CANNABIS NB

VENDOR GUIDE

Last updated: October 2025

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INTRODUCTION

The Cannabis NB Vendor Guide is designed to help our supplier partners access the information they need to make the most of their relationship with our team. This copy is provided for your reference; however, supply terms may occasionally be updated. We'll share any important changes electronically, and we encourage you to visit the online version at cannabis-nb.com regularly to ensure you have the most up-to-date information.

WHAT GUIDES US

Corporate Vision

We provide the most innovative cannabis experience that offers choices that communities can trust.

Mission Statement

We ensure every customer experience is positive, memorable and built on a foundation of education and responsibility every time for the benefit of our communities.

Core Values

Engage

It is important that our team is engaged and cares about the business and where it is going. This makes them passionate about what they do every day and that in turn engages our customers effectively and authentically.

Inform

Information and education will always remain core values, both for our team and our customers. Every customer has specific needs, experience and expectations. Cannabis NB will always ensure that our team has the information they need to provide our customers with the right experience.

Inspire

We make a point of learning and understanding our customers' expectations and evolving our offering and information customized to individual customer's needs. Our team strives to make connections with our customers, get them excited about what the legal industry has to offer, and make them advocates for a positive and safe cannabis experience

Challenge

We will hold each other accountable to a higher standard of excelling in every interaction with co-workers, customers, vendors, partners and stakeholders. Asking questions and challenging each other to do better; always being prepared to step up and ask the difficult questions to ensure everyone is held accountable for great results and experiences.

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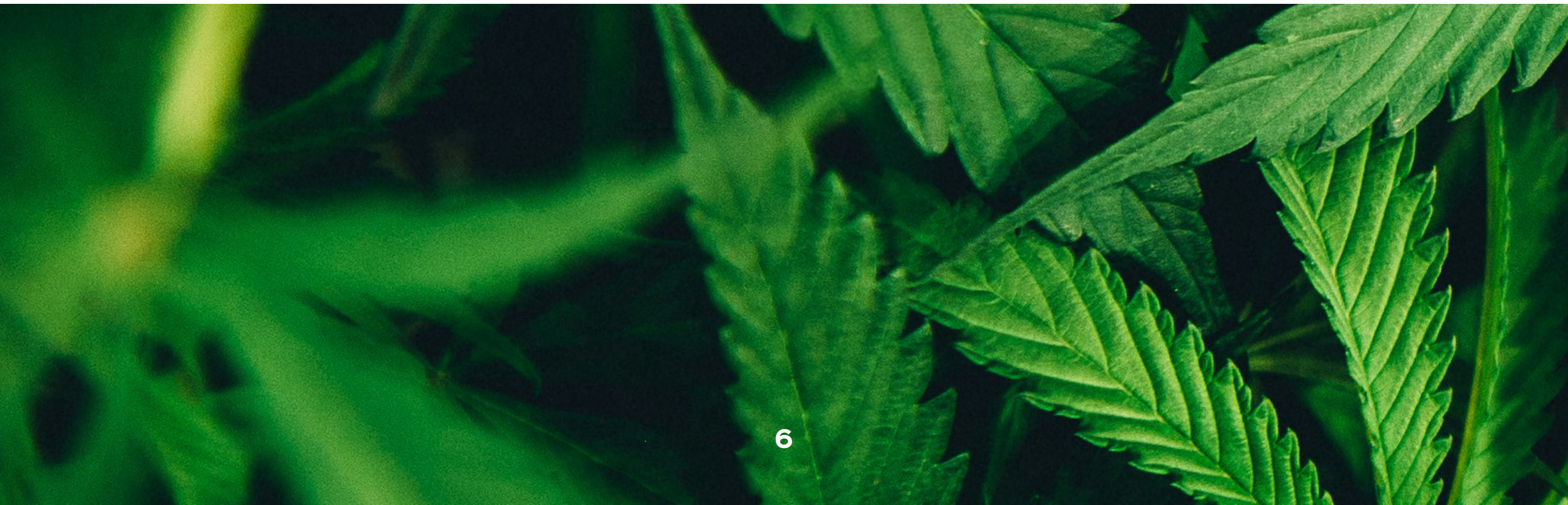


DISTRIBUTION MODEL

Cannabis NB operates and sells legal cannabis products through a mix of corporately operated stores, private retail locations and farmgate private retailers throughout New Brunswick. For a complete list of the corporate locations please visit www.cannabis-nb.com/stores/. For a complete list of our private retail and farmgate partners, please visit www.cannabis-nb.com/PrivateRetailers-DetaillantPrive/.

SUPPLIER GENERAL CODE OF CONDUCT

At Cannabis NB, our policy is to operate efficiently with a strong focus on dollar return, while providing customers with a well-rounded selection of cannabis products. We are committed to treating all suppliers fairly and evaluating every application with equal consideration.

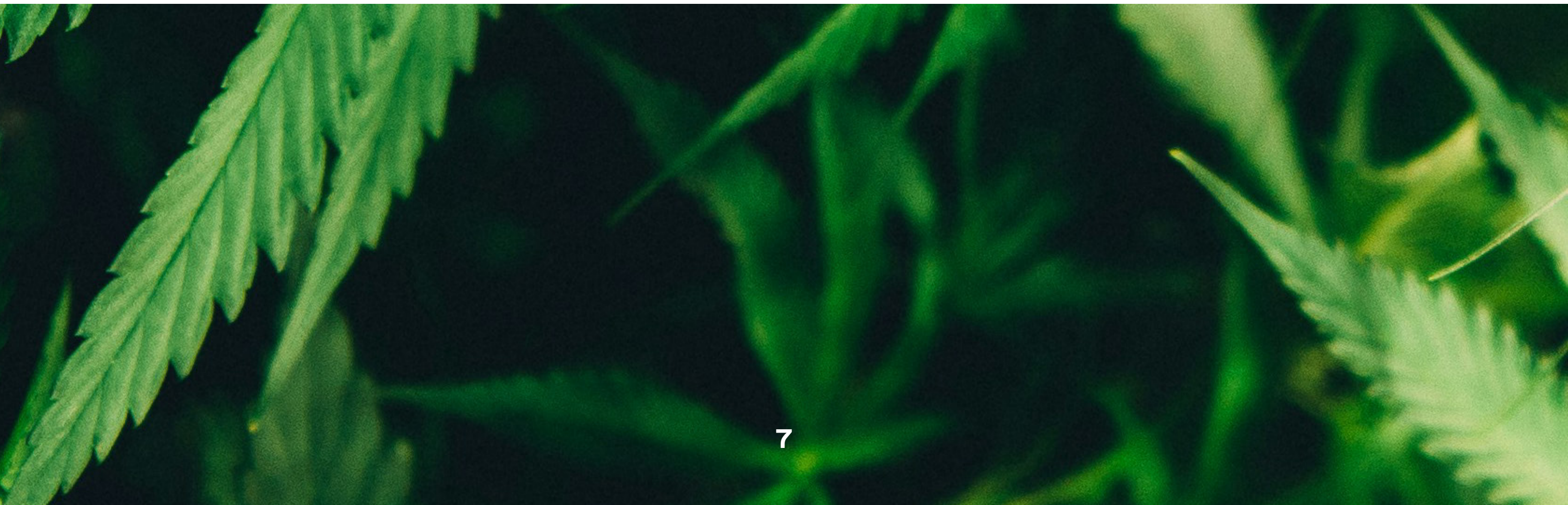
Our operations are guided by the principles of fairness, compliance with the law, transparency, accountability, efficiency, and sustainability. The Supplier General Code of Conduct is designed to align suppliers with these core values and expectations. We also expect that our suppliers—and prospective suppliers—uphold similar principles within their own business practices and across their supply chains.

This Code outlines the minimum standards required for managing ethical, social, and environmental risks and opportunities in our supplier relationships. It applies to all vendors contracted by Cannabis NB to provide goods or services. Adhering to this Code is a fundamental condition of becoming—and remaining—an approved supplier to Cannabis NB.

Additional terms, obligations, and conditions related to the supply of goods or services may also be detailed in individual purchase orders or formal agreements.

To review the full Supplier General Code of Conduct, please visit:
https://www.cannabis-nb.com/Industry/

By submitting listing applications to Cannabis NB, suppliers acknowledge and agree to comply with the Supplier General Code of Conduct, as well as all Terms & Conditions outlined in this manual.



LISTING POLICIES & PRODUCT GUIDELINES

By submitting applications to Cannabis NB product calls, suppliers recognize and agree to comply with the following Listing Policies & Product Guidelines.

General Listing Policies & Product Guidelines

- Prior to being listed through the procurement process, prospective supplier partners are required to complete all mandatory fields in the Cannabis NB Listing Form, which can be made available to supplier partners at any time by visiting Industry Resources using the link called "Product Submission." Suppliers will be responsible for correcting errors or formatting gaps in their submission as identified by the Category Manager. Any non-compliant forms will be rejected.
- All supplier products and packaging must comply with the applicable federal and provincial regulatory and Quality Assurance requirements related to cannabis and cannabis accessories.
- Product listings must fall within the Acceptable Cannabinoid Ranges maintained by Cannabis NB as outlined in this manual **(See Table 1)**.
- Product shipments cannot have a Packaged-On Date more than the permissible time prior to the delivery date as outlined in this manual **(See Table 2)**.
- Suppliers must satisfy the terms & conditions related to Charge Backs for all buy backs, unsaleable or quarantined products.
- Cannabis NB reserves the right to add assortment at its discretion as required to adjust for market demand as well as the availability of locally produced product. Cannabis NB will follow the product call schedule which can be found at **2026-2027 Product Call Schedule.** Exceptions will be made for the Advent Calendar and the Cannabis NB Cup which will have a separate product call.

Criteria for Selecting New Listings

The following are the primary factors Cannabis NB considers when determining the value and suitability of new product listings:

- Participation in Industry Developing Events
- Established Health Canada licensing (i.e. cultivation, processing and/or sales); Competitiveness of supplier DPLC pricing submitted;
- Uniqueness of product (e.g. verifiable genetic history, niche offering, etc.)

- Product availability (e.g. allocation volumes, shipping location, etc.)
- Past performance of supplier (e.g. product performance, fulfillment reliability, compliance with Supplier Manual provisions, etc.)
- Value-added services (e.g. customer/team engagement strategy, social responsibility initiatives, etc.)
- Cannabis NB highly takes into consideration the environmental impact of the supplier's products and its packaging
- Financial Stability: References for new suppliers may be requested.

Category Reviews

To identify category trends and potential growth opportunities, category reviews will occur on a continuous basis in partnership with suppliers. This continuous improvement exercise will be led by the Category Management team in consultation with suppliers and other key contacts at Cannabis NB.

As part of the category review process, current Suppliers will be evaluated on past performance and will be measured against the performance of all other relevant listings and the performance of the total category

The category review process may result in any one of the following:

- Assortment & Product Decisions
- SKU Rationalization – Product Delists resulting in product buy back
- Introduction of new products and innovation
- Licensed Producers & Vendor Outcomes
- Strengthening with high-performing vendors
- Delisting or replacing under-performing vendors
- Renegotiating costs
- Pricing & Promotion
- Changes to retail pricing strategies
- Development of new promo plans to better align with customer demand and seasonality
- Placement & Merchandising

- Improved product adjacencies
- Better space allocation for high-performing SKU's and growing categories
- Strategic Outcomes
- Better alignment to category role and Good, Better, Best product positioning strategy
- Identification of growth opportunities
- Improved alignment with corporate strategy (Ex. Sustainability, Innovation, Localization, etc)

Permanent Price Reductions

Permanent Price Reductions (PPRs) will be made available to suppliers at select points throughout the fiscal year. Products that do not meet performance expectations may be considered for price repositioning to better reflect customer-perceived value and drive sales.

If a product receives a permanent price reduction, the supplier will be billed for the total variance in DPLC to offset the cost of the adjustment, as part of the standard listing process.

Return to Vendor & Delistings

Inventory Return-to-Vendors (RTVs), involve a process whereby a supplier buys back inventory that was previously purchased from them by Cannabis NB.

Return-To-Vendor's occur most-routinely through the routine product quarantine process, because a product or lot is under-performing and should be proactively addressed before impacted inventory is quarantined. Addressing issues diligently through the ongoing Category Review process will often ensure Quarantine Limits are not reached and no supply chain bottlenecks or delays emerge.

If issues uncovered in the Category Review process are not felt to be specific to one product lot, but rather the product itself, the product may be de-listed. If a product is to be completely de-listed, suppliers have the option to:

A. Perform a RTV of remaining stockpiles;

B. Adjust the permanent price of the product to clear out remaining stock or

For all product RTV's, suppliers have the option to:

A. Have the impacted product held for pick-up at our Distribution Centre

B. Authorize us to destroy the impacted product

If the supplier wishes to have the product held for pick-up (i.e. unsaleable inventory, quarantined inventory, or other RTV inventory), Cannabis NB will hold applicable inventory for a maximum of twenty (20) business days. After twenty (20) business days have expired and the product is still not collected by suppliers, additional fees will apply. If product is to be held for supplier pick up, or destroyed, applicable charge back conditions will apply (see Charge Back section on page 22).

Under certain circumstances, suppliers may be required to remit payment in advance of any product pick-up or product destruction.

Acceptable THC Ranges - Table 1

Product Category	Mean of Range	Variance From Mean	Accepted Range
Dried Flower	32%	+/- 5%	30% to 34%
	21%	+/- 5%	20% to 22%
Pre-Rolls	31%	+/- 5%	29% to 33%
	28%	+/- 5%	26% to 29%
Infused Pre-Rolls	400mg/g	+/- 5%	380mg/g – 420mg/g
Concentrates	800mg/g	+/- 5%	760mg/g – 840mg/g
Edibles/Capsules	mg per unit	Exact	Max 10mg THC per Unit
Oils	mg THC per ml	Exact	15mg/ml THC
Beverages	mg per unit	Exact	10mg THC
Topicals	mg per unit	Exact	1000mg THC
Seeds	N/A	N/A	N/A

If a product shipment is received with cannabinoid levels that fall outside of the acceptable ranges as agreed to in the listing process, all non-compliant product within the shipment will be quarantined, removed from the purchase order, and held for supplier pick-up (i.e. max of twenty (20) business days) or destruction at the supplier's expense.

Acceptable Packaged-On Date Ranges - Table 2

Suppliers must ensure that the Packaged-On dates of product shipments do not exceed the dates specified in the purchase order by more than the defined period.

Product Category	Packaged-On Date Limits
Dried Flower	120 Days
Pre-Rolls	120 Days
Infused Pre-Rolls	120 Days
Concentrates	180 Days
Edibles/Capsules	180 Days
Oils	180 Days
Beverages	180 Days
Topicals	180 Days
Seeds	120 Days
Clones	7 Days

Best Before Limits - Table 3

To identify and deplete aging product and make way for new stock, older Packaged-On date products will be quarantined once the packaging date exceeds the defined limit (refer to table below).

Products that are quarantined will be addressed as part of the quarantine process, and will be held for supplier pick-up (i.e. managed differently depending on amounts) or destruction at the supplier's expense.

Product Category	Best Before Date Limits
Dried Flower	18 Months
Pre-Rolls	18 Months
Infused Pre-Rolls	18 Months
Concentrates	18 Months
Edibles/Capsules	18 Months
Oils	18 Months
Beverages	18 Months
Topicals	18 Months
Seeds	24 Months
Clones	14 Days

Bulk Buy Opportunities

Bulk Buy opportunities provide our Licensed Producers the opportunity to liquidate inventory through Cannabis NB where we pass the savings onto the consumer. As we will continue to leverage these opportunities, it is important to note that the Acceptable Package Date table will not apply to such opportunities.

Retail Customer Returns Policy

Cannabis NB offers customers 14-days to exchange a product purchased at one of our stores, purchased online at cannabis-nb.com for Home Delivery or purchased via our Same-Day Delivery Service.

To qualify for exchange, a product must:

- be in the original packaging, un-opened and/or un-used; or
- have a defect when the customer received it.

SUPPLY CHAIN POLICY & PROCEDURE

By submitting applications to Cannabis NB's product calls, licenced producers and vendors recognize and agree to comply with the following supply chain and financial requirements:

Purchase Orders

- Cannabis NB will issue purchase orders for all orders. POs not delivered within 10 days of Purchase Order Due Date will be cancelled at the Licenced Producers or vendor's expense.
- All products, unless otherwise specified, will be delivered to RSL Warehouse at 120 English Drive, Moncton, New Brunswick, E1E 4G7.
- Through collaboration with our licenced producers and vendors, Cannabis NB will place purchase orders with requested delivery dates as per lead times provided to CNB by the LP's and Vendors.
- Any variance between the shipped quantity and purchase order quantity must be communicated to Cannabis NB by emailing CNBInventory@cannabis-nb.com prior to the shipment arriving at RSL Warehouse.
- Products delivered without the proper paperwork and/or a valid purchase order will be quarantined and held for supplier pick-up (Max ten (10) business days days) or destruction at the supplier's expense. Failure to report discrepancies before arrival may result in a fine.

Delivery Location

- All product shipments to be FOB warehouse located at 120 English Drive, Moncton, New Brunswick, E1E 4G7.
- Warehouse is open for deliveries Monday – Friday from 8:00am - 3:00pm, excluding holidays and weather - related closures. No appointments are necessary.
- Cannabis NB reserves the right to request an alternate delivery location. In this instance, Cannabis NB will provide Supplier with reasonable notice of this request and the alternate delivery location will be noted on the purchase order.

Delivery Paperwork

Supplier-provided paperwork (e.g. packing slips) received by Cannabis NB at the time of delivery must contain the following information:

- Cannabis NB purchase order number
- Cannabis NB SKU numbers
- Product descriptions
- Product lot numbers
- Delivered quantities (case packs)
- Pallet or Box count (if applicable)
- Full supplier name
- Ship from location and address
- Master Case Pack GTINs for each product; and
- Case Configuration (i.e. number of retail selling units per shipping case)
- Pick slips identifying products on pallets and in shipped boxes

Barcode Standards

Cannabis NB requires all Licenced Producers and Vendors to provide their barcodes at the time of product setup to allow CNB to test them prior to placing a purchase order.

Cannabis Products

All cannabis producers must go through GS1 to secure their barcode symbology. This format must be used at minimum for master cases and retail selling packs, providing each package level with a unique barcode.

The chosen cannabis GS1 barcode symbology is as follows:

- Consumer Item Packaging – GS1 Expanded/Stacked Databar and GS1
- The Expanded/Stacked Databar and GS1 DataMatrix must include only the following in this exact order: GTIN (AI-01), Packaged-On Date (AI-13), and LOT (AI-10).
- The Packaged-On Date must follow the YYMMDD format in accordance with GS1 standards.
- Any discrepancies will prevent Cannabis NB from scanning items at the point of sale, and suppliers will be charged the applicable fees (see Table 5).
- All barcodes must be clear, legible, scannable, and include the human-readable numeric code printed beneath or beside the barcode.

Accessory Products

For accessories the following GS1 barcodes are accepted:

Consumer Item Packaging – Acceptable barcodes include GS1 DataBar, UPC-A/E, EAN-13, and EAN-8.

Master Pack Packaging – Acceptable barcodes include GS1-128 (typically GTIN only), Interleaved 2 of 5, UPC, or EAN.

- All barcodes must be clear, legible, scannable, and include the human-readable numeric code printed beneath or beside the barcode.
- Multi-pack products must carry a unique barcode on the outer packaging that differs from the barcodes on the individual units inside. Barcodes on individual units within a multi-pack must be placed so they cannot be scanned.
- Barcodes must not be truncated at any packaging level.

Case Label Format & Specifications

- Barcode colors: Black bars with white background.
- All case packages must be sealed package.
- Cases will be shipped along with a packing slip.

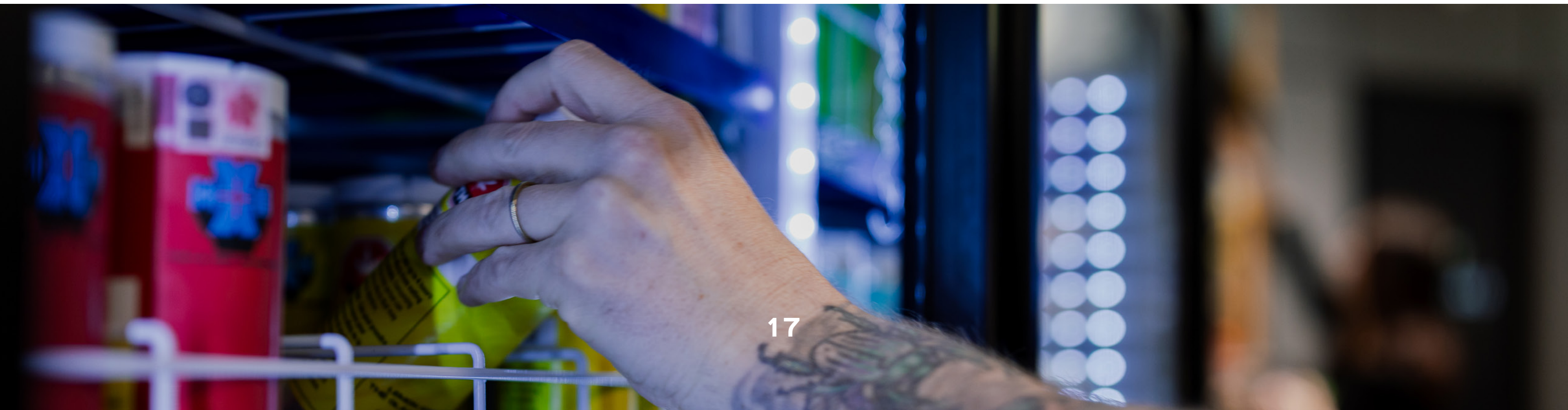
- 2 labels per case side by side (front and side). See example below.
- Layout of the case label will include below information:
- Product name will have a larger font size than other information on the label.

Product Case Standards

- Product cases must arrive in tamper evident packaging (e.g. cardboard case sealed with security tape.)
- All product cases delivered to Cannabis NB must have 2 labels (front and side) with the label visible at the time of delivery;
- The product case label must contain the following information:
  - Producer name, product name, product type, BIN number, GTIN (cannabis or accessory);
  - Number of retail units per case, retail unit format, lot #, expiry date, scannable and human readable barcode in the correct format.
- Products that do not scan upon delivery will be rejected.

Shipping Guidelines

- When shipping multiple products in boxes via courier, products should be packaged with one SKU per box where possible.
- Boxes should be numbered on the outside of the box (1 of 6, 2 of 6, etc.)
- If one SKU is in multiple boxes those boxes should be in sequence. For example, the same SKU should be in boxes 1, 2 & 3 not 1, 3 & 6.
- Beverages being shipped on pallets should be shipped similarly to boxes with one SKU loaded on the pallet first, followed by the next SKU and so on.
- The beverage SKU with the largest number of product cases being shipped should be on the bottom rows of the pallet.
- Pallets cannot be double stacked.



Receiving Requirements

- The maximum height of each skid of Product must not exceed 182cm, including the height of the pallet.
- Products are to be shipped on pallets which are compatible with standard racking systems. The pallets must be standard 122cm x 102cm sized pallets in good condition, with solid stringers and deck boards.
- Any pallets exceeding 1500 lbs. must be on a pallet that can withstand the weight of the product when being placed on racking system, preferably a CHEP pallet.
- Products on pallets MUST be shrink-wrapped to prevent shifting or toppling during transit.
- All items and different LOT#s for cannabis items should be separated on skids by slip sheets with the greater amount on the bottom of the pallet.
- Pallets are to be loaded on a trailer “straight.”
- A Bill of Lading (BOL) must be provided with each shipment. One copy of the BOL must be with the Driver; the second copy of the BOL must be affixed to the physical shipment. Each BOL must contain the CNB Purchase Order number and name of the Supplier.

VENDOR RETURNS & PRODUCT DISPOSAL

Unsaleable Inventory

Unsaleable Inventory quantities require return to vendor actions. Unsaleable Inventory is identified by Cannabis NB as inventory falling into the following categories:

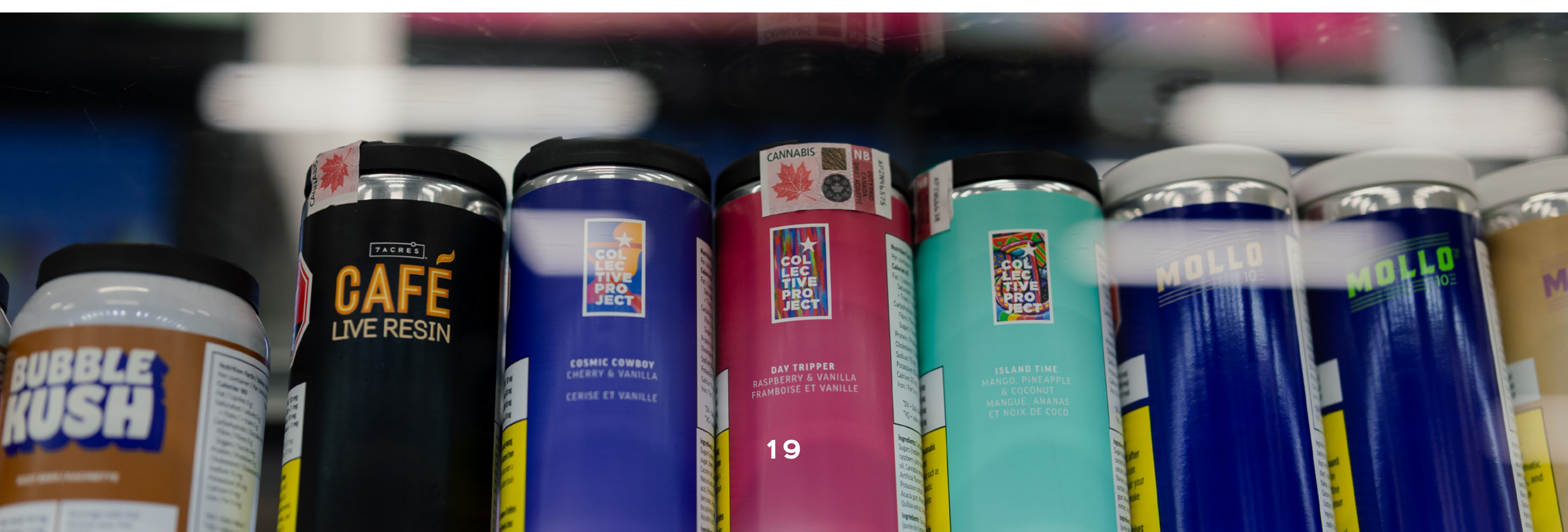
- Missing/Damaged Label
- Excise Seal Damage
- Customer Product Return
- Damaged/Leaking Packaging
- Recalled Product
- Quarantined Product
- Aged Out Inventory
- Other Miscellaneous Reasons as agreed upon with the supplier

All unsaleable inventory will be the responsibility of the supplier to collect from the Cannabis NB locations at the wholesale value (DPLC) or direct the Cannabis NB team to destroy which is done quarterly.

Return to Vendor

Cannabis NB will consolidate and process return to vendor issuances and at their expense, Licensed Producers and Vendors can choose to:

- Have their unsaleable product securely held for pick up for a maximum of ten (10) business days; or
- Have their consolidated unsaleable product destroyed on site at Cannabis NB.



Supply Chain Fees - Table 4

Supply Chain Fee #	Description of Discrepancy	Fee
1	Any product(s) received that contains a discrepancy between what was setup in the approved product setup file	$1000/Product
2	Product not scanning	$1000/Product
3	Product received exceeds package on date limit (Aged Bulk Buys Omitted)	$500/product
4	Wrong product shipped against purchase order. (Product must be collected by Vendor)	$500/Product
5	Product requires re-work to become sellable (Ex. Relabeling, barcode inconsistencies, etc)	$250/Labour Hour
6	Suppliers exceed ten (10) maximum days of having return to vendor product held for pick up	$100/Additional Day
7	If Shipment arrives 2 days or more after the estimated arrival date	Up To $5000
8	If the quantity received does not match the quantity noted on the purchase order	Up To $5000

FINANCE POLICIES & PROCEDURES

Language

All Purchase Order documents are in English, with French versions available upon supplier request.

Agreement to Purchase

A binding agreement with Cannabis NB is formed when the supplier accepts the purchase order in writing or delivers the products. Cannabis NB's terms take precedence, and any supplier changes are only valid if Cannabis NB agrees in writing.

Payment Terms

Cannabis NB pays suppliers within 30 days of receiving the invoice or products (whichever is later), via electronic funds transfer. Suppliers may request 14-day payments for a 3% invoice fee, which applies to all invoices until the supplier requests to return to 30-day terms.

Invoicing & Payment for Cannabis Purchases

- Licenced Producers and Vendors must complete Wire Payment Form with Cannabis NB Accounts Payable prior to having purchase orders placed.
- Invoices and purchase orders must match (Ex. Invoice line count must equal purchase order line count). Ordered and received quantities, unit price, applicable harmonized sales tax (HST) and purchase order number must be present on all invoices. If the invoice doesn't match the purchase order, the payment could be delayed past the Net 30 days payment terms at the sole expense of the supplier.
- Invoices must be sent for each purchase order issued.
- If there is a change in banking information, it is the supplier's responsibility complete the required documentation and provide back to Cannabis NB. Banking information will only be actioned following verbal confirmation using the existing contact on file.
- All invoice correspondence and payables inquiries must be forwarded to the Cannabis NB Accounts Payable email: payables@cannabis-nb.com
- Cannabis NB may offset undisputed supplier amounts owing against amounts payable to the supplier.
- Suppliers shall not short-pay Cannabis NB invoices or net their receivables against amounts owed to Cannabis NB without written agreement.

Credit Memos

Suppliers must provide a written Credit Memo (also referred to as Credit Note) every time they administer an applicable Charge Back, and/or any other supplier approved reasons as communicated by Cannabis NB (e.g. recalls, regulatory changes, etc)

The following represents the requirements maintained by Cannabis NB for written Credit Memos:

- Credit Memos will be due no later than thirty (30) days after the respective transaction is given approval by the supplier in writing and subsequently executed by Cannabis NB personnel.
- All Credit Memos related to inventory transactions require unit quantities, unit price, and original purchase order or invoice number reference.
- Credit Memo must reflect the taxable base and applicable HST shown as a distinct line.
- Once a Credit Memo is received from the supplier, it will be applied against the suppliers' respective Accounts Payable. In the event there is not expected to be ongoing purchasing activity, Cannabis NB can request a refund to be issued by electronic funds transfer no later than thirty (30) calendar days after the respective requested date.

To ensure accurate account reconciliation and reporting, Cannabis NB expects its suppliers to meet Credit Memo deadlines. If credit memo obligations are not being met, Cannabis NB reserves the right to suspend payment, or future purchase orders with suppliers.

When product is returned or destroyed, Cannabis NB may require return authorization (RA) details and/or destruction certificate numbers in the credit memo reference.

Charge Backs

Supplier Charge Backs can occur for various reasons including, but not limited to the following reasons:

A. Permanent Price Reductions

B. Product "Buy Backs"

C. Unsaleable Inventory

D. Other reasons as communicated by Cannabis NB to suppliers (e.g. regulatory changes, recalls, etc.).

Supplier Charge Backs are administered in a timely fashion as follows:

- Total Charge Back costs are inclusive of all costs related to the product's DPLC

- Suppliers must provide Cannabis NB with a Credit Memo, separate from purchase orders, covering the total costs inherent with the applicable Charge Back against their accounts payable account.
- Cannabis NB will deduct all charge backs from future payments, unless refund otherwise requested; and
- Credit notes are due within 30 days from when the supplier acknowledges and agrees to their charge back breakdown.

Insurance

Licenced Producers and Vendors must maintain Commercial General Liability insurance of at least $5M per occurrence and $5M aggregate, covering bodily injury, property damage, products, completed operations, and advertising liability. Upon request, the Licenced Producers and Vendors must provide CNB with proof of insurance and give 30 days' written notice of cancellation or material policy changes.