N. (2017) SWEEP, A Budding Opportunity: Energy Efficiency Best Practices for Cannabis Grow Operations.



Based on the above study, it appears that efficiency in HVAC/Dehumidification and efficiency in lighting would be the largest contributing factors to maintaining a sustainable grow system.

According to the Northwest Power and Conservation Council (NPCC), indoor commercial cannabis production (also known as a cannabis grow room) can consume 2,000 to 3,000 kilowatt hours (kWh) of energy per pound of product.

Our grow operation – everything related specifically to the grow operation, including drying, office lights, bathrooms, etc – has planned consumption of between 670 kWh and 940 kWh per pound of product.

a) Energy Reducing Measures

i. Lowering HVAC Usage

AHCO will implement two measures to lower HVAC usage:

- No CO2 supplementation
- Using air-cooled lights in the flower rooms

CO2 burners raise room temperature, triggering the need to run AC cooling. AHCO **will not use CO2 enrichment** and thus will reduce AC usage to cool the rooms down.

The key in reducing usage of HVAC in the grow room is ability to remove from the grow room hot air generated by lights before it mixes with the inside air.

AHCO uses air-cooled light fixtures called “Cool Tubes”. Cool Tubes have air ducts attached to one end which then connects to the ducting hub. The ducting hub is a part of the odor-controlled exhaust system. Through this system, the hot air generated around the grow light bulb, is continuously “sucked” into the air duct and expelled from the grow room (and from the facility) before it has an opportunity to even mix with the room air. The hot air is removed by regular inline fans (low wattage) directing it into the exhaust ducting instead of cooling it on-site. Therefore, AHCO’s flower room requires significantly less AC cooling than a standard commercial flower room does. The Applicant’s setup uses only about half of the AC tonnage than a standard commercial grow room of this size would use.

ii. Lower Wattage and Focused Usage of Lights

A standard commercial grow room will have many high output lights – 1000W to 1200W – which require a lot of electricity. These lights are hung at a safe distance from the plants to not burn them, usually between 3 to 5 ft above the canopy. In most cases because the grow tables are or can be moved around, the engineering design for commercial lighting is intended to light the entire room rather than focus on canopy only. Such high numbers of lights are known to generate a great deal of unwanted heat. Since light is a wave, such light also gets “absorbed” and/or transferred into objects, surfaces, and air in the grow room, but not directly by the plants themselves. Therefore, only a small percentage of the entire light output gets used by the plants and the other percentages of light output is converted to heat energy. The light penetration into the plant canopy is also limited to about 18“-20” depending on the defoliation of the plants.

AHCO will run 600-Watt air-cooled lights, also known as Cool Tubes [<https://www.zenhydro.com/ipower-grow-lights-6-cool-tube-with-add-on-wing.html>].

This wattage is sufficient for the plants because the lights are suspended down to the plant level right above the canopy while the plants stretch. Since the light are air-cooled the plants do not burn even when touching the light fixtures. The light waves dissipate and are absorbed by the plants and not by surrounding objects because the lights are closer to the plants than to anything else. When the plants grow and no more stretch is needed, the lights then remain inside the canopy giving the entire light output to the plant. The light penetration into the canopy is from top of the plant to the bottom, through the entire plant. Light inside the canopy contributes to higher quality bud.

iii. Lowering Water Pump Usage

- Water filtration uses electricity to produce filtered water. AHCO uses tap water and has no water filtration needs.
- The grow setup uses self-wicking trays which yield no runoff and there is no need of recapturing runoff and there is no need in runoff filtration. Self-

wicking (sub-irrigation) method of growing saves electricity, since runoff filtration uses electricity to run pumps and filters and to divert water around.

- AHCO's plants are handwatered using a water pump every 3 days. Comparable grows watered automatically use pumps several times a day. Handwatering is more work intensive but it is energy saving in the long run.

b) Alternative Energy

i. Background

It is commonly known that less than 10% of produced energy in the USA comes from renewable sources. The majority of the renewable energy is coming from hydropower, then bio fuel, then wind, and only about 5% of all renewable energy comes from solar.

Nearly all the cannabis cultivation facilities in Alameda County receive their electricity from the municipal grid. Specifically, in the City of Oakland PG&E implemented a number of upgrades to make sure they can support electricity demand for hundreds of marijuana cultivators. Moreover, As of March 1, 2017, existing medical marijuana growers and future recreational marijuana growers are eligible for PG&E's agricultural energy rate.

ii. On-Site Power Generation

There are two technologies that can be effective to use in cannabis cultivation facilities - solar photovoltaic arrays (Solar PV) and natural gas cogeneration systems (Combined Heat & Power). Their implementation is complex and requires technical expertise, coordination with PG&E, and long-term financial planning.

AHCO consulted Southern Energy Services, SepiSolar, and PG&E regarding possible on-site power generation. To be able to determine feasibility and to offer any realistic solution the consultants required **final** facility layout, mechanical, plumbing, structural, and electrical designs. And additionally, at least 12 months of utility bills for the Level 1 Feasibility Analysis. Such considerations will be determined at a later date following demonstrated usage at this site.

AHCO was advised in the next 12 months:

- to finalize the tenant improvement designs and to present the consultants with the final copies for which building permit is issued;
- to collect utility bills from the cultivation facility for 12 months of operation;
- the applicant will install a 12-months data collector at the location proposed by consultants that will log number of hours of full sun per day (production capacity per day per panel = 250 watt panel x num hours of full sun per day)

While considering solar panels, it is important to make sure the panels have been sufficiently tested in use. Tesla solar batteries installed by Walmart and Amazon in sunny states caused multiple fires at Walmart and Amazon facilities.

iii. Off-Site Optimization

The City of Hayward now receives carbon-free energy through the East Bay Community Energy. EBCE began operating in June 2018 and according to their public commitments they purchase carbon-free energy from multiple energy providers in California and elsewhere, and then PG&E delivers this energy to the consumers at a fee. There are no cost savings to the consumers (i.e. to the Applicant), but the energy purchased through EBCE is a green energy. EBCE promises that at least 20% of energy used for cultivation to come from carbon-free sources.

c) Power-Related Emergency

i. Prevention

Power-related state of emergency comes as a result of inability by PG&E to support high electricity demand in peak hours and shortage of electricity (for various reasons). This creates rolling blackouts. The Applicant provided PG&E with estimates of the electrical consumption to help them prevent the state of emergency in the area and to plan ahead.

ii. Actions in Case of Emergency

If there is shortage of energy, i.e. electricity has to be routed to the city because there is higher/unexpected surge in demand, or for any other reason, AHCO will do all or some of the below steps, depending on the situation:

- b. Contact the City and PG&E to find out the estimated timeline of the state of emergency;
- c. Lower all the lights to the absolute minimum necessary for the plants to survive;
- d. Lease/rent a flatbed/truck power generator(s) and power the lights on alternative energy;
- e. Assess the state of the plants and determine the most cost-efficient solution of handling the further production (temporary termination, partial termination, continuing on low and alternative energy source).

3. Waste Management

All waste – cannabis and non-cannabis – will be in the secure waste enclosure. See DRAWING 3 for the secure waste enclosure on the property. The drawing shows the proposed physical fence and electronic fence surrounding the territory in which the waste enclosure is located. DRAWING 4 shows the secure trash enclosure in large scale with all the trash bins and locks listed. Note, that the secure cannabis trash receptacle will be locked in addition to other means of securing the location. Non-cannabis trash staging area is also marked on DRAWING 3.

a) Industrial Waste

AHCO anticipates that the industrial waste will be on the premises only at the time of the construction. The construction debris will be disposed of by the building contractor overseeing the project according to the rules and regulations related to the debris disposal. The Applicant will obtain copies of receipt of debris disposal from the contractor.

In the normal course of business operation there will be no industrial waste.

b) Office Waste

Waste produced on the property due to the day-to-day operation will be a regular domestic waste, similar to any office waste and will be collected by the municipal waste management company operating in that area.

AHCO will maintain several types of trash bins in the facility: recycling, organic, and trash.

c) Cannabis Waste Management Plan

All the cannabis waste will be disposed through a Waste Service Provider permitted by a local agency.

In accordance with applicable State requirements AHCO will obtain and retain:

(1) the following information from Waste Service Provider:

- (A) Name of local agency providing waste hauling services, if applicable;
- (B) Company name of the waste hauler franchised or contracted by a local agency or private waste hauler permitted by the local agency, if applicable;
- (C) Local agency or company business address; and
- (D) Name of the primary contact person at the local agency or company and contact person's phone number.

(2) a copy of a receipt from the Waste Service Provider evidencing subscription to a waste collection service.

AHCO will maintain a secured waste receptacle as follows:

- The waste receptacle (bin) for cannabis waste will be provided by the contracted waste hauler.
- The secured waste receptacle will be equipped with a chain and a key allowing access only of the Applicant, its employees and contractors, and of the contracted waste hauler.

- The secured waste receptacle will be located on the premises in a secured trash enclosure - the designated gated and locked dumpster enclosure (see DRAWING 3 and architectural plans). It is the same dumpster enclosure where the regular waste and recycled waste is stored (DRAWING 4). Additionally, the secured dumpster enclosure is going to be located in the area surrounded by the outer main fence encircling the parking lot and the front of the property. See DRAWING 3.

The waste produced in the framework of cannabis cultivation, such as pruned green leaves, yellow leaves and stems remaining after harvest, will be collected and dumped into the secured waste receptacle. The cannabis waste produced in the course of the distribution or manufacturing (packaging and labelling) activity, will be destroyed and dumped into the secured waste receptacle. Destruction of cannabis goods includes, at a minimum, removing or separating the cannabis goods from any packaging or container and rendering it unrecognizable and unusable through the addition of non cannabis filler (such as saw dust, filler or equivalent). All cannabis waste activities will be reported in track-and-trace system.

At the time of waste pickup, the waste hauler vehicle will be allowed onto the premises through the gate and a security personnel will oversee the waste collection processes at which point the paperwork and the manifest required by the certified cannabis waste hauling company will be provided to them and the waste hauling vehicle will be let out through the gate upon completion.

The regular (non-cannabis) waste pickup will be done outside of the facility. On the day of pickup the waste containers with recycle and general trash will be hauled out to the curbside/staging area (DRAWING 3) where they will be picked up and emptied.

d) Hazardous Waste

There will be no hazardous waste on site.

4. Waste Reduction and Recycling

a) Cultivation related waste reduction

At an average cannabis cultivation facility, a conventional fertilizer is responsible for the bulk of the cultivation-related non-cannabis waste. More specifically, the nutrient packaging and rockwool (for hydroponic setup). To address these concerns AHCO's consumption of plant nutrient is as low as it can possibly be. First, AHCO replaces soil at every new flowering cycle. New soil has all the organic nutrients for the first 2-4 weeks of flowering and therefore no additional nutrients are required. Used soil is sent to the commercial organic composting site and is mixed with organic matter and reclaimed for future use.

AHCO's grow method yields no run-off, all the fertilizer used on the plants remains in the grow tub. A subsequent watering after a regular feeding will either be plain pH-ed down water or a low concentration of fertilizer, only at 25% strength. As no fertilizer goes to waste, the use of the fertilizer in the AHCO setup is considered the most efficient.

b) Office Related (Domestic) waste reduction

AHCO will take extensive efforts to recycle as much as possible and given a choice will strive to select office products in packaging suitable for recycling. AHCO will maintain several types of trash bins and encourage and incentivize its employees and contractors to recycle and to conduct their operations and businesses in a sustainable manner.

AHCO's purchase policy goals for the office use are as follows:

- Purchase office/copy paper that is either: 100% recycled or FSC Certified with at least 30% post-consumer waste recycled content.
- Purchase bathroom and kitchen papers with a minimum of 30% post-consumer waste.
- For packaging of products, purchase containers with recycled content (minimum 30% post-consumer recycled content)

- Minimize and/or eliminate the use of single use plastic materials wherever possible and chose recycled materials as feasible.
- Packaging should be recyclable and/or compostable.

5. Other Sustainability Considerations

As AHCO does not use CO₂ enrichment, no CO₂ is released into the atmosphere from our cultivation operations, thereby minimizes our carbon footprint and fugitive gases commonly linked to and associated with Global Warming.