

## EXHIBIT I

### Illinois Department of Agriculture Cannabis Infuser License Application:

#### Exhibit I: Environmental Plan

#### Environmental Plan

The Infuser applicant is dedicated to conducting its infuser facility operations in a manner that is ecologically sustainable from an energy consumption, water consumption and waste generation standpoint. In furtherance of these goals, the Infuser applicant will consult with and retain an Environmental or Architectural Engineer to assist with its Environmental Plan and will, at a minimum, adopt and adhere to Best Management Practices that include methods, policies and procedures in the following areas:

1. As to maximizing energy efficiency, the implementation of measures that include the following:

For lighting equipment and controls if necessary:

- i. Use of fluorescent in all and infusion and office space.
- ii. Use of Energy Star lighting products.
- iii. Use, where appropriate, of photo-controls for exterior lighting unless security needs dictate otherwise.

For the building if necessary:

- iv. Install and/or increase roof and wall insulation.
- v. Control Air Leakage.
- vi. Install storm doors.
- vii. Insulate and seal skylights and window.
- viii. Use of storm/insulated windows carrying the Energy Star label.

Otherwise attempting to meet or exceed the energy efficiency requirements of the International Energy Conservation Code.

2. The infuser facility will apply for and utilize any and all available programs for free technical assistance in creating an energy efficient plan for construction of the building shell, tenant improvements, building systems and processes and effectuating the other goals stated in this part;
3. The infuser facility will use green building measures whenever feasible, utilizing materials such as denim insulation, non-toxic paint, and materials that do not off-gas.

4. As to water quality and conservation measures:



a. The infuser facility will instruct, train and educate its staff as to water conservation measures, including the following methods:

Avoiding water wasting techniques such as:

- i. Allowing water to run during washing/rinsing procedures when no active washing or rinsing is occurring.
- ii. Using the toilet to flush and dispose of small items that are more properly disposed of using trash containers.

The identification and reporting to appropriate management members of leaks in any portion of the water delivery, distribution and plumbing systems in and about the premises where the infuser facility conducts its operations; employ water conserving equipment and materials, as follows:

- i. Water meter monitor including technology to identify leaks
- ii. The use of low flow equipment in sinks and toilets
- iii. The use of cleaning agents that do not rely on water

The infuser facility will train and instruct its staff in the following methods for preventing discharge to sewer drains:

- i. Identification of chemicals and other substances that are inappropriate for discharge into sewer drains.
- ii. Development of a spill prevention and control program.
- iii. Prohibiting the use of petroleum-based cleaning products, acids, phosphates or other similar agents or solvents that may produce liquid discharge or run-off.
- iv. Prohibiting the use of any products which contain heavy metals or which breakdown into heavy metals.
- v. Painting of any portion of the roof of the building comprised of galvanized sheeting with an enamel paint.
- vi. Proper storage and segregation of all cleaning and sanitizing products to prevent leakage.
- vii. Frequent sweeping of the premises.
- viii. Placement of dumpsters and other waste containers in areas that are not directly exposed to rainwater or with covers that are watertight.

Except for statutorily specified cleaning agents, the infuser facility will restrict the use of cleaning agents to use non-toxic materials such as vinegar, baking soda and environmentally friendly surfactants in cleaning and sanitizing operations.

5. As to solid resource conservation:

- i. Using, where available, paper, plastic and other containers that have been produced using recycled materials, identifying vendors of such products, and training staff as to the use of such vendors. We will endeavor to minimize packaging and waste wherever possible.
- ii. Instituting a recycling program whereby:

- iii. Staff are trained as to recycling programs operated by local waste management providers and private recycling providers.
- iv. Used or discarded paper, plastic or other items are placed for pick up and recycling by waste management providers or transported to private recycling centers.

## 6. Disposal and Destruction Program

- i. As to the material that cannot be used in such a manner and which therefore must be discarded or destroyed, the infuser facility will use the following approach:
- ii. The Infuser applicant will identify one or more local landfills or transfer stations that will receive marijuana waste materials and will further identify one or more facilities that receive organic or other waste for energy generation purposes.
- iii. The infuser facility will identify a manager responsible for segregating and disposing of cannabis waste matter.
- iv. Any cannabis product that is designated for destruction or disposal will be identified by date, batch and volume by the Inventory Control System and will be ground, milled or otherwise processed into a gauge where the particles can be readily combined with another substance so as to render the ground/milled/processed marijuana material non-viable;
- v. Once processed for disposal, the material to be discarded or destroyed will be combined with mulched cardboard, used plant soils or other non-toxic inert material to render unusable the cannabis matter contained therein.
- vi. Following the rendering of any potentially unusable marijuana non-viable by the above described method, the infuser facility employee responsible for the destruction/disposal of the material will isolate and identify said material pending transfer to a designated waste or energy generation facility.
- vii. At the time of transfer, the infuser facility employee responsible for the destruction/disposal will prepare a tentative trip plan identifying the matter to be transported, the employee transporting said matter, the destination where the matter is to be transported and the route to be used in transporting such matter;
- viii. In addition, a certificate confirming the weight delivered will be recorded in order to verify it matches the weight which left our facility.
- ix. As more regulations are released regarding cannabis waste from a retailer, The Infuser applicant will follow all new laws and procedures.

The Infuser Applicant facility will engage in every act possible to protect the environment and the surrounding community to keep up with all regulations and laws set forth by the State of Illinois. Using continued education, and updating the Infuser facility employees on a monthly basis of any new information for the environmental plan set in place by the Infuser Applicant.

### **Storage/destruction of cannabis:**

The Infuser Applicant has developed a separate storage area as described in the manufacturing procedures plan for storage of cannabis or cannabis products. Within the Access to the storage area

will be limited and the cannabis or cannabis products subject to the administrative hold will be completely, physically segregated from other cannabis. All cannabis material or byproducts must be rendered useless and unrecognizable.

### **Waste Disposal:**

The Infuser Applicant has established a waste disposal system to ensure that waste produced by the facility is disposed of in a way that effectively destroys the cannabis waste and complies with all state and local laws. Cannabis waste will be disposed of in a manner that prevents unauthorized use of disposed materials. All such disposal will be documented and recorded within BIOTrack THC per the State of Illinois regulations.

Cannabis that is outdated, damaged, deteriorated, misbranded, adulterated or whose containers or packaging have been opened or breached will be separated for storage in a quarantined area until the cannabis is destroyed. The Infuser Applicant will provide the City notice prior to rendering the product unusable and disposing of the product. Cannabis waste will be stored, secured, locked and managed in accordance with City and State regulations.

#### **Solid waste generated at the Infuser facility will be disposed of as follows:**

Incineration in a commercial or municipal waste combustor within its locale holding a valid permit issued by the Environmental Protection Agency (EPA) after cannabis waste has been grinded and incorporated with paper, cardboard, plastic, soil or other wastes approved by the City.

At least two company employees will witness and document destruction; or Disposal in a landfill holding a valid permit issued by EPA or by the appropriate state agency in the state in which the facility is located after cannabis waste has been grinded and incorporated with paper, cardboard, plastic, soil or other wastes approved by the City.

Grinding and incorporating Cannabis waste with solid wastes such that the resulting mixture renders the Cannabis waste unusable. Once such Cannabis waste has been rendered unusable, it may be:

1. Disposed of in a solid waste management facility that holds a valid permit issued by the EPA or by the appropriate state agency
2. If the material mixed with the Cannabis waste is organic material as defined by state regulation, the mixture may be composted at an operation that is compliance with the requirements of the state of Illinois.

The Infuser Applicant will create and maintain detailed records of all destroyed products in the data tracking system, BIOTrack THC. Disposal documentation will include product description, quantity, date, time, location, reason for disposal, and will be signed by two company employees, one of which must be upper management. The Infuser Applicant Cannabis and will destroy and maintain a record of the transaction for seven years.

All waste and unusable product will be weighed, recorded and entered the Company's inventory system BIOTrack THC prior to mixing and disposal. Verification shall be performed by a member

of the management team and conducted in an area with video surveillance. This waste will be recycled and safe removal utilizing methods which comply with the State of Illinois integrated waste management act of 1989. By properly removing and disposing of litter and waste, the Infuser Applicant will minimize the development of odor and the potential for attracting and harboring pests.

### **Wastewater**

The Infuser Applicant will comply with all applicable wastewater discharge requirements including those established by the local water department and the state water resources control board. Water will be recycled, whenever possible and undergo filtration as well as reverse osmosis processing. Liquid waste containing Cannabis or by-products of Cannabis processing will be disposed of in compliance with requirements set forth by the state for discharge into sewers in compliance with the Environmental Protection Act.

### **Waste Management**

Cannabis waste will be stored, secured, locked and managed in accordance with the Illinois State regulations and will be tracked in the data tracking system:

- Where applicable for Liquid Waste. Liquid waste from a manufacturing center shall be disposed of in compliance with the Illinois Environmental Protection Act and 35 Ill. Adm. Code.
- Where applicable for Hazardous Waste. Disposal of hazardous and chemical waste must be conducted in a manner consistent with federal, State and local laws.
- Where applicable Cannabis waste must be rendered unusable following the methods set forth in this Section prior to leaving an infusion or manufacturing facility. Disposal of the cannabis waste rendered unusable must follow the methods in this Section.
- Where applicable an infusion facility must provide the Department and ISP, through the data tracking system (whereas Section 1000.400 describes), a minimum of seven day's notice prior to rendering the product unusable and disposing of the product.
- Where applicable the allowable method to render cannabis waste unusable is by grinding and incorporating the cannabis waste with other ground materials so the resulting mixture is at least 50% non-cannabis waste by volume. Other methods to render cannabis waste unusable must be approved by the Illinois Department of Agriculture before implementation

### **Material used to grind with the cannabis falls into two categories:**

1. Compostable waste and
2. Non-compostable waste

### **Compostable Mixed Waste**

When applicable Compostable Mixed Waste: Cannabis waste to be disposed of as compost, feedstock or in another organic waste method (e.g., anaerobic digester) may be mixed with the following types of waste materials:

1. Food waste.
2. Yard waste.
3. Vegetable based grease or oils; or
4. Other wastes approved by the Department (e.g., agricultural material, biodegradable products and paper, clean wood, fruits and vegetables, plant matter).

### **Non-Compostable Mixed Waste:**

Non-compostable Mixed Waste: Cannabis waste to be disposed of in a landfill or another disposal method (e.g., incinerator) may be mixed with the following types of waste materials:

1. Paper waste.
2. Cardboard waste.
3. Plastic waste.
4. Soil; or
5. Other wastes approved by the Department (e.g., nonrecyclable plastic, broken glass, leather.

### **Waste Hauling**

Cannabis waste will be disposed of and stored in a secured waste receptacle or area restricted to the business, its employees, and the local agency, including a contracted waste hauler that has been contracted by a local agency. Public access to the designated receptacle or area will be strictly prohibited and all cannabis waste will be kept in a locked and secured area as per the Illinois State regulations set forth in the Act. The Infuser Applicant will not self-haul waste to a solid waste facility unless there is an urgency matter for waste, the Infuser Applicant will make the appropriate arrangements to have the waste disposed of.

The Infuser Applicant plans to use the local waste and sanitation, to collect and process its cannabis waste. Therefore, in keeping with Illinois state regulations, The Infuser Applicant will do all the following where applicable by Illinois State regulations:

1. Provide the State of Illinois or Department of Waste Management with the following information for the local agency, or waste hauler franchised or contracted by a local agency, who will collect and process the licensee's cannabis waste.
  - Name of local agency providing waste hauling services, if applicable.

- Company name of the local agency franchised or contracted or permitted waste hauler, if applicable;
  - Company business address.
  - Name of the primary contact person at The Infuser Applicant and contact person's phone number.
2. Obtain documentation from the entity hauling the waste that indicates the date and time of each collection of cannabis waste at the licensed premises; and
  3. Obtain a copy of the certified weight ticket or other documentation prepared by the entity hauling the waste confirming receipt of the cannabis waste at one, or more, of the following solid waste facilities where applicable by laws:
    - A manned, fully permitted solid waste landfill or transformation facility;
    - A manned, fully permitted composting facility or manned composting operation;
  4. Obtain documentation from the entity hauling the waste that indicates the date and time of each collection of cannabis waste at the licensed premises; and
  5. Obtain a copy of the certified weight ticket or other documentation prepared by the entity hauling the waste confirming receipt of the cannabis waste at one, or more, of the following solid waste facilities where applicable by laws:
    - A manned, fully permitted solid waste landfill or transformation facility.
    - A manned, fully permitted composting facility or manned composting operation;
    - A manned, fully permitted in-vessel digestion facility or manned in-vessel digestion operation;
    - A manned, fully permitted transfer/processing facility or manned transfer/processing operation.

The Infuser Applicant will follow all recall, quarantine, and destruction procedures as per the State of Illinois laws and regulations and will ensure record of all removal of cannabis whether sold or destroyed. At no point will the Infuser Applicant or its employees ever dispose of any cannabis products within reach of the public at its facility and will always have cannabis in any state in a locked and secure area.

### **Environmentally Friendly Vehicles**

During any transport of cannabis products or by-products, the Infuser Applicant will consider the safety of the driver as a main priority. While environmentally friendly vehicles are ideal for many delivery services, the applicant will seek out the best opportunity to work with companies that use

Hybrid Vehicles fully equipped with security cameras being installed on the inside of the vehicle, and cameras facing outside the vehicle to protect the nature of the driver and its contents.

Driving a hybrid vehicle within the Infuser business will help prevent pollution and will consume less fuel and emit less CO<sub>2</sub> than a comparable conventional petrol or diesel-engine vehicle. Hybrid vehicles used by businesses also get extra benefits in the shape of lower first year road tax and company car tax, as well as possibly avoiding congestion charges if the State assesses such fees. PHEVs and EVs have the benefit of flexible fueling: Since the electric grid is near most locations where people park, they can charge overnight at a residence, as well as at a fleet facility, workplace, or public charging station when available. PHEVs have added flexibility, because they can also refuel with gasoline or diesel (or possibly other fuels in the future) when necessary.

### **Eliminating Carbon Footprint**

The Infuser Applicant will maintain practicing the Three R's: Reduce, Reuse and Recycle. This will help to reduce any carbon footprint that may cause an environmental impact.

1. Reduce – Downsize purchases, Mindful Refuse – Avoid single use plastics and paper products by saying no thank you, opting for reusables.
2. Reuse – Avoid items that can't be reused or recycled,
3. Recycle – Properly recycle any plastic, paper, glass or metal. Recycle your rotted food by grinding and composting, or find a scrap drop off center in your community garden or farmers market.

### **Recycling**

There are many programs to partner with for manufacturing facilities around the world to help recycle hard-to-recycle waste at the facility level. The programs range from helping to recycle large volumes of packaging scrap to personal safety equipment. Some also provide zero waste consulting and closed-loop R&D support. Specific to cannabis recycling, many programs offer companies a recycle box for different types of packaging from vapes, to paper and even various containers.

These recycling programs can help to offer aid to local schools and communities by giving back to them when the surrounding companies and businesses implement a recycle program. Cannabis itself is considered organic refuse and can be treated like the leaves and grass you toss in the local greenery disposal. Recycling a plastic product made from multiple layers and different material types is not recyclable. This means most of those thick plastic or mylar bags that contain cannabis candies, brownies and other edibles will end up in the landfill – no matter what color bin you put them in. The Infuser Applicant will do everything possible to encourage using recyclable containers to package cannabis products and attempt to assist in creating a local recycling program for its facility.

The Infuser Applicant will also encourage the local dispensary retailers that it conducts business with to have recycling programs for their customers. Allowing the Infuser to collect the recyclable material and enter a program will equally benefit the cannabis businesses. Many other states and



cannabis businesses have implemented such programs, including containers that are used for vaping, edible plastic containers, and even cartridges. As an incentive to some consumers, retail dispensaries provide a box or receptacle for consumers to place their used containers in and receive a discount offered by the dispensary for helping recycle and keeping unnecessary items out of the landfill.